



February 17, 2025

HOUSE BILL No. 1001

DIGEST OF HB 1001 (Updated February 17, 2025 12:21 pm - DI 125)

Citations Affected: IC 2-5; IC 4-8.1; IC 4-13; IC 4-13.6; IC 5-28; IC 6-2.5; IC 6-3; IC 6-3.1; IC 8-22; IC 10-11; IC 14-9; IC 16-21; IC 16-28; IC 16-41; IC 20-19; IC 20-24; IC 20-25.7; IC 20-26; IC 20-28; IC 20-33; IC 20-37; IC 20-40; IC 20-43; IC 20-51; IC 20-51.4; IC 21-18; IC 36-7; noncode.

Synopsis: State budget. Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes. Extends the review, analysis, and evaluation of tax incentives by the legislative services agency through 2030. Provides that if the budget director determines at any time that a state agency can perform the agency's statutory obligations with less than the amount appropriated, the budget director shall, with the approval of the governor, and after notice to the state agency, reduce the amount or amounts allotted or to be allotted. Requires the budget director to withhold 5% of any appropriation to a state agency to be used for salaries or other wages for state agency employees or general operating
(Continued next page)

Effective: Upon passage; January 1, 2025 (retroactive); June 1, 2025; June 29, 2025; July 1, 2025; January 1, 2026; July 1, 2027.

Thompson, Porter, Snow, Jordan

January 21, 2025, read first time and referred to Committee on Ways and Means.
February 17, 2025, amended, reported—Do Pass.

HB 1001—LS 7763/DI 125



expenses of the state agency. Repeals a provision allowing the Indiana department of administration to enter into a lease with the Indiana historical society for use of a building. Provides that certain businesses providing specialized employee services receive a price preference of 15% for public works projects. Provides sales tax exemptions for feminine hygiene products and adult diapers. Increases the income tax deduction for a person over 65 with certain qualifying income from \$500 to \$1,000. Increases the: (1) employee threshold; and (2) maximum amount of tax credits that may be granted in a year; for purposes of the health reimbursement arrangement income tax credit. Establishes a state tax credit for certain capital investments made in rural funds (rural fund credit). Prescribes requirements for the rural fund credit. Establishes the Hoosier workforce investment tax credit (workforce credit). Allows an eligible business to claim a workforce credit for certain training costs incurred. Extends the sunset of the collection of hospital assessment fees and health facility quality assessment fees from June 30, 2025, to June 30, 2027. Removes the annual income maximum for choice scholarship eligibility. Repeals the chapter establishing the curricular materials fund and certain provisions related to procedures for reimbursement of costs of providing curricular materials. Changes the appointment and terms of members of the board of the Gary airport authority. Requires that the salary matrix for state police, capitol police officers, and department of natural resources law enforcement officers be adjusted each time an adjustment is made to a pay plan for state employees in the executive branch. Provides that an adult charter school is entitled to state funding in an amount that is based on the foundation amount for the state fiscal year. Requires the secretary of education to provide a report and recommendation to the general assembly concerning aligning state funding for dual credit with the new high school diploma and expanding access to dual credit course work to all Indiana students. Prohibits a school corporation or career and technical education center or school from charging a career scholarship student enrolled in the career scholarship account program or an approved intermediary acting on behalf of a career scholarship student a tuition or fee amount to enroll in or attend a career and technical education program, course, or class that is more than the proportionate amount that the school corporation or career and technical education center or school would receive under the career and technical education grant if the student had enrolled in and completed the applicable career and technical education program, course, or class. Provides that a career and technical education center that charges a career scholarship student a tuition or fee amount to enroll in or attend a career and technical education program, course, or class may not receive a credential completion grant for the student. Requires the department of education to distribute choice scholarships at least twice each semester (instead of once). Requires the commission for higher education to annually prepare and submit to the legislative council and to the budget committee a report that examines the utilization of physical facilities for instruction at each state educational institution. Specifies the amount of covered taxes that may be captured in the Evansville professional sports development area. Provides for the determination of the: (1) base assessed value; (2) gross retail base period amount; and (3) income tax base period amount; in an innovation development district (district). Requires the executive of a city, county, or town, or, if applicable, executives, and the Indiana economic development corporation to enter into an agreement establishing the terms and conditions governing any district (instead of only certain districts). Repeals the statewide innovation development district fund. Establishes the economic development reserve account. Provides that: (1) an appropriation to the legislative council and the legislative services agency for a state fiscal year ending before July 1, 2027, reverts to the state general fund as directed by the personnel

(Continued next page)



Digest Continued

subcommittee of the legislative council; and (2) an employee in an entity in the legislative or judicial branch of state government is eligible to participate in a pilot program for converting unused excess accrued leave to a monetary contribution for the employee in the employee's 401(a) matching account with Hoosier START. Provides that unexpended and unencumbered amounts appropriated from the federal economic stimulus fund in P.L.165-2021 do not revert to the state general fund. Requires the state comptroller to transfer: (1) \$15,000,000 from the addiction services fund; and (2) \$25,000,000 from the department of insurance fund; to the tobacco master settlement agreement fund on July 1, 2025.



February 17, 2025

First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1001

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

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

1 SECTION 1. [EFFECTIVE JULY 1, 2025]

2

3 (a) The following definitions apply throughout this act:

4 (1) "Augmentation allowed" means the governor and the budget agency are
5 authorized to add to an appropriation in this act from revenues accruing to the
6 fund from which the appropriation was made.

7 (2) "Biennium" means the period beginning July 1, 2025, and ending June 30, 2027.
8 Appropriations appearing in the biennial column for construction or other permanent
9 improvements do not revert under IC 4-13-2-19 and may be allotted.

10 (3) "Equipment" includes machinery, implements, tools, furniture,
11 furnishings, vehicles, and other articles that have a calculable period of service
12 that exceeds twelve (12) calendar months.

13 (4) "Fee replacement" includes payments to universities to be used to pay indebtedness
14 resulting from financing the cost of planning, purchasing, rehabilitation, construction,
15 repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities,
16 and equipment to be used for academic and instructional purposes.

17 (5) "Personal services" includes payments for salaries and wages to officers and
18 employees of the state (either regular or temporary), payments for compensation
19 awards, and the employer's share of Social Security, health insurance, life insurance,
20 dental insurance, vision insurance, deferred compensation - state match, leave
21 conversion, disability, and retirement fund contributions.

HB 1001—LS 7763/DI 125



1 (6) "State agency" means:

2 (A) each office, officer, board, commission, department, division, bureau, committee,
3 fund, agency, authority, council, or other instrumentality of the state;

4 (B) each hospital, penal institution, and other institutional enterprise of the state;

5 (C) the judicial department of the state; and

6 (D) the legislative department of the state.

7 However, this term does not include cities, towns, townships, school cities, school
8 townships, school districts, other municipal corporations or political subdivisions
9 of the state, or universities and colleges supported in whole or in part by state
10 funds.

11 (7) "Total operating expense" includes payments for "personal services", "services
12 other than personal", "services by contract", "supplies, materials, and parts",
13 "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel",
14 and "equipment".

15 (b) The state board of finance may authorize advances to boards or persons having
16 control of the funds of any institution or department of the state of a sum of money
17 out of any appropriation available at such time for the purpose of establishing
18 working capital to provide for payment of expenses in the case of emergency when
19 immediate payment is necessary or expedient. Advance payments shall be made by
20 warrant by the state comptroller, and properly itemized and receipted bills or invoices
21 shall be filed by the board or persons receiving the advance payments.

22 (c) All money appropriated by this act shall be considered either a direct appropriation
23 or an appropriation from a rotary or revolving fund.

24 (1) Direct appropriations are subject to withdrawal from the state treasury and for
25 expenditure for such purposes, at such time, and in such manner as may be prescribed
26 by law. Direct appropriations are not subject to return and rewithdrawal from the
27 state treasury, except for the correction of an error which may have occurred in any
28 transaction or for reimbursement of expenditures which have occurred in the same
29 fiscal year.

30 (2) A rotary or revolving fund is any designated part of a fund that is set apart as
31 working capital in a manner prescribed by law and devoted to a specific purpose
32 or purposes. The fund consists of earnings and income only from certain sources
33 or combination of sources. The money in the fund shall be used for the purpose designated
34 by law as working capital. The fund at any time consists of the original appropriation
35 to the fund, if any, all receipts accrued to the fund, and all money withdrawn from the
36 fund and invested or to be invested. The fund shall be kept intact by separate entries
37 in the state comptroller's office, and no part of the fund shall be used for any purpose
38 other than the lawful purpose of the fund or revert to any other fund at any time.
39 However, any unencumbered excess above any prescribed amount may be transferred
40 to the state general fund at the close of each fiscal year unless otherwise specified
41 in the Indiana Code.

42
43 SECTION 2. [EFFECTIVE JULY 1, 2025]
44

45 For the conduct of state government, its offices, funds, boards, commissions, departments,
46 societies, associations, services, agencies, and undertakings, and for other appropriations
47 not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are
48 appropriated for the periods of time designated from the general fund of the state of
49 Indiana or other specifically designated funds.



1
2 **In this act, whenever there is no specific fund or account designated, the appropriation**
3 **is from the general fund.**

4
5 **SECTION 3. [EFFECTIVE JULY 1, 2025]**

6
7 **GENERAL GOVERNMENT**

8
9 **A. LEGISLATIVE**

10
11 **FOR THE GENERAL ASSEMBLY**

12	LEGISLATORS' SALARIES - HOUSE		
13	Total Operating Expense	9,871,096	10,138,293
14	HOUSE EXPENSES		
15	Total Operating Expense	13,236,708	13,236,708
16	LEGISLATORS' SALARIES - SENATE		
17	Total Operating Expense	2,900,000	3,000,000
18	SENATE EXPENSES		
19	Total Operating Expense	13,150,000	15,544,000

20
21 **Included in the above appropriations for house and senate expenses are funds for**
22 **a legislative business per diem allowance, meals, and other usual and customary**
23 **expenses associated with legislative affairs. Each member of the house is entitled,**
24 **when authorized by the speaker of the house, to the legislative business per diem**
25 **allowance for every day the member is engaged in official business. The speaker**
26 **shall authorize the legislative business per diem allowance to be consistent with**
27 **law and house rules.**

28
29 **Each member of the senate is entitled, when authorized by the president pro tempore**
30 **of the senate, to the legislative business per diem allowance for every day the member**
31 **is engaged in official business. The president pro tempore of the senate shall authorize**
32 **the legislative business per diem allowance to be consistent with law and senate rules.**

33
34 **The legislative business per diem allowance that each member of the general assembly**
35 **is entitled to receive equals the maximum daily amount allowable to employees of the**
36 **executive branch of the federal government for subsistence expenses while away from**
37 **home in travel status in the Indianapolis area. The legislative business per diem**
38 **changes each time there is a change in that maximum daily amount.**

39
40 **In addition to the legislative business per diem allowance, each member of the general**
41 **assembly shall receive the mileage allowance in an amount equal to the standard**
42 **mileage rates for personally owned transportation equipment established by the federal**
43 **Internal Revenue Service for each mile necessarily traveled from the member's usual**
44 **place of residence to the state capitol. However, if the member traveled by a means**
45 **other than by motor vehicle, and the member's usual place of residence is more than**
46 **one hundred (100) miles from the state capitol, the member is entitled to reimbursement**
47 **in an amount equal to the lowest air travel cost incurred in traveling from the usual**
48 **place of residence to the state capitol. During the period the general assembly is convened**
49 **in regular or special session, the mileage allowance shall be limited to one (1) round**



1 trip each week per member.
2

3 Any member of the general assembly who is appointed by the governor, speaker of
4 the house, president or president pro tempore of the senate, house or senate minority
5 floor leader, or Indiana legislative council to serve on any research, study, or survey
6 committee or commission, or who attends any meetings authorized or convened
7 under the auspices of the Indiana legislative council, including pre-session conferences
8 and federal-state relations conferences, is entitled, when authorized by the legislative
9 council, to receive the legislative business per diem allowance for each day the
10 member is in actual attendance and is also entitled to a mileage allowance, at the
11 rate specified above, for each mile necessarily traveled from the member's usual
12 place of residence to the state capitol, or other in-state site of the committee,
13 commission, or conference. The per diem allowance and the mileage allowance permitted
14 under this paragraph shall be paid from the legislative council appropriation for
15 legislator and lay member travel unless the member is attending an out-of-state
16 meeting, as authorized by the speaker of the house of representatives or the president
17 pro tempore of the senate, in which case the member is entitled to receive:

18 (1) the legislative business per diem allowance for each day the member is engaged in
19 approved out-of-state travel; and

20 (2) reimbursement for traveling expenses actually incurred in connection with the
21 member's duties, as provided in the state travel policies and procedures established
22 by the legislative council.
23

24 Notwithstanding the provisions of this or any other statute, the legislative council
25 may adopt, by resolution, travel policies and procedures that apply only to members
26 of the general assembly or to the staffs of the house of representatives, senate, and
27 legislative services agency, or both members and staffs. The legislative council may
28 apply these travel policies and procedures to lay members serving on research, study,
29 or survey committees or commissions that are under the jurisdiction of the legislative
30 council. Notwithstanding any other law, rule, or policy, the state travel policies and
31 procedures established by the Indiana department of administration and approved by the
32 budget agency do not apply to members of the general assembly, to the staffs of the house
33 of representatives, senate, or legislative services agency, or to lay members serving
34 on research, study, or survey committees or commissions under the jurisdiction of
35 the legislative council (if the legislative council applies its travel policies and procedures
36 to lay members under the authority of this SECTION), except that, until the legislative
37 council adopts travel policies and procedures, the state travel policies and procedures
38 established by the Indiana department of administration and approved by the budget
39 agency apply to members of the general assembly, to the staffs of the house of representatives,
40 senate, and legislative services agency, and to lay members serving on research, study,
41 or survey committees or commissions under the jurisdiction of the legislative council.
42 The executive director of the legislative services agency is responsible for the
43 administration of travel policies and procedures adopted by the legislative council.
44 The state comptroller shall approve and process claims for reimbursement of travel
45 related expenses under this paragraph based upon the written affirmation of the
46 speaker of the house of representatives, the president pro tempore of the senate, or
47 the executive director of the legislative services agency that those claims comply with
48 the travel policies and procedures adopted by the legislative council. If the funds
49 appropriated for the house and senate expenses and legislative salaries are insufficient



1 to pay all the necessary expenses incurred, including the cost of printing the journals
 2 of the house and senate, there is appropriated such further sums as may be necessary
 3 to pay such expenses.

