ISBA 2027 Legislative Priorities

September 15, 2026

1) **School Funding and SEA 1 Replacement Revenue**

Indiana ranks 38th in the nation in per-pupil spending and teacher compensation, and 40th in the nation in instructional spending. State tuition support funding is not keeping pace with inflation, and the Reason Foundation reports that Indiana is 50th in the nation for increases in per-student funding from 2002 to 2023. In addition, the circuit breaker tax cap losses totaling $4.2 billion since 2008, and the projected impact of SEA 1 of as much as a $770 million reduction in property tax levy dollars from 2026-2028, have placed significant funding challenges on school districts. ISBA calls for significant increases in the following:

- **Foundation Funding Per Student**
  ISBA calls for an **increase of 6% in the Foundation amount of the tuition support formula** for the next biennium. This proposed increase in funding is consistent with the tuition support formula increase provided by the Indiana General Assembly for FY '24, but the average increase the last three fiscal years has been only 2.4%, while inflation has averaged 3.2% over that period. This level of funding will help resume prior progress on elevated teacher pay across the state and support ongoing student achievement progress
- **Special Education**
  ISBA supports increases of 10% per special education category to help cover rising expenses and recruit and retain special education teachers and specialized staff like speech therapists, school psychologists, and school nurses. This increase should be applied to the three special education categorical grant amounts in the state tuition support formula: Severe, Moderate, and Communications Homebound. FY '26 funding was cut by 0.6% and only increased by 0.4% in FY '27. Current categorical amounts in the formula for FY '27 are: Severe = $11,634/student; Moderate = $2,924/student; and Communications/Homebound = $550/student. If we include preschool special education children, that amount is presently $3,812/child
- **Special Education Excess Cost Fund**
  ISBA supports an increase in the Special Education Excess Cost Fund in the state budget to address the $10 million shortfall of state obligations and provide an increase in this appropriation by **$15 million** in total to help offset the rapidly increasing local costs of residential placements for students with a disability
- **ELL Funding**
  ISBA calls for a $5 million increase annually to the English Language Learner (ELL) categorical grant funding during the 2027-2029 biennium. This categorical grant funding was $52 million in FY '27. The ELL student share in Indiana continues to significantly increase and grew from 5.85% in 2019 to 9.7% in 2026, with urban school corporations having a student population of 16.3% ELL. There were 21 school corporations (of all locale types) that had an ELL student population of 20% or greater. Logansport Community School Corporation, for example, has nearly 40% (1,669) of its 4,239 students classified as ELL. In this school corporation, 27 different languages are spoken by students, and many of these students arrived from Haiti, Brazil, Chile, and Guatemala with limited or interrupted formal education. Learning "how to

do school" has become a priority before students can begin language acquisition and learning academic content knowledge. More financial resources are needed to address these unique challenges.

- **Complexity Index**
  ISBA supports an increase in Complexity Index funding that was cut by -4.0% in FY '26 and only increased 0.2% in FY '27. This increase in funding would support both rural and urban school corporations that have high concentrations of students living in poverty. The Complexity Index is sound in principle and can work to close achievement gaps when sufficiently funded
- **Local Income Tax for School Corporations**
  ISBA supports enabling a local option income tax (LIT) for school corporations to offset property tax levy losses imposed by SEA 1, and any further changes or reductions in property tax levies, to address the declining funds available for facility maintenance, renovations, or construction. School corporations are having to rely more heavily on the Debt Service Fund for these needs
- **Indiana On My Way Pre-K Program**
  ISBA supports increasing access to high-quality preschool programs for more Hoosier families and their children by lifting the highly restrictive program enrollment cap of 2,500 children in the Indiana On My Way Pre-K Program imposed during the 2025-2027 biennium, and by expanding preschool funding. ISBA also supports raising the eligibility threshold for families with income at or below 135% of the Federal Poverty Level (FPL) to 185%
- **Math Screener Mandate**
  The success of the Grade 3 reading accountability legislation was the investment in reading around professional development and the Science of Reading. There is currently no such investment around the mandated math screener. Funding for teacher professional development and student math remediation programs is needed
- **Indiana Secured Schools Safety Grant**
  ISBA supports increasing funding for the Indiana Secured Schools Safety Grant from $27 million per year to $32 million per year to eliminate the funding gap between the total grant requests by all schools (public and private) and the annual appropriation. This program has been a highly successful state grant program to help enhance safe and secure learning environments for students

2) **Eliminate TAG and Create Teacher Induction Mentorship Program**
ISBA supports the elimination of the Teacher Appreciation Grant and use of $12 million (of the $35.6 million annual appropriation) to create a structured **Teacher Mentor Program** (with stipends of $3,500/mentor teacher). Indiana loses about a third of the new first-year teachers in their first five years in the classroom. The research is clear that a structured mentorship improves teacher retention, instructional practice, and student achievement. As currently structured, the state's TAG program rewards teachers who choose to mentor (and whose school corporations apply for Tier 2 or 3 grant funding) but does not guarantee that all 3,400 new teachers each school year are paired with a mentor. Move the balance of the TAG appropriation, approximately $23.6 million, into the tuition support formula to address ISBA school funding priorities (see Priority 1).

3) **Title 20 K-12 Education Deregulation and Modernization**

Legislative leaders have signified intent to have a three-year process to revise and update Indiana Code Title 20 pertaining to K-12 education policy and school governance. House Enrolled Act 1004-2026 (Public Law 74) was the second-year byproduct of this process. Indiana schools need a legislative session with fewer new mandates than the 38 laws passed on average per year over the last nine years for school corporations and school boards to implement. A "breather" on new school mandates would provide school administrators with "a steady target for which to aim" as they work to improve student achievement outcomes. As the General Assembly continues its review of Title 20, ISBA supports eliminating outdated, duplicative, or unnecessarily prescriptive requirements and restoring decision-making authority to locally elected school boards.

A) Change the Collective Bargaining Window

ISBA supports changing the collective bargaining window to better align to the annual budget adoption calendar by moving and expanding the current 60-day window of September 15 – November 15 (a period that ends after the statutory deadline of November 1 for calendar year budget adoption) to July 15 – October 15. This new 90-day period will give school corporations greater flexibility and local control on when to bargain and enable the bargaining process to be completed before the adoption of the annual budget.

B) Teacher and Administrator Contract Issues

ISBA supports amendments to the teacher contract cancellation procedures that would (1) provide teachers who are being terminated due to a reduction-in-force the same due process procedures that apply in all other teacher terminations; (2) allow a school board greater flexibility in suspending a teacher without pay; and (3) provide a school board with the discretion to grant continuances in the termination process. ISBA also supports eliminating the deadline for nonrenewing administrator contracts. Lastly, ISBA supports clarifying that a probationary teacher is a teacher in the first or second year of employment with the same school corporation.

C) Reduce the List of Mandatory Website Postings

The information school corporations are statutorily required to post on their websites has increased significantly, with new posting requirements added over time without corresponding review or removal of requirements that have become outdated, duplicative, or unnecessary. ISBA supports a comprehensive review and reduction of mandatory website posting requirements, particularly when the same information, data, or resources are already publicly available through IDOE, Indiana's GPS dashboard, or other state resources. Streamlining these requirements would reduce unnecessary administrative and website-maintenance burdens, eliminate redundant reporting, and provide school boards greater local flexibility in determining how best to make information accessible to their communities.

D) Election Day Polling Centers Issues

School corporations continue to grapple with election day polling site requirements that pose security challenges to personnel and students during the school day as well as prompting traffic and parking problems. ISBA supports restoring local control on the authority to decline polling site requests from county clerks.

E) Repeal of the $1 Lease Law on Use of Underutilized or Vacant School Buildings

Now that property tax levies and Operation Fund referendum levies will follow students to charter schools on a proportionate basis beginning in 2028, and charter schools have access to the charter school facility grant, ISBA supports a repeal of the $1 lease law to take effect in 2028, or a waiver of the law if a school corporation consolidates with another.

F) Operations and Education Funds Transfers

Due to the increasing constraints placed on property tax levies for the Operations and Debt Service Funds of school corporations, and the fact that school corporations are spending 76% of their Operations Fund in just three areas (insurance, utilities, and transportation), ISBA recommends increasing the 15% funds transfer limit to 20% without penalties or consequences.