4	LEGISLATORS' EXPENSES - HOUSE		
5			
6	Total Operating Expense	3,611,905	3,611,905
7	LEGISLATORS' EXPENSES - SENATE		
8			
9	Total Operating Expense	2,000,000	1,700,000

10 Each member of the general assembly is entitled to a subsistence allowance of forty
 11 percent (40%) of the maximum daily amount allowable to employees of the executive
 12 branch of the federal government for subsistence expenses while away from home in
 13 travel status in the Indianapolis area for:
 14 (1) each day that the general assembly is not convened in regular or special session; and
 15 (2) each day after the first session day held in November and before the first session
 16 day held in January.

17
 18 However, the subsistence allowance under subdivision (2) may not be paid with respect
 19 to any day after the first session day held in November and before the first session day
 20 held in January with respect to which all members of the general assembly are entitled
 21 to a legislative business per diem, and the subsistence allowance under subdivision (1)
 22 may not be paid to a member after the final recess day in April with respect to any
 23 day in which the chamber in which the individual is a member meets as a body or in
 24 any period in which the chamber is in recess for less than six (6) consecutive days.

25
 26 The subsistence allowance is payable from the appropriations for legislators' subsistence.

27
 28 The officers of the senate are entitled to the following amounts annually in addition
 29 to the subsistence allowance: president pro tempore, \$7,000; assistant president
 30 pro tempore, \$3,000; majority floor leader, \$5,500; assistant majority floor leader(s),
 31 \$3,500; majority floor leader emeritus, \$2,500; majority caucus chair, \$5,500;
 32 assistant majority caucus chair(s), \$1,500; appropriations committee chair, \$5,500;
 33 tax and fiscal policy committee chair, \$5,500; appropriations committee ranking
 34 majority member, \$2,000; tax and fiscal policy committee ranking majority member,
 35 \$2,000; majority whip, \$4,000; assistant majority whip, \$2,000; minority floor leader,
 36 \$6,000; minority leader emeritus, \$1,500; minority caucus chair, \$5,000; assistant
 37 minority floor leader, \$5,000; appropriations committee ranking minority member,
 38 \$2,000; tax and fiscal policy committee ranking minority member, \$2,000; minority
 39 whip(s), \$2,000; assistant minority whip, \$1,000; assistant minority caucus chair(s),
 40 \$1,000; agriculture committee chair, \$1,000; natural resources committee chair,
 41 \$1,000; public policy committee chair, \$1,000; corrections and criminal law committee
 42 chair, \$1,000; civil law committee chair, \$1,000; education and career development
 43 chair, \$1,000; elections committee chair, \$1,000; environmental affairs committee
 44 chair, \$1,000; family and children services committee chair, \$1,000; pensions and
 45 labor committee chair, \$1,000; health and provider services committee chair, \$1,000;
 46 homeland security and transportation committee chair, \$1,000; veterans affairs and
 47 the military committee chair, \$1,000; insurance and financial institutions committee
 48 chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair,
 49 \$1,000; utilities committee chair, \$1,000; commerce and technology committee chair,



1 \$1,000; appointments and claims committee chair, \$1,000; rules and legislative procedure
2 committee chair, \$1,000; and ethics committee chair, \$1,000. If an officer fills more
3 than one (1) leadership position, the officer shall be paid for the higher paid position.
4

5 Officers of the house of representatives are entitled to the following amounts annually
6 in addition to the subsistence allowance: speaker of the house, \$7,000; speaker
7 pro tempore, \$5,000; deputy speaker pro tempore, \$2,000; majority floor leader,
8 \$5,500; majority caucus chair, \$5,500; majority whip, \$4,000; assistant majority
9 floor leader(s), \$3,500; assistant majority caucus chair(s), \$2,000; assistant majority
10 whip(s), \$2,000; ways and means committee chair, \$5,500; ways and means committee
11 vice chair, \$4,000; ways and means k-12 subcommittee chair, \$1,500; ways and means
12 higher education subcommittee chair, \$1,500; ways and means budget subcommittee
13 chair, \$3,000; ways and means health and human services subcommittee chair, \$1,500;
14 ways and means local government subcommittee chair, \$1,500; minority leader, \$6,000;
15 minority floor leader, \$4,500; minority caucus chair, \$4,500; minority whip, \$3,000;
16 assistant minority leader(s), \$1,500; assistant minority floor leader(s), \$1,500; assistant
17 minority caucus chair(s), \$1,500; assistant minority whip(s), \$1,500; ways and means
18 committee ranking minority member, \$3,500; agriculture and rural development committee
19 chair, \$1,000; commerce, small business, and economic development committee chair,
20 \$1,000; courts and criminal code committee chair, \$1,000; education committee chair,
21 \$1,000; elections and apportionment committee chair, \$1,000; employment, labor, and pensions
22 committee chair, \$1,000; environmental affairs committee chair, \$1,000; statutory
23 committee on legislative ethics committee chair, \$1,000; family, children, and human
24 affairs committee chair, \$1,000; financial institutions committee chair, \$1,000; insurance
25 committee chair, \$1,000; government and regulatory reform committee chair, \$1,000;
26 judiciary committee chair, \$1,000; local government committee chair, \$1,000; natural
27 resources committee chair, \$1,000; public health committee chair, \$1,000; public policy
28 committee chair, \$1,000; roads and transportation committee chair, \$1,000; rules and
29 legislative procedures committee chair, \$1,000; utilities, energy and telecommunications
30 committee chair, \$1,000; and veterans affairs and public safety committee chair, \$1,000.
31 If an officer fills more than one (1) leadership position, the officer may be paid for
32 each of the paid positions.
33

34 If the senate or house of representatives eliminates a committee or officer referenced
35 in this SECTION and replaces the committee or officer with a new committee or position,
36 the above appropriations for subsistence shall be used to pay for the new committee
37 or officer. However, this does not permit any additional amounts to be paid under
38 this SECTION for a replacement committee or officer than would have been spent for
39 the eliminated committee or officer. If the senate or house of representatives creates
40 a new, additional committee or officer, or assigns additional duties to an existing
41 officer, the above appropriations for subsistence shall be used to pay for the new
42 committee or officer, or to adjust the annual payments made to the existing officer,
43 in amounts determined by the legislative council.
44

45 If the funds appropriated for legislators' subsistence are insufficient to pay all
46 the subsistence incurred, there are hereby appropriated such further sums as may
47 be necessary to pay such subsistence.
48

49 **FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY**



1	Total Operating Expense	21,040,214	22,834,096
2	LEGISLATOR AND LAY MEMBER TRAVEL		
3	Total Operating Expense	700,000	700,000

4
5 **Included in the above appropriations are funds for usual and customary expenses**
6 **associated with legislative services.**

7
8 **If the funds above appropriated for the legislative council and the legislative**
9 **services agency and for legislator and lay member travel are insufficient to pay**
10 **all the necessary expenses incurred, there are hereby appropriated such further**
11 **sums as may be necessary to pay those expenses.**

12
13 **Any person other than a member of the general assembly who is appointed by the governor,**
14 **speaker of the house, president or president pro tempore of the senate, house or senate**
15 **minority floor leader, or legislative council to serve on any research, study, or survey**
16 **committee or commission is entitled, when authorized by the legislative council, to a**
17 **per diem instead of subsistence of \$75 per day during the biennium. In addition to the**
18 **per diem, such a person is entitled to mileage reimbursement, at the rate specified for**
19 **members of the general assembly, for each mile necessarily traveled from the person's**
20 **usual place of residence to the state capitol or other in-state site of the committee,**
21 **commission, or conference. However, reimbursement for any out-of-state travel expenses**
22 **claimed by lay members serving on research, study, or survey committees or commissions**
23 **under the jurisdiction of the legislative council shall be based on SECTION 14 of this act,**
24 **until the legislative council applies those travel policies and procedures that govern**
25 **legislators and their staffs to such lay members as authorized elsewhere in this SECTION.**
26 **The allowance and reimbursement permitted in this paragraph shall be paid from the**
27 **legislative council appropriations for legislative and lay member travel unless otherwise**
28 **provided for by a specific appropriation.**

29
30 **Included in the above appropriations are funds for the printing and distribution of documents**
31 **published by the legislative council, including journals, bills, resolutions, enrolled**
32 **documents, the acts of the first and second regular sessions of the 124th general**
33 **assembly, the supplements to the Indiana Code for the biennium and the publication of**
34 **the Indiana Administrative Code and the Indiana Register. Upon completion of the**
35 **distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5,**
36 **remaining copies may be sold at a price or prices periodically determined by the**
37 **legislative council. If the above appropriations for the printing and distribution of**
38 **documents published by the legislative council are insufficient to pay all of the necessary**
39 **expenses incurred, there are hereby appropriated such sums as may be necessary to pay**
40 **such expenses.**

41	TECHNOLOGY INFRASTRUCTURE, SOFTWARE, AND SERVICES		
42	Total Operating Expense	6,152,770	5,679,848

43
44
45 **If the above appropriations are insufficient to pay all of the necessary expenses incurred,**
46 **there are hereby appropriated such sums as may be necessary to pay such expenses,**
47 **including state video streaming services and legislative closed captioning services.**
48 **The above appropriations or any part thereof remaining unexpended and unencumbered**
49 **at the close of any fiscal year remain available for expenditure until the earlier of**



1 June 30, 2029, or the purposes for which the appropriations were made are accomplished
2 or abandoned. If any part of the appropriations have not been allotted or encumbered
3 before the expiration of the biennium, the personnel subcommittee of the legislative
4 council may determine that any part of the balance of the appropriations may be
5 reverted to the state general fund.
6

7 The legislative services agency shall charge the following fees, unless the legislative
8 council sets these or other fees at different rates:
9

10 Annual subscription to the session document service for sessions ending in
11 odd-numbered years: \$900
12

13 Annual subscription to the session document service for sessions ending in
14 even-numbered years: \$500
15

16 Per page charge for copies of legislative documents: \$0.15
17

18 NATIONAL ASSOCIATION DUES

Total Operating Expense	461,122	741,428
-------------------------	---------	---------

21 FOR THE COMMISSION ON UNIFORM STATE LAWS

Total Operating Expense	100,000	100,000
-------------------------	---------	---------

24 FOR THE INDIANA LOBBY REGISTRATION COMMISSION

Total Operating Expense	419,402	452,123
-------------------------	---------	---------

27 FOR THE INDIANA PUBLIC RETIREMENT SYSTEM
28 LEGISLATORS' RETIREMENT FUND

Total Operating Expense	6,113	6,113
-------------------------	-------	-------

31 B. JUDICIAL

33 FOR THE SUPREME COURT

Total Operating Expense	22,330,232	22,330,232
-------------------------	------------	------------

36 The above appropriations include the subsistence allowance provided by IC 33-38-5-8.
37

38 LOCAL JUDGES' SALARIES

Total Operating Expense	100,743,927	101,269,016
-------------------------	-------------	-------------

40 COUNTY PROSECUTORS' SALARIES

Total Operating Expense	35,794,283	35,794,283
-------------------------	------------	------------

42 PROBLEM SOLVING COURTS

Total Operating Expense	6,000,000	6,000,000
-------------------------	-----------	-----------

44 SUPREME COURT TITLE IV-D

Total Operating Expense	1,950,000	1,950,000
-------------------------	-----------	-----------

46 TRIAL COURT OPERATIONS

Total Operating Expense	746,075	746,075
-------------------------	---------	---------

48 INDIANA COURT TECHNOLOGY

Total Operating Expense	17,588,380	17,588,380
-------------------------	------------	------------



1	INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY		
2	Total Operating Expense	778,750	778,750
3	GUARDIAN AD LITEM		
4	Total Operating Expense	6,337,810	6,337,810

5

6 The Office of Judicial Administration shall use the above appropriations to administer
7 an office of guardian ad litem and court appointed special advocate services and to
8 provide matching funds to counties that are required to implement, in courts with
9 juvenile jurisdiction, a guardian ad litem and court appointed special advocate program
10 for children who are alleged to be victims of child abuse or neglect under IC 31-33.

11 A county may use these matching funds to supplement amounts collected as fees under
12 IC 31-40-3 to be used for the operation of guardian ad litem and court appointed
13 special advocate programs. The county fiscal body shall appropriate adequate funds
14 for the county to be eligible for these matching funds.

15	ADULT GUARDIANSHIP		
16	Total Operating Expense	1,500,000	1,500,000

17

18

19 The above appropriations are for the administration of the office of adult guardianship
20 and to provide matching funds to county courts with probate jurisdiction that implement
21 and administer programs for volunteer advocates for seniors and incapacitated adults
22 who are appointed a guardian under IC 29. Volunteer advocates for seniors and incapacitated
23 adults programs shall provide a match of 50% of the funds appropriated by the office
24 of judicial administration of which up to half may be an in-kind match and the remainder
25 must be county funds or other local county resources. Only programs certified by the
26 supreme court are eligible for matching funds. The above appropriations include funds
27 to maintain an adult guardianship registry to serve as a data repository for adult guardianship
28 cases and guardians appointed by the courts.

29	CIVIL LEGAL AID		
30	Total Operating Expense	3,000,000	3,000,000
31	SPECIAL JUDGES - COUNTY COURTS		
32	Total Operating Expense	149,000	149,000

33

34

35 If the funds appropriated above for special judges of county courts are insufficient to pay
36 all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there
37 are hereby appropriated such further sums as may be necessary to pay these expenses.

38	INTERSTATE COMPACT FOR ADULT OFFENDERS		
39	Total Operating Expense	236,180	236,180
40	COMMISSION ON IMPROVING THE STATUS OF CHILDREN		
41	Total Operating Expense	440,000	440,000
42	PROBATION OFFICERS TRAINING		
43	Total Operating Expense	750,000	750,000
44	DRUG AND ALCOHOL PROGRAMS		
45	Total Operating Expense	100,000	100,000
46	PRE-TRIAL COMPLIANCE		
47	Total Operating Expense	4,000,000	4,000,000



1	FOR THE COMMISSION ON COURT APPOINTED ATTORNEYS		
2	Total Operating Expense	45,873,811	45,873,811
3	Public Defense Fund (IC 33-40-6-1)		
4	Total Operating Expense	7,400,000	7,400,000

5
6 The above appropriations from the public defense fund are made from the distribution
7 authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent
8 defense services provided to a defendant. Administrative costs may be paid from the public
9 defense fund. Any balance in the public defense fund is appropriated to the commission
10 on court appointed attorneys.

11	FOR THE COURT OF APPEALS		
12	Total Operating Expense	15,043,411	15,043,411

13
14
15 The above appropriations include the subsistence allowance provided by IC 33-38-5-8.