4) **Expansion of HEA 1360-2026 to Restrict Unreasonable Public Records Requests**

ISBA supports the provisions of HEA 1360-2026 that help control data scraping and phishing attempts for school records but seeks further changes to address record requests that are for commercial purposes seeking data to resell, use for marketing, or for purposes not directly tied to serving the local school community. ISBA recommends:

- Requiring commercial entities making high-volume or multi-agency requests to disclose their legal identity, physical address, actual client, and intended commercial use
- Requiring a signed accuracy and non-circumvention certification
- Permitting school corporations to respond to requests with reasonable aggregation of substantially identical requests submitted by the same requester, affiliated entities, or automated systems
- Allowing additional cost recovery for exceptionally burdensome commercial requests
- Permitting production in stages when immediate fulfillment would materially disrupt school operations
- Creating consequences for knowingly providing false requester information or intentionally circumventing an agency's portal
- Preserving access for residents, journalists, researchers, parents, civic organizations, and legitimate businesses.

2027 ISBA Legislative Foundational Statements

The Indiana School Boards Association (ISBA) is dedicated to improving the quality of public education and school governance throughout the state of Indiana. ISBA recognizes the role of the General Assembly in enacting legislation that impacts public education and is committed to representing the interests of its member school corporations when addressing legislative initiatives. ISBA has adopted the following foundational statements to formalize its position as it advocates on behalf of Indiana school boards, public education, and students on present and future legislation.

Support Exceptional Learning Opportunities for Hoosier Children

The ISBA supports programs and policies to provide exceptional learning opportunities for Hoosier children from Pre-K to Grade 12. Given that approximately 91 percent of all K-12 students attend a public school, the families of more than 1 million students have spoken and have made public schools the “schools of choice.” ISBA believes that, through local control, school boards have created a rich and diverse public education system that provides a multitude of learning environments, programs, and curricular offerings to students. Through these opportunities school boards must prepare a new generation of students to be college and career ready, helping drive the economic growth and prosperity of the state.

Promote Adequate Funding of Public Schools to Improve Student Outcomes

The ISBA supports the funding of public schools that is annually adjusted to keep ahead of inflation and that improves Indiana’s national rankings on per pupil funding and teacher compensation. In addition, school corporations require sufficient property tax levy dollars to fund all obligations paid through the Operations Fund. This allows local boards of education to support the ongoing improvement in the quality of public education and ensure adequate resources to address the learning needs of all children. ISBA supports the equitable funding of public schools, recognizing that schools may need additional funding to educate economically disadvantaged students and students with unique educational needs.

Empower School Board Authority

The ISBA supports empowering local boards of education with the authority to govern educational and financial matters, including curriculum and health and safety measures for students and employees of school corporations. In addition, the ISBA believes that school boards must maintain sole authority over governance structures and local reorganization plans, including consolidation, disannexation, or alternative administrative models. ISBA opposes state mandated governance changes and forced consolidations, especially when imposed without direct local voter approval.

Engage and Involve Families

The ISBA believes that the involvement of all families results in stronger schools and better student outcomes. School boards continually strive to create opportunities for parents, guardians, and caregivers to be heard, including providing avenues to review curricular materials. Parents, guardians, and caregivers should continue to have a process or opportunity for input on educational matters through the classroom teacher, principal, superintendent, and finally the school board. While ultimately, the establishment of student achievement goals and curriculum review and approval rest with the school board, family engagement helps shape goals and educational programming.

Maintain Safe and Supportive Classrooms
The ISBA believes that every child deserves a safe and secure learning environment. ISBA supports local control—with state support, guidance, and adequate funding—to implement comprehensive school safety plans informed by a threat assessment and developed in collaboration with law enforcement and public safety agencies. ISBA opposes both funded or unfunded mandates requiring the implementation of specific school safety equipment, devices, or technology. Policies and funding pertaining to school safety should be holistic and should also address the social and emotional needs of students and staff, including resources for guidance counselors, social workers, school psychologists, and mental health therapists to support student and staff wellness.

Promote High-Quality Teachers and School Leaders
The ISBA believes that effective educational achievement outcomes depend on a high-quality teacher and administrator workforce. We support legislation that respects and values the teaching profession. We support state policies and laws that enable "teachers to teach" without burdensome regulation or policies that diminish or demean the profession. ISBA seeks support for teacher recruitment strategies that both address critical shortage areas and attract a pipeline of diverse teacher candidates into the classroom, such as promising "Grow Your Own" partnerships between schools and postsecondary institutions and state pre-service teacher scholarship programs to attract more minority teachers to better reflect Indiana's student population. ISBA is a proponent of initiatives that improve the retention of excellent educators, including enhanced support for mentoring and leadership development.

Support Professional Development
The ISBA supports professional development opportunities that provide dedicated time for training and mentoring that enhance and elevate the teaching profession. We support state funding for professional development and in-service programs. The ISBA also supports enhanced teacher training on emerging technology advances impacting the delivery of instruction to students, such as the effective use of e-learning instruction strategies and artificial intelligence.