16	FOR THE TAX COURT		
17	Total Operating Expense	966,629	966,629

18	FOR THE PUBLIC DEFENDER		
19	Total Operating Expense	8,832,205	8,832,205

20	PUBLIC DEFENDER INCARCERATED DEFENSE SERVICES		
21	Total Operating Expense	1	1

22
23 Augmentation is allowed from the General Fund to cover the costs.
24
25
26 The above appropriation shall be used for expenses related to the defense of an
27 incarcerated person in accordance with IC 33-37-2-4.

28	FOR THE PUBLIC DEFENDER COUNCIL		
29	Total Operating Expense	1,946,666	1,946,666

30	AT RISK YOUTH AND FAMILIES		
31	Total Operating Expense	250,000	250,000

32	FOR THE PROSECUTING ATTORNEYS COUNCIL		
33	Total Operating Expense	1,584,755	1,584,755

34	DRUG PROSECUTION		
35	Substance Abuse Prosecution Fund (IC 33-39-8-6)		
36	Total Operating Expense	161,815	161,815

37	HIGH TECH CRIMES UNIT PROGRAM		
38	Total Operating Expense	4,500,000	4,500,000

39	PROSECUTING ATTORNEYS TITLE IV-D		
40	Total Operating Expense	1,950,000	1,950,000

41	PUBLIC PROSECUTION FUND		
42	Total Operating Expense	59,100,000	59,100,000

43	FOR THE INDIANA PUBLIC RETIREMENT SYSTEM		
44	JUDGES' RETIREMENT FUND		
45	Total Operating Expense	21,726,703	22,492,020

46	PROSECUTING ATTORNEYS RETIREMENT FUND		
----	--	--	--



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	5,128,038	5,263,931
2			
3	C. EXECUTIVE		
4			
5	FOR THE GOVERNOR'S OFFICE		
6	Total Operating Expense	3,220,500	3,220,500
7	SUBSTANCE ABUSE PREVENTION, TREATMENT, AND ENFORCEMENT		
8	State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))		
9	Total Operating Expense	5,000,000	5,000,000
10			
11	FOR THE LIEUTENANT GOVERNOR		
12	Total Operating Expense	3,946,948	3,946,948
13			
14	FOR THE SECRETARY OF STATE		
15	ADMINISTRATION		
16	Total Operating Expense	6,083,487	6,083,487
17	ELECTION SECURITY		
18	Total Operating Expense	1,590,000	1,590,000
19	VOTER EDUCATION OUTREACH		
20	Total Operating Expense	250,000	250,000
21	VOTING SYSTEM TECHNOLOGY OVERSIGHT		
22	Total Operating Expense	749,972	749,972
23			
24	FOR THE ATTORNEY GENERAL		
25	Total Operating Expense	29,344,488	29,344,488
26	Agency Settlement Fund (IC 4-12-16-2)		
27	Total Operating Expense	5,554,032	5,554,032
28	Augmentation allowed.		
29	Real Estate Appraiser Licensing		
30	Total Operating Expense	50,000	50,000
31	Augmentation allowed.		
32	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
33	Total Operating Expense	818,916	818,916
34	Augmentation allowed.		
35	Abandoned Property Fund (IC 32-34-1.5-42)		
36	Total Operating Expense	2,527,916	2,527,916
37	Augmentation allowed.		
38	OFFICE-MEDICAID FRAUD CONTROL UNIT		
39	Total Operating Expense	2,171,000	2,171,000
40			
41	The above appropriations are the state's matching share of funding for the state Medicaid		
42	fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation		
43	allowed from collections.		
44			
45	CONSUMER DATA PRIVACY		
46	Total Operating Expense	500,000	500,000
47	UNCLAIMED PROPERTY		
48	Abandoned Property Fund (IC 32-34-1.5-42)		
49	Total Operating Expense	7,883,908	7,883,908



1 **Augmentation allowed.**

2

3 **D. FINANCIAL MANAGEMENT**

4

5 **FOR THE STATE COMPTROLLER**

6 Total Operating Expense	8,633,335	8,633,335
----------------------------------	-----------	-----------

7

8 **FOR THE STATE BOARD OF ACCOUNTS**

9 Total Operating Expense	19,956,429	19,956,429
----------------------------------	------------	------------

10 **EXAMINATIONS**

11 **Examinations Fund (IC 5-11-4-3)**

12 Total Operating Expense	15,292,119	15,292,119
-----------------------------------	------------	------------

13 **Augmentation allowed.**

14

15 **FOR THE OFFICE OF MANAGEMENT AND BUDGET**

16 Total Operating Expense	926,199	926,199
-----------------------------------	---------	---------

17

18 **FOR THE DISTRESSED UNIT APPEAL BOARD**

19 Total Operating Expense	4,172,388	4,172,388
-----------------------------------	-----------	-----------

20 **Augmentation allowed after budget committee review**

21

22 **FOR THE MANAGEMENT PERFORMANCE HUB**

23 Total Operating Expense	9,325,010	9,325,010
-----------------------------------	-----------	-----------

24

25 **FOR THE STATE BUDGET AGENCY**

26 Total Operating Expense	4,625,802	4,625,802
-----------------------------------	-----------	-----------

27 **STATE AGENCY CONTINGENCY FUND**

28 Total Operating Expense	99,000,000	0
-----------------------------------	------------	---

29 **Agency Settlement Fund (IC 4-12-16-2)**

30 Total Operating Expense	1	1
-----------------------------------	---	---

31 **Augmentation allowed.**

32

33 **The above appropriations may be allotted to departments, institutions, and all state**
 34 **agencies by the budget agency with the approval of the governor. The above appropriations**
 35 **shall be allotted in the amount requested by the judicial branch, the legislative branch,**
 36 **and statewide elected officials by the budget agency.**

37

38 **PERSONAL SERVICES**

39 Total Operating Expense	0	82,500,000
-----------------------------------	---	------------

40

41 **The above appropriation shall be allotted by the budget agency to the judicial branch,**
 42 **the legislative branch, and statewide elected officials to support the costs of a supplemental**
 43 **pay period occurring in the fiscal year ending June 30, 2027.**

44

45 **The above appropriation may be allotted to departments, institutions, and all state**
 46 **agencies by the budget agency with the approval of the governor to support the**
 47 **costs of a supplemental pay period occurring in the fiscal year ending June 30, 2027.**

48

49 **OUTSIDE ACTS**



	<i>FY 2025-2026</i>	<i>FY 2026-2027</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			



1 department from taxes and fees.

2

3 **OUTSIDE COLLECTIONS**

4	Total Operating Expense	4,356,593	4,356,593
---	-------------------------	-----------	-----------

5

6 With the approval of the governor and the budget agency, the above appropriations
7 may be augmented to an amount not exceeding in total, together with the above specific
8 amounts, one and one-tenth percent (1.1%) of the amount of money collected by the
9 department from taxes and fees.

10

11 **MOTOR CARRIER REGULATION**

12 Motor Carrier Regulation Fund (IC 8-2.1-23-1)

13	Total Operating Expense	10,029,579	10,029,579
----	-------------------------	------------	------------

14 Augmentation allowed.

15

16 **FOR THE INDIANA GAMING COMMISSION**

17 State Gaming Fund (IC 4-33-13-2)

18	Total Operating Expense	3,642,785	3,642,785
----	-------------------------	-----------	-----------

19 Gaming Investigations (IC 4-33-4-18(b))

20	Total Operating Expense	1,380,073	1,380,073
----	-------------------------	-----------	-----------

21

22 The above appropriations are made from revenues accruing to the state gaming fund
23 under IC 4-33 before any distribution is made under IC 4-33-13-5.

24

25 **GAMING RESEARCH DIVISION**

26	Total Operating Expense	325,000	325,000
----	-------------------------	---------	---------

27 **ATHLETIC COMMISSION**

28 State Gaming Fund (IC 4-33-13-2)

29	Total Operating Expense	16,383	16,383
----	-------------------------	--------	--------

30 Athletic Fund (IC 4-33-22-9)

31	Total Operating Expense	66,683	66,683
----	-------------------------	--------	--------

32 **FANTASY SPORTS REGULATION AND ADMINISTRATION**

33 Fantasy Sports Regulation and Administration Fund (IC 4-33-24-28)

34	Total Operating Expense	49,990	49,990
----	-------------------------	--------	--------

35

36 **FOR THE INDIANA HORSE RACING COMMISSION**

37 Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

38	Total Operating Expense	3,795,825	3,795,825
----	-------------------------	-----------	-----------

39 **STANDARD BRED ADVISORY BOARD**

40 Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

41	Total Operating Expense	193,500	193,500
----	-------------------------	---------	---------

42 Augmentation allowed.

43

44 **FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE**

45	Total Operating Expense	4,420,648	4,420,648
----	-------------------------	-----------	-----------

46 Assessment Training and Administration Fund (IC 6-1.1-5.5-4.7)

47	Total Operating Expense	1,341,280	1,341,280
----	-------------------------	-----------	-----------

48 Augmentation allowed from the assessment training and administration fund.

49



1	FOR THE INDIANA BOARD OF TAX REVIEW		
2	Total Operating Expense	1,743,512	1,743,512
3	Assessment Training and Administration Fund (IC 6-1.1-5.5-4.7)		
4	Total Operating Expense	320,628	320,628
5	Augmentation allowed from the assessment training and administration fund.		

6
7 **F. ADMINISTRATION**

9	FOR THE DEPARTMENT OF ADMINISTRATION		
10	Total Operating Expense	25,005,576	25,005,576
11	MOTOR POOL ROTARY FUND		
12	Total Operating Expense	21,310,300	21,310,300
13	Charity Gaming Enforcement Fund (IC 4-32.3-7-1)		
14	Total Operating Expense	91,500	91,500
15	Fire and Building Services Fund (IC 22-12-6-1)		
16	Total Operating Expense	438,500	438,500
17	State Highway Fund (IC 8-23-9-54)		
18	Total Operating Expense	3,659,200	3,659,200
19	Integrated Public Safety Communications Fund (IC 5-26-4-1)		
20	Total Operating Expense	110,000	110,000
21	ATC Enforcement and Administration Fund (IC 7.1-4-10-1)		
22	Total Operating Expense	540,000	540,000
23	State Parks & Reservoirs Special Revenue Fund (IC 14-19-8-2)		
24	Total Operating Expense	666,400	666,400
25	Indiana Correctional Industries Fund (IC 11-10-6-6)		
26	Total Operating Expense	197,000	197,000
27	Motorcycle Operator Safety Education Fund (IC 9-27-7-7)		
28	Total Operating Expense	174,621	174,621
29	Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)		
30	Total Operating Expense	42,000	42,000

31
32 The budget agency may transfer portions of the above dedicated fund appropriations
33 from the department of administration back to the agency that provided the appropriation
34 if necessary.

35
36 In addition to the above appropriations, the budget agency with the approval of the governor
37 may transfer appropriations to the motor pool rotary fund established in IC 4-13-1-4
38 for the purchase of vehicles and related equipment.

40	FOR THE STATE PERSONNEL DEPARTMENT		
41	Total Operating Expense	3,834,223	3,834,223
42	GOVERNOR'S FELLOWSHIP PROGRAM		
43	Total Operating Expense	338,589	338,589
44	OFFICE OF ADMINISTRATIVE LAW PROCEEDINGS		
45	Total Operating Expense	2,093,135	2,093,135
46	PCORI FEE		
47	Total Operating Expense	145,000	145,000
48	Augmentation allowed.		



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	FOR THE STATE EMPLOYEES' APPEALS COMMISSION		
2	Total Operating Expense	182,643	182,643
3			
4	FOR THE OFFICE OF TECHNOLOGY		
5	IN MAPPING DATA AND STANDARD (GIS)		
6	Total Operating Expense	7,100,000	7,100,000
7			
8	FOR THE INDIANA ARCHIVES AND RECORDS ADMINISTRATION		
9	Total Operating Expense	2,427,737	2,427,737
10			
11	FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR		
12	Total Operating Expense	357,253	357,253
13			
14	G. OTHER		
15			
16	FOR THE OFFICE OF THE INSPECTOR GENERAL AND THE STATE ETHICS COMMISSION		
17	Total Operating Expense	1,506,611	1,506,611
18			
19	FOR THE SECRETARY OF STATE		
20	ELECTION DIVISION		
21	Total Operating Expense	1,818,209	1,818,209
22	VOTER LIST MAINTENANCE		
23	Total Operating Expense	2,925,000	2,925,000
24	VOTER REGISTRATION SYSTEM		
25	Total Operating Expense	3,870,286	3,870,286
26			
27	SECTION 4. [EFFECTIVE JULY 1, 2025]		
28			
29	PUBLIC SAFETY		
30			
31	A. CORRECTION		
32			
33	FOR THE DEPARTMENT OF CORRECTION		
34	CENTRAL OFFICE		
35	Total Operating Expense	43,362,013	43,362,013
36	ESCAPEE COUNSEL AND TRIAL EXPENSE		
37	Total Operating Expense	199,736	199,736
38	COUNTY JAIL MISDEMEANANT HOUSING		
39	Total Operating Expense	4,152,639	4,152,639
40	ADULT CONTRACT BEDS		
41	Total Operating Expense	95,058	95,058
42	STAFF DEVELOPMENT AND TRAINING		
43	Total Operating Expense	3,176,442	3,176,442
44	PAROLE BOARD		
45	Total Operating Expense	1,047,123	1,047,123
46	INFORMATION MANAGEMENT SERVICES		
47	Total Operating Expense	7,238,356	7,238,356
48	JUVENILE TRANSITION		
49	Total Operating Expense	1,117,448	1,117,448



1 **COMMUNITY CORRECTIONS PROGRAMS**
2 **Total Operating Expense** **72,625,165** **72,625,165**
3
4 Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-13-2-23, or any other law, the above
5 appropriations for community corrections programs are not subject to transfer to
6 any other fund or transfer, assignment, or reassignment for any other use or purpose
7 by the state board of finance or by the budget agency. Notwithstanding IC 4-13-2-19
8 and any other law, the above appropriations for community corrections programs
9 do not revert to the state general fund or another fund at the close of a state fiscal
10 year but remain available in subsequent state fiscal years for the purposes of the programs.

11
12 **HOOSIER INITIATIVE FOR RE-ENTRY (HIRE)**
13 **Total Operating Expense** **1,533,240** **1,533,240**
14 **CENTRAL EMERGENCY RESPONSE**
15 **Total Operating Expense** **1,981,864** **1,981,864**
16 **HEPATITIS C TREATMENT**
17 **Total Operating Expense** **14,821,924** **14,821,924**
18 **DRUG ABUSE PREVENTION**
19 **Corrections Drug Abuse Fund (IC 11-8-2-11)**
20 **Total Operating Expense** **127,500** **127,500**
21 Augmentation allowed.
22 **CORRECTIONAL FACILITIES CALLING SYSTEM**
23 **Correctional Facilities Calling System (IC 5-22-23-7)**
24 **Total Operating Expense** **11,000,000** **11,000,000**
25 Augmentation allowed.
26 **EXONERATION**
27 **Total Operating Expense** **1** **1**
28 Augmentation allowed.
29

30 The above appropriations shall be used for expenses relating to the restitution
31 of wrongfully incarcerated persons pursuant to IC 5-2-23. The department shall
32 collaborate with the Indiana Criminal Justice Institute to administer this program.
33

34 **COUNTY JAIL MAINTENANCE CONTINGENCY**
35 **Total Operating Expense** **45,000,000** **41,000,000**
36

37 The above appropriations are for reimbursing sheriffs for the costs of: (1) persons
38 convicted of level 6 felonies that are incarcerated in county jails, and (2) jail and
39 parole holds. The department shall reimburse sheriffs \$42 per day for the costs
40 described in this section. All requests for reimbursement shall be in conformity with
41 department policy.
42

43 For persons convicted of level 6 felonies that are incarcerated in county jails,
44 sheriffs shall be entitled to reimbursement only for the time that the person is
45 incarcerated in the county jail.
46

47 For jail and parole holds, reimbursement shall be based on the later of: (1) the
48 dates of incarceration when persons are incarcerated for more than five (5) days
49 after the day of sentencing; or (2) the date upon which the department receives



1 the abstract of judgment and sentencing order. The state shall reimburse the sheriffs
2 for expenses determined by the sheriff to be medically necessary medical care to
3 the convicted persons. If the sheriff or county receives money with respect to a
4 convicted person (from a source other than the county), the per diem or medical
5 expense reimbursement with respect to the convicted person shall be reduced by the
6 amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a)
7 or transport convicted persons within five (5) days after the day of sentencing if the
8 department of correction does not have the capacity to receive the convicted person.

9			
10	CORRECTIONAL SERVICES		
11	Total Operating Expense	225,063,624	225,063,624
12	JUVENILE DETENTION ALTERNATIVES INITIATIVE (JDAI)		
13	Total Operating Expense	3,052,398	3,052,398
14	PAROLE DIVISION		
15	Total Operating Expense	20,899,464	20,899,464
16	HERITAGE TRAIL CORRECTIONAL FACILITY		
17	Total Operating Expense	12,729,020	12,729,020
18	SOUTH BEND COMMUNITY RE-ENTRY CENTER		
19	Total Operating Expense	3,482,968	3,482,968
20	Work Release Fund (IC 11-10-8-6.5)		
21	Total Operating Expense	655,820	655,820
22	Augmentation allowed.		
23	INDIANA STATE PRISON		
24	Total Operating Expense	50,543,040	50,543,040
25	PENDLETON CORRECTIONAL FACILITY		
26	Total Operating Expense	46,416,547	46,416,547
27	CORRECTIONAL INDUSTRIAL FACILITY		
28	Total Operating Expense	30,135,893	30,135,893
29	INDIANA WOMEN'S PRISON		
30	Total Operating Expense	20,144,707	20,144,707
31	PUTNAMVILLE CORRECTIONAL FACILITY		
32	Total Operating Expense	41,021,806	41,021,806
33	WABASH VALLEY CORRECTIONAL FACILITY		
34	Total Operating Expense	62,453,376	62,453,376
35	BRANCHVILLE CORRECTIONAL FACILITY		
36	Total Operating Expense	26,107,052	26,107,052
37	WESTVILLE CORRECTIONAL FACILITY		
38	Total Operating Expense	63,530,108	63,530,108
39	ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN		
40	Total Operating Expense	25,322,370	25,322,370
41	PLAINFIELD CORRECTIONAL FACILITY		
42	Total Operating Expense	41,500,743	41,500,743
43	RECEPTION DIAGNOSTIC CENTER		
44	Total Operating Expense	23,101,332	23,101,332
45	MIAMI CORRECTIONAL FACILITY		
46	Total Operating Expense	43,717,072	43,717,072
47	NEW CASTLE CORRECTIONAL FACILITY		
48	Total Operating Expense	44,313,444	44,313,444
49	CHAIN O' LAKES CORRECTIONAL FACILITY		



	<i>FY 2025-2026</i>	<i>FY 2026-2027</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1	Total Operating Expense	3,117,793	3,117,793
2	MADISON CORRECTIONAL FACILITY		
3	Total Operating Expense	20,354,634	20,354,634
4	EDINBURGH CORRECTIONAL FACILITY		
5	Total Operating Expense	7,939,121	7,939,121
6	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY		
7	Total Operating Expense	16,795,771	16,795,771
8	LAPORTE JUVENILE CORRECTIONAL FACILITY		
9	Total Operating Expense	5,961,627	5,961,627
10	PENDLETON JUVENILE CORRECTIONAL FACILITY		
11	Total Operating Expense	24,435,136	24,435,136
12			
13	FOR THE DEPARTMENT OF ADMINISTRATION		
14	DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU		
15	Total Operating Expense	238,357	238,357
16			
17	B. LAW ENFORCEMENT		
18			
19	FOR THE INDIANA STATE POLICE		
20	Total Operating Expense	189,996,382	189,996,382
21	Motor Carrier Regulation Fund (IC 8-2.1-23-1)		
22	Total Operating Expense	5,684,355	5,684,355
23	Augmentation allowed from the motor carrier regulation fund.		
24			
25	The above appropriations include funds for the state police minority recruiting program.		
26			
27	The above appropriations include funds for the police security detail to be provided		
28	to the Indiana state fair board. However, amounts actually expended to provide security		
29	for the Indiana state fair board as determined by the budget agency shall be reimbursed		
30	by the Indiana state fair board to the state general fund.		
31			
32	ISP OPEB CONTRIBUTION		
33	Total Operating Expense	4,400,000	4,400,000
34	INTERNET CRIMES AGAINST CHILDREN (IC 10-11-10-2)		
35	Total Operating Expense	1,000,000	1,000,000
36	INDIANA INTELLIGENCE FUSION CENTER		
37	Total Operating Expense	1,240,253	1,240,253
38	FORENSIC AND HEALTH SCIENCES LABORATORIES		
39	Total Operating Expense	14,899,242	14,899,242
40	Motor Carrier Regulation Fund (IC 8-2.1-23-1)		
41	Total Operating Expense	1,320,708	1,320,708
42	Augmentation allowed from the motor carrier regulation fund.		
43			
44	ENFORCEMENT AID		
45	Total Operating Expense	59,791	59,791
46			
47	The above appropriations are to meet unforeseen emergencies of a confidential nature.		
48	They are to be expended under the direction of the superintendent and to be accounted		
49	for solely on the superintendent's authority.		



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

RETIREMENT PENSION FUND

Total Operating Expense	37,628,220	37,628,220
--------------------------------	-------------------	-------------------

The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

If the amount actually required under IC 10-12-2 is greater than the above appropriations, the above appropriations may be augmented from the general fund with the approval of the governor and the budget agency.

BENEFIT TRUST FUND

Total Operating Expense	6,000,000	6,000,000
--------------------------------	------------------	------------------

All benefits to members shall be paid by warrant drawn on the treasurer of state by the state comptroller on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-12-2.

If the amount actually required under IC 10-12-2 is greater than the above appropriations, the above appropriations may be augmented from the general fund with the approval of the governor and the budget agency.

PRE-1987 RETIREMENT

Total Operating Expense	5,450,000	5,450,000
--------------------------------	------------------	------------------

ACCIDENT REPORTING

Accident Report Account (IC 9-26-9-3)		
Total Operating Expense	4,122	4,122

Augmentation allowed.

DRUG INTERDICTION

Drug Interdiction Fund (IC 10-11-7-1)		
Total Operating Expense	202,249	202,249

Augmentation allowed.

DNA SAMPLE PROCESSING FUND

DNA Sample Processing Fund (IC 10-13-6-9.5)		
Total Operating Expense	1,789,875	1,789,875

Augmentation allowed.

FOR THE INTEGRATED PUBLIC SAFETY COMMISSION

Integrated Public Safety Communications Fund (IC 5-26-4-1)		
Total Operating Expense	14,912,849	14,912,849

Augmentation allowed.

FOR THE ADJUTANT GENERAL

Total Operating Expense	14,994,647	9,394,647
--------------------------------	-------------------	------------------

CAMP ATTERBURY MUSCATATUCK CENTER FOR COMPLEX OPERATIONS

Total Operating Expense	561,396	561,396
--------------------------------	----------------	----------------

MUSCATATUCK URBAN TRAINING CENTER

Total Operating Expense	1,185,602	1,185,602
--------------------------------	------------------	------------------



1	HOOSIER YOUTH CHALLENGE ACADEMY		
2	Total Operating Expense	2,524,593	2,524,593
3	GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND		
4	Total Operating Expense	250,000	250,000

5
6 The above appropriations are made under IC 10-16-11-1.

7			
8	FOR THE CRIMINAL JUSTICE INSTITUTE		
9	Total Operating Expense	3,130,277	3,130,277
10	Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)		
11	Total Operating Expense	10,000	10,000
12	Augmentation allowed.		
13	Victim and Witness Assistance (IC 5-2-6-14)		
14	Total Operating Expense	50,000	50,000
15	Augmentation allowed.		
16	State Drug Free Communities (IC 5-2-10-2)		
17	Total Operating Expense	50,000	50,000
18	Augmentation allowed.		

19			
20	DRUG ENFORCEMENT MATCH		
21	Total Operating Expense	250,000	250,000

22
23 To facilitate the duties of the Indiana criminal justice institute as outlined in IC
24 5-2-6-3, the above appropriations are not subject to the provisions of IC 4-9.1-1-7
25 when used to support other state agencies through the awarding of state match dollars.

26			
27	VICTIM AND WITNESS ASSISTANCE FUND		
28	Victim and Witness Assistance (IC 5-2-6-14)		
29	Total Operating Expense	381,833	381,833
30	Augmentation allowed.		
31	ALCOHOL AND DRUG COUNTERMEASURES		
32	Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)		
33	Total Operating Expense	335,000	335,000
34	Augmentation allowed.		
35	STATE DRUG FREE COMMUNITIES FUND		
36	State Drug Free Communities (IC 5-2-10-2)		
37	Total Operating Expense	362,845	362,845
38	Augmentation allowed.		
39	INDIANA LOCAL LAW ENFORCEMENT TRAINING DISTRIBUTION		
40	Total Operating Expense	5,000,000	5,000,000

41
42 The above appropriations are for the purpose of providing distributions to city, town,
43 and county law enforcement agencies to conduct law enforcement training, including
44 the purchase of supplies and training materials. A distribution to a law enforcement
45 agency in a fiscal year may not exceed the amount that the law enforcement agency
46 received from fees collected pursuant to IC 35-47-2-3 in calendar year 2020.

47			
48	OFFICE OF TRAFFIC SAFETY		
49	Total Operating Expense	707,633	707,633



1
2 **The above appropriations may be used as the state match requirement for this program**
3 **according to the current highway safety plan approved by the governor and the budget**
4 **agency.**

5
6 **SEXUAL ASSAULT VICTIMS' ASSISTANCE**

7 **Total Operating Expense** 4,018,782 4,018,782

8 **VICTIMS OF VIOLENT CRIME ADMINISTRATION**

9 **Total Operating Expense** 3,708,133 3,708,133

10 **Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)**

11 **Total Operating Expense** 3,325,844 3,325,844

12 **Augmentation allowed from the violent crime victims compensation fund.**

13
14 **If the above appropriations are insufficient to pay eligible claims, the budget**
15 **agency may augment the above appropriations from the general fund.**

16
17 **DOMESTIC VIOLENCE PREVENTION AND TREATMENT**

18 **Total Operating Expense** 8,000,000 8,000,000

19 **Domestic Violence Prevention and Treatment Fund (IC 5-2-6.7-4)**

20 **Total Operating Expense** 1,226,800 1,226,800

21 **Augmentation allowed from the domestic violence prevention and treatment fund.**

22
23 **The above appropriations may not be used to construct a new domestic violence shelter**
24 **but may be used to repair existing shelters.**

25
26 **JUVENILE RECIDIVISM REDUCTION PILOT PROJECT**

27 **Total Operating Expense** 100,000 100,000

28
29 **FOR THE DEPARTMENT OF TOXICOLOGY**

30 **Total Operating Expense** 2,622,025 2,622,025

31
32 **BREATH TEST TRAINING AND CERTIFICATION**

33 **Breath Test Training and Certification Fund (IC 10-20-2-9)**

34 **Total Operating Expense** 355,000 355,000

35 **Augmentation allowed from the breath test training and certification fund.**

36
37 **FOR THE CORONERS TRAINING BOARD**

38 **Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)**

39 **Total Operating Expense** 475,000 475,000

40 **Augmentation allowed.**

41
42 **The department of health shall administer the coroners training and continuing education**
43 **fund.**

44
45 **FOR THE LAW ENFORCEMENT TRAINING ACADEMY**

46 **Total Operating Expense** 4,561,018 4,561,018

47 **Law Enforcement Academy Fund (IC 5-2-1-13)**

48 **Total Operating Expense** 2,938,086 2,938,086

49 **Augmentation allowed from the law enforcement academy fund.**



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

C. REGULATORY AND LICENSING

FOR THE BUREAU OF MOTOR VEHICLES

Total Operating Expense	29,284,278	29,284,278
-------------------------	------------	------------

STATE MOTOR VEHICLE TECHNOLOGY

State Motor Vehicle Technology Fund (IC 9-14-14-3)

Total Operating Expense	18,091,800	18,091,800
-------------------------	------------	------------

Augmentation allowed.

MOTORCYCLE OPERATOR SAFETY

Motorcycle Operator Safety Education Fund (IC 9-27-7-7)

Total Operating Expense	1,705,222	1,705,222
-------------------------	-----------	-----------

Augmentation allowed.

LICENSE BRANCHES

Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)

Total Operating Expense	135,819,542	135,819,542
-------------------------	-------------	-------------

Augmentation allowed.

FOR THE DEPARTMENT OF LABOR

Total Operating Expense	871,387	871,387
-------------------------	---------	---------

BUREAU OF MINES AND SAFETY

Total Operating Expense	190,604	190,604
-------------------------	---------	---------

QUALITY, METRICS, AND STATISTICS (M.I.S.)

Total Operating Expense	151,682	151,682
-------------------------	---------	---------

OCCUPATIONAL SAFETY AND HEALTH

Total Operating Expense	2,269,118	2,269,118
-------------------------	-----------	-----------

The above appropriations for occupational safety and health and M.I.S. research and statistics reflect only the general fund portion of the total program costs of the Indiana occupational safety and health plan as approved by the U.S. Department of Labor. It is the intent of the general assembly that the Indiana department of labor apply to the federal government for the federal share of the total program costs.