Seek Rigorous and Consistent Financial and Academic Outcome Measures for All Schools
The ISBA believes that the best approach to tracking the academic progress and effectiveness of our schools is through public transparency and availability of multiple academic outcome measures. The metrics used to grade school corporations and individual schools should be transparent and easy to understand. ISBA supports the use of multiple measures in the GPS Data Dashboard and the A-F school accountability framework to judge the quality of schools to reduce the over-reliance on summative assessment scores.

All schools (public, public charter, virtual and private) receiving state tuition support dollars should adhere to the same academic and financial accountability metrics. The public has a right to expect transparency and compliance with the public notice requirements, record keeping and audits needed for financial accountability, and access to public records from all schools that receive state funding. Whether an audit is conducted by the State Board of Accounts (SBOA) or by a contracted accounting firm, all audits should be submitted to the SBOA and made publicly available through the state's Gateway system. In addition, any school or school system receiving state tuition support should post an annual budget accessible to the public and have a public hearing on the budget before adoption. Dollars flowing to each school system type should be itemized separately in the state budget. Finally, charter schools that are part of a network of charter schools with centralized oversight or administration should be required to report affiliated expenses at this level

in the state's Form 9 expenditure report to ensure equitable fiscal accountability. Taxpayers deserve full transparency regarding how their tax dollars are spent on these programs.

The ISBA recognizes and commends the efforts of public schools to fulfill the unique constitutional duty to educate every child.

Oppose Further Changes to School Board Election Procedures
The ISBA supports maintaining the nonpartisan option for declaration of school board candidacy. Enabling nonpartisan candidates to run for school board office helps ensure options to voters to choose school board members based on their qualifications, experience, and vision for addressing local educational needs, rather than on party affiliation alone. School board members are entrusted with deciding what is in the best interest of students in their community. The focus of a school board member should remain on what is best for all children.

Protect School Calendar/Instructional Time
The ISBA supports the legislative mandate to conduct a minimum of 180 student instructional days and believes the local governing body should retain the authority to determine the school calendar. The ISBA supports giving increased flexibility to school boards to determine the length of the instructional day for professional development and student achievement benefits.

Student Assessment and Instructional Time Reform
ISBA recommends consideration for reforms to Indiana's student assessment and accountability system that protect instructional time and streamline assessment administration. Indiana schools are experiencing a significant increase in the amount of time dedicated to state-required assessments and related administrative requirements. Students in grades 3-8 currently participate in multiple assessment events throughout the school year, resulting in substantial losses of classroom instruction, hands-on learning opportunities, intervention services, and enrichment activities.

Ensure Responsible Governance of Artificial Intelligence in Schools
The ISBA believes local school boards must retain authority to govern the adoption and oversight of artificial intelligence tools in their school corporations, including policies on data privacy, vendor accountability, and appropriate use consistent with FERPA. ISBA supports state efforts to equip — not mandate — local boards with guidance and resources to manage AI governance. ISBA opposes unfunded state mandates that impose AI compliance requirements on school corporations without local input, adequate time, or dedicated funding.

Support Career and Technical Education (CTE)
The ISBA believes career and technical education (CTE) should enable students to complete a postsecondary credential during high school or move toward gainful employment upon graduation. All students should have the opportunity to engage in career exploration with support from highly qualified and professionally trained educators and through access to meaningful work-based learning, internships, or modern youth apprenticeships. Secondary CTE courses should create career pathways that lead to transferable skills and certifications to foster life-long learning. Policymakers and state agency leaders must support fiscal and administrative policies to incentivize cooperation between school corporations and employers, as well as to help with the purchase of new equipment, curricular resources and materials, the cost of all credentialing exams, and student transportation.

Create Public School Tax Credit Programs
The ISBA supports a state income tax credit for charitable contributions to public education foundations comparable to the credit for contributions to Scholarship Granting Organizations. In addition, ISBA supports a tax deduction for parents of public school students for educational expenses, including educational materials not paid for by the school corporation.

Allow Adequate Time and Support for Implementation of Policy Changes
The ISBA supports giving school corporations sufficient time to implement and assess the impact of the changes being made in the field of education. The constant change in standards, laws, and policies makes it difficult to determine whether the changes are resulting in improved educational environments, opportunities, and/or outcomes for students.