EMPLOYMENT OF YOUTH

Labor Education and Youth Employment Fund (IC 22-2-18.1-32)

Total Operating Expense	635,794	635,794
-------------------------	---------	---------

Augmentation allowed.

INSAFE

Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)

Total Operating Expense	380,873	380,873
-------------------------	---------	---------

Augmentation allowed.

FOR THE DEPARTMENT OF INSURANCE

Department of Insurance Fund (IC 27-1-3-28)

Total Operating Expense	18,095,972	18,095,972
-------------------------	------------	------------

Augmentation allowed.

ALL PAYER CLAIMS DATABASE

Department of Insurance Fund (IC 27-1-3-28)

Total Operating Expense	4,512,442	4,512,442
-------------------------	-----------	-----------



1	Augmentation allowed.		
2	BAIL BOND DIVISION		
3	Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)		
4	Total Operating Expense	81,880	81,880
5	Augmentation allowed.		
6	PATIENT'S COMPENSATION AUTHORITY		
7	Patients' Compensation Fund (IC 34-18-6-1)		
8	Total Operating Expense	4,216,705	4,216,705
9	Augmentation allowed.		
10	POLITICAL SUBDIVISION RISK MANAGEMENT		
11	Political Subdivision Risk Management Fund (IC 27-1-29-10)		
12	Total Operating Expense	133,108	133,108
13	Augmentation allowed.		
14	MINE SUBSIDENCE INSURANCE		
15	Mine Subsidence Insurance Fund (IC 27-7-9-7)		
16	Total Operating Expense	2,400,000	2,400,000
17	Augmentation allowed.		
18	TITLE INSURANCE ENFORCEMENT OPERATING		
19	Title Insurance Enforcement Fund (IC 27-7-3.6-1)		
20	Total Operating Expense	941,121	941,121
21	Augmentation allowed.		
22			
23	FOR THE ALCOHOL AND TOBACCO COMMISSION (ATC)		
24	ATC Enforcement and Administration Fund (IC 7.1-4-10-1)		
25	Total Operating Expense	17,483,329	17,483,329
26	Augmentation allowed.		
27			
28	The above appropriations include \$500,000 each fiscal year for the purchase and		
29	maintenance of excise officer body cameras.		
30			
31	YOUTH TOBACCO EDUCATION AND ENFORCEMENT		
32	Richard D. Doyle Youth Tobacco Education and Enforcement Fund (IC 7.1-6-2-6)		
33	Total Operating Expense	72,849	72,849
34	Augmentation allowed.		
35			
36	ATC OPEB CONTRIBUTION		
37	ATC Enforcement and Administration Fund (IC 7.1-4-10-1)		
38	Total Operating Expense	658,617	658,617
39	Augmentation allowed.		
40			
41	FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS		
42	Financial Institutions Fund (IC 28-11-2-9)		
43	Total Operating Expense	12,472,649	12,472,649
44	Augmentation allowed.		
45			
46	FOR THE PROFESSIONAL LICENSING AGENCY		
47	Total Operating Expense	9,816,091	9,816,091
48	CONTROLLED SUBSTANCES DATA FUND (INSPECT)		
49	Controlled Substances Data Fund (IC 25-26-24-23)		



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	2,271,134	2,271,134
2	Augmentation allowed.		
3	PRENEED CONSUMER PROTECTION		
4	Preneed Consumer Protection Fund (IC 30-2-13-28)		
5	Total Operating Expense	67,000	67,000
6	Augmentation allowed.		
7	BOARD OF FUNERAL AND CEMETERY SERVICE		
8	Funeral Service Education Fund (IC 25-15-9-13)		
9	Total Operating Expense	250	250
10	Augmentation allowed.		
11	DENTAL PROFESSION INVESTIGATION		
12	Dental Compliance Fund (IC 25-14-1-3.7)		
13	Total Operating Expense	175,014	175,014
14	Augmentation allowed.		
15	PHYSICIAN INVESTIGATION		
16	Physician Compliance Fund (IC 25-22.5-2-8)		
17	Total Operating Expense	7,586	7,586
18	Augmentation allowed.		
19			
20	FOR THE CIVIL RIGHTS COMMISSION		
21	COMMISSION ON THE SOCIAL STATUS OF BLACK MALES		
22	Total Operating Expense	135,431	135,431
23	COMMISSION ON HISPANIC/LATINO AFFAIRS		
24	Total Operating Expense	120,268	120,268
25	CIVIL RIGHTS COMMISSION		
26	Total Operating Expense	2,374,855	2,375,745
27			
28	The above appropriations for the Indiana civil rights commission reflect only the		
29	general fund portion of the total program costs for the processing of employment		
30	and housing discrimination complaints. It is the intent of the general assembly		
31	that the commission shall apply to the federal government for funding based upon		
32	the processing of employment and housing discrimination complaints.		
33			
34	NATIVE AMERICAN INDIAN AFFAIRS COMMISSION		
35	Total Operating Expense	109,378	109,378
36	DR. MARTIN LUTHER KING JR. HOLIDAY COMMISSION		
37	Total Operating Expense	50,000	50,000
38			
39	FOR THE UTILITY CONSUMER COUNSELOR		
40	Public Utility Fund (IC 8-1-6-1)		
41	Total Operating Expense	8,389,807	8,389,807
42	Augmentation allowed.		
43	EXPERT WITNESS FEES AND AUDIT		
44	Public Utility Fund (IC 8-1-6-1)		
45	Total Operating Expense	787,998	787,998
46	Augmentation allowed.		
47			
48	FOR THE UTILITY REGULATORY COMMISSION		
49	Public Utility Fund (IC 8-1-6-1)		



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	11,647,441	11,647,441
2	Augmentation allowed.		
3			
4	FOR THE WORKER'S COMPENSATION BOARD		
5	Total Operating Expense	2,038,063	2,038,063
6	Workers' Compensation Supplemental Administrative Fund (IC 22-3-5-6)		
7	Total Operating Expense	409,155	409,155
8	Augmentation allowed from the worker's compensation supplemental administrative fund.		
9			
10	FOR THE STATE BOARD OF ANIMAL HEALTH		
11	Total Operating Expense	6,888,952	6,888,952
12	ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM		
13	Total Operating Expense	5,000,000	5,000,000
14			
15	The above appropriation shall be used to fund the animal disease diagnostic laboratory		
16	system (ADDL), which consists of the main ADDL at West Lafayette and the southern		
17	branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County.		
18	The above appropriations are in addition to any user charges that may be established		
19	and collected under IC 21-46-3-5.		
20			
21	INDEMNITY		
22	Total Operating Expense	42,500	42,500
23	Augmentation allowed.		
24	MEAT & POULTRY		
25	Total Operating Expense	2,485,974	2,485,974
26	CAPTIVE CERVIDAE PROGRAMS		
27	Captive Cervidae Programs Fund (IC 15-17-14.7-16)		
28	Total Operating Expense	47,000	47,000
29	Augmentation allowed.		
30			
31	FOR THE DEPARTMENT OF HOMELAND SECURITY		
32	Total Operating Expense	2,964,172	2,964,172
33	Fire and Building Services Fund (IC 22-12-6-1)		
34	Total Operating Expense	17,914,929	17,914,929
35	Augmentation allowed.		
36	REGIONAL PUBLIC SAFETY TRAINING		
37	Total Operating Expense	8,631,876	8,631,876
38	MOBILE INTEGRATION HEALTHCARE GRANTS		
39	Total Operating Expense	500,000	500,000
40	PFAS BIOMONITORING PILOT PROGRAM		
41	Total Operating Expense	200,000	0
42	RADIOLOGICAL HEALTH		
43	Total Operating Expense	74,145	74,145
44	OFFICE OF SCHOOL SAFETY		
45	Total Operating Expense	1,000,000	1,000,000
46	INDIANA SECURED SCHOOL SAFETY		
47	Total Operating Expense	27,100,000	27,100,000
48	Indiana Secured School Fund (IC 10-21-1-2)		
49	Total Operating Expense	400,000	400,000



- 1 institutions to purchase EMS equipment;
2 (5) To conduct a feasibility analysis regarding how computer aided dispatch
3 systems used by public safety answering points in Indiana can be interoperable
4 with the intent to facilitate the closest and most appropriate EMS response; and
5 (6) To fund technology and data connectivity for computer aided dispatch systems
6 used by public safety answering points in Indiana to be interoperable to facilitate
7 the closest and most appropriate EMS response.
8

9 The department may use any portion of the above appropriations to award grants.

10
11 **SECTION 5. [EFFECTIVE JULY 1, 2025]**

12
13 **CONSERVATION AND ENVIRONMENT**

14
15 **A. NATURAL RESOURCES**

16
17 **FOR THE DEPARTMENT OF NATURAL RESOURCES (DNR) - ADMINISTRATION**

18	Total Operating Expense	14,743,591	14,743,591
19	OPEB TRUST FUND - DNR		
20	Total Operating Expense	2,454,372	2,454,372
21	ENTOMOLOGY AND PLANT PATHOLOGY		
22	Total Operating Expense	967,250	967,250
23	Entomology and Plant Pathology Fund (IC 14-24-10-3)		
24	Total Operating Expense	302,415	302,415
25	DIVISION OF HISTORIC PRESERVATION AND ARCHAEOLOGY		
26	Total Operating Expense	1,038,841	1,038,841
27	NATURE PRESERVES DIVISION		
28	Total Operating Expense	525,709	525,709
29	WATER DIVISION		
30	Total Operating Expense	5,468,337	5,468,337
31	DEER RESEARCH AND MANAGEMENT		
32	Deer Research and Management Fund (IC 14-22-5-2)		
33	Total Operating Expense	90,180	90,180
34	Augmentation allowed.		
35	OIL AND GAS DIVISION		
36	Total Operating Expense	781,413	781,413
37	Oil and Gas Fund (IC 6-8-1-27)		
38	Total Operating Expense	1,356,665	1,356,665
39	Augmentation allowed.		
40	STATE PARKS AND RESERVOIRS		
41	Total Operating Expense	3,411,177	3,411,177
42	State Parks & Reservoirs Special Revenue Fund (IC 14-19-8-2)		
43	Total Operating Expense	43,591,652	43,591,652
44	Augmentation allowed from the state parks and reservoirs special revenue fund.		
45	SNOWMOBILE FUND		
46	Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)		
47	Total Operating Expense	78,209	78,209
48	Augmentation allowed.		
49	DNR LAW ENFORCEMENT DIVISION		



		<i>FY 2025-2026</i>	<i>FY 2026-2027</i>	<i>Biennial</i>
		<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1	Total Operating Expense	24,825,338	24,825,338	
2	Fish and Wildlife Fund (IC 14-22-3-2)			
3	Total Operating Expense	3,853,137	3,853,137	
4	Augmentation allowed.			
5				
6	SPORTSMEN'S BENEVOLENCE			
7	Total Operating Expense	145,500	145,500	
8	FISH AND WILDLIFE DIVISION			
9	Fish and Wildlife Fund (IC 14-22-3-2)			
10	Total Operating Expense	16,825,151	16,825,151	
11	Augmentation allowed.			
12	FORESTRY DIVISION			
13	Total Operating Expense	7,588,714	7,588,714	
14	State Forestry Fund (IC 14-23-3-2)			
15	Total Operating Expense	3,643,741	3,643,741	
16	Augmentation allowed from the state forestry fund.			
17				
18	In addition to any of the above appropriations for the department of natural resources,			
19	any federal funds received by the state of Indiana for the planning, acquisition, and			
20	development of approved outdoor recreation projects under the provisions of the			
21	federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the			
22	uses and purposes for which the funds were paid to the state, and shall be distributed			
23	by the department of natural resources to state agencies and other governmental			
24	units in accordance with the provisions under which the funds were received.			
25				
26	LAKE MICHIGAN COASTAL PROGRAM MATCH			
27	Cigarette Tax Fund (IC 6-7-1-28.1)			
28	Total Operating Expense	117,313	117,313	
29	Augmentation allowed.			
30	LAKE AND RIVER ENHANCEMENT			
31	Lake and River Enhancement Fund (IC 14-22-3.5-1)			
32	Total Operating Expense	2,079,013	2,079,013	
33	Augmentation allowed.			
34	PRESIDENT BENJAMIN HARRISON CONSERVATION TRUST			
35	Benjamin Harrison Conservation Trust Fund (IC 14-12-2-25)			
36	Total Operating Expense	811,750	811,750	
37	Augmentation allowed.			
38	INSTITUTIONAL ROAD CONSTRUCTION			
39	State Highway Fund (IC 8-23-9-54)			
40	Total Operating Expense	5,000,000	5,000,000	
41				
42	Subject to approval by the budget director, the above appropriations may be used			
43	for road and bridge construction, relocation, and other related improvement projects			
44	at state-owned properties managed by the department of natural resources.			
45				
46	B. OTHER NATURAL RESOURCES			
47				
48	FOR THE INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION			
49	Total Operating Expense	10,615,778	10,615,778	



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

In lieu of billing the University of Southern Indiana, the above appropriations include \$25,000 each fiscal year for the purpose of maintaining historic properties in New Harmony.

FOR THE WAR MEMORIALS COMMISSION

Total Operating Expense	1,319,377	1,319,377
-------------------------	-----------	-----------

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be deposited into the general fund.

FOR THE WHITE RIVER STATE PARK DEVELOPMENT COMMISSION

Total Operating Expense	806,081	806,081
-------------------------	---------	---------

FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	101,850	101,850
-------------------------	---------	---------

FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	104,974	104,974
-------------------------	---------	---------

FOR THE KANKAKEE RIVER BASIN COMMISSION

Total Operating Expense	79,487	79,487
-------------------------	--------	--------

C. ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

OPERATING

Total Operating Expense	27,501,536	27,501,536
-------------------------	------------	------------

OFFICE OF ENVIRONMENTAL RESPONSE

Total Operating Expense	2,723,210	2,723,210
-------------------------	-----------	-----------

POLLUTION PREVENTION AND TECHNICAL ASSISTANCE

Total Operating Expense	756,264	756,264
-------------------------	---------	---------

RIVERSIDE CLEAN-UP

Total Operating Expense	515,611	515,611
-------------------------	---------	---------

STATE SOLID WASTE GRANTS MANAGEMENT

State Solid Waste Management Fund (IC 13-20-22-2)

Total Operating Expense	3,702,735	3,702,735
-------------------------	-----------	-----------

Augmentation allowed.

RECYCLING PROMOTION AND ASSISTANCE PROGRAM

Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

Total Operating Expense	2,225,116	2,225,116
-------------------------	-----------	-----------

Augmentation allowed.

VOLUNTARY CLEAN-UP PROGRAM

Voluntary Remediation Fund (IC 13-25-5-21)

Total Operating Expense	1,520,376	1,520,376
-------------------------	-----------	-----------

Augmentation allowed.

TITLE V AIR PERMIT PROGRAM



1	Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
2	Total Operating Expense	11,567,859	11,567,859
3	Augmentation allowed.		
4	WATER MANAGEMENT PERMITTING		
5	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
6	Total Operating Expense	7,799,674	7,799,674
7	Augmentation allowed.		
8	SOLID WASTE MANAGEMENT PERMITTING		
9	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
10	Total Operating Expense	4,278,656	4,278,656
11	Augmentation allowed.		
12	CFO/CAFO INSPECTIONS		
13	Total Operating Expense	2,620,777	2,620,777
14	HAZARDOUS WASTE MANAGEMENT PERMITTING		
15	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
16	Total Operating Expense	1,221,577	1,221,577
17	Augmentation allowed.		
18	Environmental Management Special Fund (IC 13-14-12-1)		
19	Total Operating Expense	1,500,000	1,500,000
20	ENVIRONMENTAL MANAGEMENT SPECIAL OPERATING		
21	Environmental Management Special Fund (IC 13-14-12-1)		
22	Total Operating Expense	3,136,726	3,136,726
23	Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
24	Total Operating Expense	110,000	110,000
25	Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
26	Total Operating Expense	1,500,000	1,500,000
27	ELECTRONIC WASTE		
28	Electronic Waste Fund (IC 13-20.5-2-3)		
29	Total Operating Expense	213,685	213,685
30	Augmentation allowed.		
31	AUTO EMISSIONS TESTING PROGRAM		
32	Total Operating Expense	5,096,491	5,096,491
33			
34	The above appropriations are the maximum amounts available for this purpose. If it becomes		
35	necessary to conduct additional tests in other locations, the above appropriations shall		
36	be prorated among all locations.		
37			
38	HAZARDOUS WASTE SITES - STATE CLEAN-UP		
39	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
40	Total Operating Expense	3,565,961	3,565,961
41	Augmentation allowed.		
42	HAZARDOUS WASTE - NATURAL RESOURCE DAMAGES		
43	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
44	Total Operating Expense	237,215	237,215
45	Augmentation allowed.		
46	SUPERFUND MATCH		
47	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
48	Total Operating Expense	1,500,000	1,500,000
49	Augmentation allowed.		



1	ASBESTOS TRUST - OPERATING		
2	Asbestos Trust Fund (IC 13-17-6-3)		
3	Total Operating Expense	595,641	595,641
4	Augmentation allowed.		
5	PETROLEUM STORAGE TANK - OPERATING		
6	Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
7	Total Operating Expense	37,260,610	37,260,610
8	Augmentation allowed.		
9	WASTE TIRE MANAGEMENT		
10	Waste Tire Management Fund (IC 13-20-13-8)		
11	Total Operating Expense	1,586,492	1,586,492
12	Augmentation allowed.		
13	COAL COMBUSTION RESIDUALS (CCR) STATE PERMIT PROGRAM		
14	CCR State Permit Program (IC 13-19-3-3.2)		
15	Total Operating Expense	450,000	450,000
16	Augmentation allowed.		
17	VOLUNTARY COMPLIANCE		
18	Environmental Management Special Fund (IC 13-14-12-1)		
19	Total Operating Expense	604,856	604,856
20	Augmentation allowed.		
21	PETROLEUM TRUST - OPERATING		
22	Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
23	Total Operating Expense	1,110,000	1,110,000
24	Augmentation allowed.		

25
26 Notwithstanding any other law, with the approval of the governor and the budget
27 agency, the above appropriations for hazardous waste management permitting, wetlands
28 protection, groundwater program, underground storage tank program, air management
29 operating, asbestos trust operating, water management, safe drinking water program,
30 and any other appropriation eligible to be included in a performance partnership grant
31 may be used to fund activities incorporated into a performance partnership grant
32 between the United States Environmental Protection Agency and the department of
33 environmental management.

34
35 **SECTION 6. [EFFECTIVE JULY 1, 2025]**

36
37 **ECONOMIC DEVELOPMENT**

38
39 **A. AGRICULTURE**

40
41 **FOR THE DEPARTMENT OF AGRICULTURE**

42	Total Operating Expense	2,337,262	2,337,262
----	-------------------------	-----------	-----------

43
44 The above appropriations include \$5,000 each fiscal year to purchase plaques for
45 the recipients of the Hoosier Homestead award.

46
47 **DISTRIBUTIONS TO FOOD BANKS**

48	Total Operating Expense	2,000,000	2,000,000
----	-------------------------	-----------	-----------

49 **CLEAN WATER INDIANA**



	<i>FY 2025-2026</i>	<i>FY 2026-2027</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			



1 **The Studebaker Museum distribution requires a \$50,000 match.**

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

FOR THE OFFICE OF ENERGY DEVELOPMENT		
Total Operating Expense	560,026	560,026
GRID RESILIENCE MATCH		
Total Operating Expense	700,000	700,000
FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION		
ADMINISTRATIVE AND FINANCIAL SERVICES		
Total Operating Expense	7,310,159	7,310,159
INDIANA 21ST CENTURY RESEARCH & TECHNOLOGY FUND (IC 5-28-16-2)		
Total Operating Expense	32,750,000	32,750,000
MANUFACTURING READINESS GRANTS		
Total Operating Expense	20,000,000	20,000,000
SKILLS ENHANCEMENT FUND (IC 5-28-7-5)		
Total Operating Expense	11,500,000	11,500,000
INDIANA OFFICE OF DEFENSE DEVELOPMENT		
Total Operating Expense	782,446	782,446
ECONOMIC DEVELOPMENT FUND (IC 5-28-8-5)		
Total Operating Expense	947,344	947,344
DIRECT FLIGHTS		
Total Operating Expense	5,000,000	5,000,000
BUSINESS PROMOTION AND INNOVATION		
Total Operating Expense	17,000,000	17,000,000
INDUSTRIAL DEVELOPMENT GRANT PROGRAM		
Total Operating Expense	4,850,000	4,850,000

28 **FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**

HOUSING FIRST PROGRAM (IC 5-20-9)		
Total Operating Expense	1,000,000	1,000,000
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS (IC 4-4-28)		
Total Operating Expense	609,945	609,945

34 **The housing and community development authority shall collect and report to the**
35 **family and social services administration (FSSA) all data required for FSSA to meet**
36 **the data collection and reporting requirements in 45 CFR Part 265.**

38 **The division of family resources shall apply all qualifying expenditures for individual**
39 **development account deposits toward Indiana's maintenance of effort under the federal**
40 **Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).**

42 **FOR THE INDIANA FINANCE AUTHORITY**

ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM		
Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
Total Operating Expense	4,000,000	4,000,000

47 **C. EMPLOYMENT SERVICES**

49 **FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT**



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	ADMINISTRATION		
2	Total Operating Expense	2,748,115	2,748,115
3	SERVE INDIANA ADMINISTRATION		
4	Total Operating Expense	239,560	239,560
5	OFFICE OF WORK-BASED LEARNING AND APPRENTICESHIP		
6	Total Operating Expense	255,000	255,000
7	PROPRIETARY EDUCATIONAL INSTITUTIONS		
8	Total Operating Expense	53,243	53,243
9	NEXT LEVEL JOBS EMPLOYER TRAINING GRANT PROGRAM		
10	Total Operating Expense	17,064,066	17,064,066
11	INDIANA CONSTRUCTION ROUNDTABLE FOUNDATION		
12	Total Operating Expense	1,000,000	1,000,000
13	WORKFORCE READY GRANTS		
14	Total Operating Expense	6,000,000	6,000,000
15	ADULT EDUCATION DISTRIBUTION		
16	Total Operating Expense	20,985,041	20,985,041
17			
18	It is the intent of the general assembly that the above appropriations shall be the		
19	total allowable state expenditure for such program. If disbursements are anticipated		
20	to exceed the total appropriation for a state fiscal year, the department of workforce		
21	development shall reduce the distributions proportionately.		
22			
23	FOR THE WORKFORCE CABINET		
24	Total Operating Expense	950,000	950,000
25			
26	WORKFORCE DIPLOMA REIMBURSEMENT PROGRAM		
27	Total Operating Expense	1,500,000	1,500,000
28			
29	FOR THE OFFICE OF ENTREPRENEURSHIP AND INNOVATION		
30	Total Operating Expense	1,750,000	1,750,000
31			
32	D. OTHER ECONOMIC DEVELOPMENT		
33			
34	FOR THE INDIANA STATE FAIR BOARD		
35	Total Operating Expense	2,474,312	2,474,312
36			
37	SECTION 7. [EFFECTIVE JULY 1, 2025]		
38			
39	TRANSPORTATION		
40			
41	FOR THE DEPARTMENT OF TRANSPORTATION		
42	RAILROAD GRADE CROSSING IMPROVEMENT		
43	Motor Vehicle Highway Account (IC 8-14-1)		
44	Total Operating Expense	1,000,000	1,000,000
45	HIGH SPEED RAIL		
46	High Speed Rail Development Fund (IC 8-23-25)		
47	Total Operating Expense	20,000	20,000
48	PUBLIC MASS TRANSPORTATION		
49	Total Operating Expense	45,000,000	45,000,000



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

The above appropriations are to be used solely for the promotion and development of public transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 5301 et seq.) or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

The distribution formula established by the department is subject to approval by the budget director to ensure that a public mass transportation system located in a county other than an eligible county (as defined by IC 8-25-1-4) is not adversely affected by a public transportation project carried out under IC 8-25. This applies in a calendar year beginning after December 31 of a calendar year in which an eligible county begins to carry out a public transportation project approved under IC 8-25.

AIRPORT DEVELOPMENT

Airport Development Grant Fund (IC 8-21-11-4)		
Total Operating Expense	3,600,000	3,600,000
Augmentation allowed.		

HIGHWAY OPERATING

State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	435,051,877	435,051,877
Augmentation allowed.		

HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT

State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	35,936,185	35,936,185
Augmentation allowed.		

HIGHWAY MAINTENANCE WORK PROGRAM

State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	143,967,253	143,967,253
Augmentation allowed.		

- The above appropriations may be used for:
- (1) materials for patching roadways and shoulders;
 - (2) repairing and painting bridges;
 - (3) installing signs and signals and painting roadways for traffic control;
 - (4) mowing, herbicide application, and brush control;
 - (5) drainage control;
 - (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;



- 1 (7) materials for snow and ice removal;
 2 (8) utility costs for roadway lighting; and
 3 (9) other maintenance and support activities consistent with the program.
 4

5 **HIGHWAY CAPITAL IMPROVEMENTS**

6 **State Highway Fund (IC 8-23-9-54)**

7	Right-of-Way Expense	50,000,000	50,000,000
8	Formal Contracts Expense	933,426,729	933,426,729
9	Consulting Services Expense	100,000,000	100,000,000
10	Institutional Road Construction	7,500,000	7,500,000

11 **Augmentation allowed for the highway capital improvements program.**
 12

13 **The above appropriations may be used for:**

- 14 (1) bridge rehabilitation and replacement;
 15 (2) road construction, reconstruction, or replacement;
 16 (3) construction, reconstruction, or replacement of travel lanes, intersections,
 17 grade separations, rest parks, and weigh stations;
 18 (4) relocation and modernization of existing roads;
 19 (5) resurfacing;
 20 (6) erosion and slide control;
 21 (7) construction and improvement of railroad grade crossings, including the use
 22 of the appropriations to match federal funds for projects;
 23 (8) small structure replacements;
 24 (9) safety and spot improvements; and
 25 (10) right-of-way, relocation, and engineering and consulting expenses associated
 26 with any of the above types of projects.
 27

28 **Subject to approval by the state budget director, the above appropriations for institutional**
 29 **road construction may be used for road, bridge, and parking lot construction, maintenance,**
 30 **and improvement projects at any state-owned property.**
 31

32 **No appropriation from the state highway fund may be used to fund any toll road or toll**
 33 **bridge project except as specifically provided for under IC 8-15-2-20.**
 34

35 **TOLL ROAD COUNTIES STATE HIGHWAY PROGRAM**

36 **Toll Road Lease Amendment Proceeds Fund (IC 8-14-14.2-1)**

37	Total Operating Expense	6,000,000	6,000,000
38	Augmentation allowed.		

39 **HIGHWAY PLANNING AND RESEARCH PROGRAM**

40 **State Highway Fund (IC 8-23-9-54)**

41	Total Operating Expense	3,780,000	3,780,000
42	Augmentation allowed.		

43 **STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM**

44 **State Highway Road Construction and Improvement Fund (IC 8-14-10-5)**

45	Lease Rental Payments Expense	70,000,000	70,000,000
46	Augmentation allowed.		

47
 48 **The above appropriations shall be first used for payment of rentals and leases relating**
 49 **to projects under IC 8-14.5. If any funds remain, the funds may be used for the following**



- 1 purposes:
- 2 (1) road and bridge construction, reconstruction, or replacement;
- 3 (2) construction, reconstruction, or replacement of travel lanes, intersections, and
- 4 grade separations;
- 5 (3) relocation and modernization of existing roads; and
- 6 (4) right-of-way, relocation, and engineering and consulting expenses associated
- 7 with any of the above types of projects.

8

9 **CROSSROADS 2000 PROGRAM**

10	Crossroads 2000 Fund (IC 8-14-10-9)	
11	Lease Rental Payment Expense	29,627,309 29,627,309
12	Augmentation allowed.	

13

14 The above appropriations shall be first used for payment of rentals and leases

15 relating to projects under IC 8-14-10-9. If any funds remain, the funds may be used

16 for the following purposes:

- 17 (1) road and bridge construction, reconstruction, or replacement;
- 18 (2) construction, reconstruction, or replacement of travel lanes, intersections, and
- 19 grade separations;
- 20 (3) relocation and modernization of existing roads; and
- 21 (4) right-of-way, relocation, and engineering and consulting expenses associated
- 22 with any of the above types of projects.

23

24 **JOINT MAJOR MOVES CONSTRUCTION**

25	Major Moves Construction Fund (IC 8-14-14-5)	
26	Total Operating Expense	500,000 500,000
27	Augmentation allowed.	

28 **FEDERAL APPORTIONMENT**

29	Total Operating Expense	1,499,442,852 1,499,442,852
----	-------------------------	----------------------------------

30

31 The department may establish an account to be known as the "local government

32 revolving account". The account is to be used to administer the federal-local highway

33 construction program. All contracts issued and all funds received for federal-local

34 projects under this program shall be entered into this account.

35

36 If the federal apportionments for the fiscal years covered by this act exceed the

37 above estimated appropriations for the department or for local governments, the

38 excess federal apportionment is hereby appropriated for use by the department with

39 the approval of the governor and the budget agency.

40

41 The department shall bill, in a timely manner, the federal government for all

42 department payments that are eligible for total or partial reimbursement.

43

44 The department may let contracts and enter into agreements for construction and

45 preliminary engineering during each year of the biennium that obligate not more

46 than one-third (1/3) of the amount of state funds estimated by the department to

47 be available for appropriation in the following year for formal contracts and consulting

48 engineers for the capital improvements program.

49



1 Under IC 8-23-5-7(a), the department, with the approval of the governor, may
 2 construct and maintain roadside parks and highways where highways will connect any
 3 state highway now existing, or hereafter constructed, with any state park, state
 4 forest reserve, state game preserve, or the grounds of any state institution. There
 5 is appropriated to the department of transportation an amount sufficient to carry
 6 out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations
 7 shall be made from the motor vehicle highway account before distribution to local
 8 units of government.
 9

10 **LOCAL TECHNICAL ASSISTANCE AND RESEARCH**
 11 **Motor Vehicle Highway Account (IC 8-14-1)**

12 Total Operating Expense	500,000	500,000
-----------------------------------	---------	---------

13
 14 The above appropriations are for developing and maintaining a centralized electronic
 15 statewide asset management data base that may be used to aggregate data on local
 16 road conditions. The data base shall be developed in cooperation with the department
 17 and the office of management and budget per IC 8-14-3-3.
 18

19 Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount
 20 sufficient for:
 21 (1) the program of technical assistance under IC 8-23-2-5(a)(6); and
 22 (2) the research and highway extension program conducted for local government under
 23 IC 8-17-7-4.
 24

25 The department shall develop an annual program of work for research and extension
 26 in cooperation with those units being served, listing the types of research and
 27 educational programs to be undertaken. The commissioner of the department of
 28 transportation may make a grant under this appropriation to the institution or agency
 29 selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations
 30 for the program of technical assistance and for the program of research and extension
 31 shall be taken from the local share of the motor vehicle highway account.
 32

33 Under IC 8-14-1-3(7), there is hereby appropriated such sums as are necessary to
 34 maintain a sufficient working balance in accounts established to match federal and
 35 local money for highway projects. These funds are appropriated from the following
 36 sources in the proportion specified:
 37 (1) one-half (1/2) from the thirty-eight percent (38%) set aside of the motor vehicle
 38 highway account under IC 8-14-1-3(7); and
 39 (2) for counties and for those cities and towns with a population greater than five
 40 thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.
 41

42 **OHIO RIVER BRIDGE**

43 State Highway Fund (IC 8-23-9-54)		
44 Total Operating Expense	500,000	500,000

46 **SECTION 8. [EFFECTIVE JULY 1, 2025]**

48 **FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS**



1 **A. FAMILY AND SOCIAL SERVICES**

2

3 **FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION**

4

5 **FAMILY AND SOCIAL SERVICES ADMINISTRATION - CENTRAL OFFICE**

6 **Total Operating Expense** **16,037,800** **16,037,800**

7 **SOCIAL SERVICES DATA WAREHOUSE**

8 **Total Operating Expense** **38,273** **38,273**

9 **211 SERVICES**

10 **Total Operating Expense** **3,055,344** **3,055,344**

11 **INDIANA PRESCRIPTION DRUG PROGRAM**

12 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

13 **Total Operating Expense** **443,315** **443,315**

14 **CHILDREN'S HEALTH INSURANCE PROGRAM**

15 **Total Operating Expense** **94,000,000** **97,800,000**

16 **OFFICE OF MEDICAID POLICY AND PLANNING STATE PROGRAMS**

17 **Total Operating Expense** **2,306,334** **2,306,334**

18 **MEDICAID ADMINISTRATION**

19 **Total Operating Expense** **47,092,686** **47,092,686**

20 **MEDICAID ASSISTANCE**

21 **Total Operating Expense** **4,846,900,000** **5,182,400,000**

22

23 **The above appropriations are for the purpose of enabling the office of Medicaid**
 24 **policy and planning to carry out all services as provided in IC 12-8-6.5. In addition**
 25 **to the above appropriations, all money received from the federal government and**
 26 **paid into the state treasury as a grant or allowance is appropriated and shall be**
 27 **expended by the office of Medicaid policy and planning for the respective purposes**
 28 **for which the money was allocated and paid to the state. Subject to the provisions**
 29 **of IC 12-8-1.5-11, if the sums herein appropriated for Medicaid assistance and for**
 30 **Medicaid administration are insufficient to enable the office of Medicaid policy**
 31 **and planning to meet its obligations, then there is appropriated from the general**
 32 **fund such further sums as may be necessary for that purpose, subject to the approval**
 33 **of the governor and the budget agency.**

34

35 **HEALTHY INDIANA PLAN**

36 **Healthy Indiana Plan Trust Fund (IC 12-15-44.2-17)**

37 **Total Operating Expense** **71,434,565** **68,844,565**

38 **Augmentation allowed.**

39 **MARION COUNTY HEALTH AND HOSPITAL CORPORATION**

40 **Total Operating Expense** **38,000,000** **38,000,000**

41 **MENTAL HEALTH ADMINISTRATION**

42 **Total Operating Expense** **3,610,563** **3,610,563**

43

44 **Of the above appropriations, \$218,525 each fiscal year is for the Child Assessment**
 45 **Needs Survey (CANS). Of the above appropriations, the administration shall distribute**
 46 **\$275,000 each fiscal year to neighborhood-based community service programs.**

47

48 **MENTAL HEALTH AND ADDICTION FORENSIC TREATMENT SERVICES GRANT**

49 **Total Operating Expense** **25,000,000** **25,000,000**



1	COMMUNITY MENTAL HEALTH		
2	Total Operating Expense	50,000,000	50,000,000
3	CHILD PSYCHIATRIC SERVICES		
4	Total Operating Expense	14,537,030	14,537,030

5

6 **The above appropriations include \$5,500,000 each year for the Family and Social**
7 **Services Administration to contract with no more than three regionally diverse social**
8 **services providers to implement an evidence-based program that partners with school**
9 **corporations, charter schools, and accredited nonpublic schools to provide social work**
10 **services and evidence-based prevention programs to children, parents, caregivers,**
11 **teachers, and the community to prevent substance abuse, promote healthy behaviors,**
12 **and maximize student success. In making contracts, the Family and Social Services**
13 **Administration shall require the contracted social services providers to secure matching**
14 **funds that obligate the state to no more than sixty-five percent (65%) of the total program**
15 **cost and require the contracted social services providers to have experience in providing**
16 **similar services including independent evaluation of those services.**

17	SERIOUSLY EMOTIONALLY DISTURBED		
18	Total Operating Expense	14,571,352	14,571,352
19	SERIOUSLY MENTALLY ILL		
20	Total Operating Expense	90,811,518	90,811,518
21	COMMUNITY MENTAL HEALTH CENTERS		
22	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
23	Total Operating Expense	7,200,000	7,200,000

24

25

26 **The above appropriations include the intragovernmental transfers necessary to provide**
27 **the nonfederal share of reimbursement under the Medicaid rehabilitation option.**

28

29 **The comprehensive community mental health centers shall submit their proposed annual**
30 **budgets (including income and operating statements) to the budget agency on or before**
31 **August 1 of each year. All federal funds shall be used to augment the above appropriations**
32 **rather than supplant any portion of the appropriation. The office of the secretary, with**
33 **the approval of the budget agency, shall determine an equitable allocation of the appropriation**
34 **among the mental health centers.**

35	GAMBLERS' ASSISTANCE		
36	Addiction Services Fund (IC 12-23-2-2)		
37	Total Operating Expense	3,063,652	3,063,652
38	Augmentation allowed.		
39	SUBSTANCE ABUSE TREATMENT		
40	State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))		
41	Total Operating Expense	9,100,000	9,100,000
42	Augmentation allowed.		
43	QUALITY ASSURANCE/RESEARCH		
44	Total Operating Expense	304,711	304,711
45	PREVENTION		
46	Addiction Services Fund (IC 12-23-2-2)		
47	Total Operating Expense	1,672,675	1,672,675
48	Augmentation allowed.		
49			



1 **METHADONE DIVERSION CONTROL AND OVERSIGHT (MDCO) PROGRAM**

2 **Opioid Treatment Program Fund (IC 12-23-18-4)**
3 **Total Operating Expense** **427,010** **427,010**
4 **Augmentation allowed.**

5 **DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM**

6 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**
7 **Total Operating Expense** **250,000** **250,000**
8 **Augmentation allowed.**

9 **EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER**

10 **Total Operating Expense** **1,937,475** **1,937,475**
11 **Mental Health Fund (IC 12-24-14-4)**

12 **Total Operating Expense** **2,209,422** **2,209,422**
13 **Augmentation allowed.**

14 **EVANSVILLE STATE HOSPITAL**

15 **Total Operating Expense** **25,687,007** **25,687,007**
16 **Mental Health Fund (IC 12-24-14-4)**

17 **Total Operating Expense** **4,340,134** **4,340,134**
18 **Augmentation allowed.**

19 **LOGANSPOUR STATE HOSPITAL**

20 **Total Operating Expense** **32,711,035** **32,711,035**
21 **Mental Health Fund (IC 12-24-14-4)**

22 **Total Operating Expense** **1,410,464** **1,410,464**
23 **Augmentation allowed.**

24 **MADISON STATE HOSPITAL**

25 **Total Operating Expense** **26,438,717** **26,438,717**
26 **Mental Health Fund (IC 12-24-14-4)**

27 **Total Operating Expense** **2,796,667** **2,796,667**
28 **Augmentation allowed.**

29 **RICHMOND STATE HOSPITAL**

30 **Total Operating Expense** **35,656,881** **35,656,881**
31 **Mental Health Fund (IC 12-24-14-4)**

32 **Total Operating Expense** **2,062,201** **2,062,201**
33 **Augmentation allowed.**

34 **NEURODIAGNOSTIC INSTITUTE**

35 **Total Operating Expense** **28,600,566** **28,600,566**
36 **Mental Health Fund (IC 12-24-14-4)**

37 **Total Operating Expense** **7,500,000** **7,500,000**
38 **Augmentation allowed.**

39 **PATIENT PAYROLL**

40 **Total Operating Expense** **148,533** **148,533**

41
42 **The federal share of revenue accruing to the state mental health institutions under**
43 **IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP),**
44 **shall be deposited in the mental health fund established by IC 12-24-14, and the**
45 **remainder shall be deposited in the general fund.**

46
47 **DIVISION OF FAMILY RESOURCES ADMINISTRATION**

48 **Total Operating Expense** **1,997,280** **1,997,280**

49 **ELECTRONIC BENEFITS TRANSFER ADMINISTRATION**



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	122,299	122,299
2	DIVISION OF FAMILY RESOURCES - COUNTY ADMINISTRATION		
3	Total Operating Expense	109,116,033	109,116,033
4	INDIANA ELIGIBILITY SYSTEM		
5	Total Operating Expense	11,149,723	11,149,723
6	SNAP/IMPACT ADMINISTRATION		
7	Total Operating Expense	9,077,940	9,077,940
8	TEMPORARY ASSISTANCE TO NEEDY FAMILIES – STATE APPROPRIATION		
9	Total Operating Expense	17,886,301	17,886,301
10	BURIAL EXPENSES		
11	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
12	Total Operating Expense	5,861,121	5,861,121
13	Augmentation allowed.		
14	DIVISION OF AGING ADMINISTRATION		
15	Total Operating Expense	735,845	735,845
16	DIVISION OF AGING SERVICES		
17	Total Operating Expense	1,267,723	1,267,723
18	ROOM AND BOARD ASSISTANCE (R-CAP)		
19	Total Operating Expense	4,000,000	4,000,000
20	DEMENTIA CARE SPECIALIST PROGRAM (IC 12-10-5.7)		
21	Total Operating Expense	1,500,000	1,500,000
22	AMYOTROPHIC LATERAL SCLEROSIS HOSPICE CARE		
23	Total Operating Expense	1,000,000	1,000,000
24	C.H.O.I.C.E. IN-HOME SERVICES		
25	Total Operating Expense	48,765,643	48,765,643

26
27 **The above appropriations include intragovernmental transfers to provide the nonfederal**
28 **share of the Medicaid aged and disabled waiver.**

29
30 **The intragovernmental transfers for use in the Medicaid aged and disabled waiver may**
31 **not exceed \$12,500,000 annually.**

32
33 **The Family and Social Services Administration shall conduct an annual evaluation**
34 **of the cost effectiveness of providing home and community-based services. Before**
35 **January of each year, the agency shall submit a report to the budget committee,**
36 **the budget agency, and the legislative council (in an electronic format under IC**
37 **5-14-6) that covers all aspects of the agency's evaluation and such other information**
38 **pertaining thereto as may be requested by the budget committee, the budget agency,**
39 **or the legislative council, including the following:**

- 40 **(1) the number and demographic characteristics of the recipients of home and**
41 **community-based services during the preceding fiscal year, including a separate**
42 **count of individuals who received no services other than case management services**
43 **(as defined in 455 IAC 2-4-10) during the preceding fiscal year; and**
44 **(2) the total cost and per recipient cost of providing home and community-based**
45 **services during the preceding fiscal year.**

46
47 **The agency shall obtain from providers of services data on their costs and expenditures**
48 **regarding implementation of the program and report the findings to the budget committee,**
49 **the budget agency, and the legislative council. The report to the legislative council**



1 must be in an electronic format under IC 5-14-6.

2
3
4
5
6
7
8
9

OLDER HOOSIERS ACT

Total Operating Expense	1,573,446	1,573,446
-------------------------	-----------	-----------

ADULT PROTECTIVE SERVICES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	5,459,948	5,459,948
-------------------------	-----------	-----------

Augmentation allowed.

10 The above appropriations may be used for emergency adult protective services placement.
11 Funds shall be used to the extent that such services are not available to an individual
12 through a policy of accident and sickness insurance, a health maintenance organization
13 contract, the Medicaid program, the federal Medicare program, or any other federal
14 program.

15

ADULT GUARDIANSHIP SERVICES

Total Operating Expense	405,565	405,565
-------------------------	---------	---------

BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DAY SERVICES

Total Operating Expense	3,418,884	3,418,884
-------------------------	-----------	-----------

DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION

Total Operating Expense	509,032	509,032
-------------------------	---------	---------

BUREAU OF REHABILITATIVE SERVICES - VOCATIONAL REHABILITATION

Total Operating Expense	17,077,538	17,077,538
-------------------------	------------	------------

INDEPENDENT LIVING

Total Operating Expense	2,000,000	2,000,000
-------------------------	-----------	-----------

REHABILITATIVE SERVICES - DEAF AND HARD OF HEARING SERVICES

Total Operating Expense	271,262	271,262
-------------------------	---------	---------

BLIND VENDING - STATE APPROPRIATION

Total Operating Expense	73,552	73,552
-------------------------	--------	--------

FIRST STEPS

Total Operating Expense	25,546,118	25,546,118
-------------------------	------------	------------

BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - OPERATING

Total Operating Expense	6,400,033	6,400,033
-------------------------	-----------	-----------

34

35 In the development of new community residential settings for persons with developmental
36 disabilities, the division of disability and rehabilitative services must give priority
37 to the appropriate placement of such persons who are eligible for Medicaid and
38 currently residing in intermediate care or skilled nursing facilities and, to the extent
39 permitted by law, such persons who reside with aged parents or guardians or families
40 in crisis.

41

SCHOOL AGE CHILD CARE PROJECT FUND

Total Operating Expense	812,413	812,413
-------------------------	---------	---------

44

45 The above appropriations are made under IC 6-7-1-30.2(c) and not in addition to the
46 transfer required by IC 6-7-1-30.2(c).

47

EARLY CHILDHOOD LEARNING

Total Operating Expense	40,073,967	40,073,967
-------------------------	------------	------------

49



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	280,806	280,806
2	HIV/AIDS SERVICES		
3	Total Operating Expense	2,957,104	2,957,104
4	Addiction Services Fund (IC 12-23-2-2)		
5	Total Operating Expense	1,800,000	1,800,000
6	CANCER PREVENTION		
7	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
8	Total Operating Expense	1,079,442	1,079,442
9	MATERNAL & CHILD HEALTH INITIATIVES		
10	Total Operating Expense	8,239,639	8,239,639
11	TUBERCULOSIS TREATMENT		
12	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
13	Total Operating Expense	100,000	100,000
14	STATE CHRONIC DISEASES		
15	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
16	Total Operating Expense	870,329	870,329
17			
18	Of the above appropriations, \$82,560 each fiscal year shall be distributed as grants		
19	to community groups and organizations as provided in IC 16-46-7-8. The department		
20	may consider grants to the Kidney Foundation not to exceed \$50,000.		
21			
22	MY HEALTHY BABY		
23	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
24	Total Operating Expense	3,300,000	3,300,000
25			
26	The department shall before November 1 of each year present a report to the Interim		
27	Study Committee on Public Health, Behavioral Health, and Human Services on the metrics		
28	used to evaluate the My Healthy Baby program. The report must be in an electronic		
29	format under IC 5-14-6.		
30			
31	ADOPTION HISTORY		
32	Adoption History Fund (IC 31-19-18-6)		
33	Total Operating Expense	195,163	195,163
34	Augmentation allowed.		
35	CHILDREN WITH SPECIAL HEALTH CARE NEEDS		
36	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
37	Total Operating Expense	15,033,700	15,033,700
38	Augmentation allowed.		
39	NEWBORN SCREENING PROGRAM		
40	Newborn Screening Fund (IC 16-41-17-11)		
41	Total Operating Expense	2,802,821	2,802,821
42	Augmentation allowed.		
43	CENTER FOR DEAF AND HARD OF HEARING EDUCATION		
44	Total Operating Expense	2,977,538	2,977,538
45	VISUALLY IMPAIRED PRESCHOOL SERVICES		
46	Total Operating Expense	600,000	600,000
47	RADON GAS TRUST FUND		
48	Radon Gas Trust Fund (IC 16-41-38-8)		
49	Total Operating Expense	10,670	10,670



1	Augmentation allowed.		
2	SAFETY PIN PROGRAM		
3	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
4	Total Operating Expense	11,020,938	11,020,938
5	REAL ALTERNATIVES, INC.		
6	Total Operating Expense	4,000,000	4,000,000
7	TELECARE WOMEN'S CLINIC PILOT PROGRAM		
8	Total Operating Expense	1,000,000	1,000,000
9	BIRTH PROBLEMS REGISTRY		
10	Birth Problems Registry Fund (IC 16-38-4-17)		
11	Total Operating Expense	73,517	73,517
12	Augmentation allowed.		
13	MOTOR FUEL INSPECTION PROGRAM		
14	Motor Fuel Inspection Fund (IC 16-44-3-10)		
15	Total Operating Expense	246,043	246,043
16	Augmentation allowed.		
17	DONATED DENTAL SERVICES		
18	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
19	Total Operating Expense	200,000	200,000
20			
21	The above appropriations shall be used by the Indiana foundation for dentistry to		
22	provide dental services to individuals with disabilities.		
23			
24	BONE MARROW DONOR RECRUITMENT PROGRAM (IC 16-46-12-3.5)		
25	Total Operating Expense	100,000	100,000
26	OFFICE OF WOMEN'S HEALTH		
27	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
28	Total Operating Expense	96,970	96,970
29	SPINAL CORD AND BRAIN INJURY		
30	Spinal Cord and Brain Injury Fund (IC 16-41-42.2-3)		
31	Total Operating Expense	1,700,000	1,700,000
32	Augmentation allowed.		
33	IMMUNIZATIONS AND HEALTH INITIATIVES		
34	Healthy Indiana Plan Trust Fund (IC 12-15-44.2-17)		
35	Total Operating Expense	10,665,435	10,665,435
36	WEIGHTS AND MEASURES FUND		
37	Weights and Measures Fund (IC 16-19-5-4)		
38	Total Operating Expense	7,106	7,106
39	Augmentation allowed.		
40	MINORITY EPIDEMIOLOGY		
41	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
42	Total Operating Expense	750,000	750,000
43	COMMUNITY HEALTH CENTERS		
44	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
45	Total Operating Expense	14,453,000	14,453,000
46	PRENATAL SUBSTANCE USE & PREVENTION		
47	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
48	Total Operating Expense	119,965	119,965
49	OPIOID OVERDOSE INTERVENTION		



1	State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))		
2	Total Operating Expense	250,000	250,000
3	NURSE FAMILY PARTNERSHIP		
4	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
5	Total Operating Expense	15,000,000	15,000,000
6	HEARING AND BLIND SERVICES		
7	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
8	Total Operating Expense	500,000	500,000

9

10 **Of the above appropriations, \$375,000 shall be deposited each fiscal year into the**

11 **Hearing Aid Fund established under IC 16-35-8-3.**

12

13	TOBACCO USE PREVENTION AND CESSATION PROGRAM		
14	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
15	Total Operating Expense	7,612,152	7,612,152
16	Agency Settlement Fund (IC 4-12-16-2)		
17	Total Operating Expense	1,500,000	1,500,000

18

19 **A minimum of 90% of the above appropriations shall be distributed as grants to local**

20 **agencies and other entities with programs designed to reduce smoking.**

21

22	FOR THE INDIANA SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED		
23	Total Operating Expense	14,841,681	14,841,681

24

25 **The above appropriations include \$2,000,000 each fiscal year to purchase refreshable**

26 **Braille and tactile graphics tablets.**

27

28	FOR THE INDIANA SCHOOL FOR THE DEAF		
29	Total Operating Expense	18,357,483	18,357,483

30

31 **C. VETERANS' AFFAIRS**

32

33	FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS		
34	Total Operating Expense	2,968,891	2,968,891

35

36 **The above appropriations include funding for a women's veteran services officer**

37 **and \$300,000 each year for six state veteran services officers.**

38

39	VETERAN SERVICE ORGANIZATIONS		
40	Total Operating Expense	1,200,000	1,200,000

41

42 **The above appropriations shall be used by the Indiana Department of Veterans' Affairs**

43 **to provide grants to organizations in accordance with Section 5902 (formerly Section**

44 **3402) of Title 38, United States Code (U.S.C.) and subsections 14.628(a) and (c) of 38**

45 **C.F.R. Eligible organizations shall have an accredited Veteran Service Officer with a**

46 **presence in Indiana. Awarded grant funds shall be used to assist veterans in securing**

47 **available benefits.**

48

49 **OPERATION OF VETERANS' CEMETERY**



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	529,841	529,841
2	GRANTS FOR VETERANS' SERVICES		
3	Total Operating Expense	1,250,000	1,250,000
4	VETERAN SUICIDE PREVENTION		
5	Total Operating Expense	1,000,000	1,000,000
6	SEMIQUINCENTENNIAL COMMISSION		
7	Total Operating Expense	175,000	175,000
8	INDIANA VETERANS' HOME		
9	Veterans' Home Comfort and Welfare Fund (IC 10-17-9-7(d))		
10	Total Operating Expense	10,939,169	10,939,169
11	IVH Medicaid Reimbursement Fund		
12	Total Operating Expense	14,500,000	14,500,000
13	Augmentation allowed from the veterans' home comfort and welfare fund		
14	and the IVH Medicaid reimbursement fund.		
15			
16	SECTION 9. [EFFECTIVE JULY 1, 2025]		
17			
18	EDUCATION		
19			
20	A. HIGHER EDUCATION		
21			
22	FOR INDIANA UNIVERSITY		
23	BLOOMINGTON CAMPUS		
24	Total Operating Expense	209,473,239	209,473,239
25	Fee Replacement	18,528,752	18,526,235
26			
27	FOR INDIANA UNIVERSITY REGIONAL CAMPUSES		
28	EAST		
29	Total Operating Expense	15,749,696	15,749,696
30	KOKOMO		
31	Total Operating Expense	17,429,045	17,429,045
32	NORTHWEST		
33	Total Operating Expense	20,683,341	20,683,341
34	Fee Replacement	2,984,375	2,986,625
35	SOUTH BEND		
36	Total Operating Expense	26,617,833	26,617,833
37	Fee Replacement	1,447,700	1,443,150
38	SOUTHEAST		
39	Total Operating Expense	22,481,328	22,481,328
40	FORT WAYNE HEALTH SCIENCES PROGRAM		
41	Total Operating Expense	5,120,388	5,120,388
42	INDIANAPOLIS CAMPUS		
43	Total Operating Expense	135,000,000	135,000,000
44	Fee Replacement	4,339,198	4,337,415
45			
46	FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE		
47	INDIANA UNIVERSITY SCHOOL OF MEDICINE - EVANSVILLE		
48	Total Operating Expense	2,324,593	2,324,593
49	INDIANA UNIVERSITY SCHOOL OF MEDICINE - FORT WAYNE		



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	2,172,777	2,172,777
2	INDIANA UNIVERSITY SCHOOL OF MEDICINE - NORTHWEST - GARY		
3	Total Operating Expense	2,906,524	2,906,524
4	INDIANA UNIVERSITY SCHOOL OF MEDICINE - LAFAYETTE		
5	Total Operating Expense	2,640,475	2,640,475
6	INDIANA UNIVERSITY SCHOOL OF MEDICINE - MUNCIE		
7	Total Operating Expense	2,417,418	2,417,418
8	INDIANA UNIVERSITY SCHOOL OF MEDICINE - SOUTH BEND		
9	Total Operating Expense	2,272,975	2,272,975
10	INDIANA UNIVERSITY SCHOOL OF MEDICINE - TERRE HAUTE		
11	Total Operating Expense	2,627,533	2,627,533
12	I.U. SCHOOLS OF MEDICINE AND DENTISTRY		
13	Total Operating Expense	111,061,865	111,061,865
14	Fee Replacement	6,966,301	6,965,787
15			
16	The Indiana University School of Medicine - Indianapolis shall submit to the Indiana		
17	commission for higher education before May 15 of each year an accountability report		
18	containing data on the number of medical school graduates who entered primary care		
19	physician residencies in Indiana from the school's most recent graduating class.		
20			
21	Transfers of allocations between campuses to correct for errors in allocation among		
22	the campuses of Indiana University can be made by the institution with the approval		
23	of the commission for higher education and the budget agency. Indiana University		
24	shall maintain current operations at all statewide medical education sites.		
25			
26	DUAL CREDIT		
27	Total Operating Expense	4,441,005	4,441,005
28	IU INNOVATES		
29	Total Operating Expense	1,000,000	1,000,000
30	CLINICAL AND TRANSLATIONAL SCIENCES INSTITUTE		
31	Total Operating Expense	2,500,000	2,500,000
32	GLOBAL NETWORK OPERATIONS CENTER		
33	Total Operating Expense	721,861	721,861
34	SPINAL CORD AND HEAD INJURY RESEARCH CENTER		
35	Total Operating Expense	553,429	553,429
36	INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES		
37	Total Operating Expense	2,105,824	2,105,824
38	GEOLOGICAL SURVEY		
39	Total Operating Expense	2,783,782	2,783,782
40	I-LIGHT NETWORK OPERATIONS		
41	Total Operating Expense	1,508,628	1,508,628
42	GIGAPOP PROJECT		
43	Total Operating Expense	672,562	672,562
44			
45	FOR PURDUE UNIVERSITY		
46	WEST LAFAYETTE		
47	Total Operating Expense	252,971,844	252,971,844
48	Fee Replacement	27,485,700	24,141,450
49	COLLEGE OF VETERINARY MEDICINE		



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	18,973,866	18,973,866
2			
3	FOR PURDUE UNIVERSITY REGIONAL CAMPUSES		
4	NORTHWEST		
5	Total Operating Expense	50,661,479	50,661,479
6	Fee Replacement	3,781,240	3,780,740
7	FORT WAYNE		
8	Total Operating Expense	47,438,549	47,438,549
9	Fee Replacement	3,044,250	3,040,750
10			
11	Transfers of allocations between campuses to correct for errors in allocation among		
12	the campuses of Purdue University can be made by the institution with the approval		
13	of the commission for higher education and the budget agency.		
14			
15	DUAL CREDIT		
16	Total Operating Expense	1,188,585	1,188,585
17	COUNTY AGRICULTURAL EXTENSION EDUCATORS		
18	Total Operating Expense	8,000,000	8,000,000
19	AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS		
20	Total Operating Expense	9,000,000	9,000,000
21	IN TECH ASST. AND ADV. MFG. COMPETITIVENESS PROGRAM		
22	Total Operating Expense	4,430,212	4,430,212
23	STATEWIDE TECHNOLOGY		
24	Total Operating Expense	6,695,258	6,695,258
25	CENTER FOR PARALYSIS RESEARCH		
26	Total Operating Expense	522,558	522,558
27			
28	FOR INDIANA STATE UNIVERSITY		
29	Total Operating Expense	77,960,326	77,960,326
30	Fee Replacement	10,498,371	10,593,848
31	DUAL CREDIT		
32	Total Operating Expense	149,535	149,535
33	PRINCIPAL LEADERSHIP ACADEMY		
34	Total Operating Expense	600,000	600,000
35	NURSING PROGRAM		
36	Total Operating Expense	204,000	204,000
37	DEGREE LINK		
38	Total Operating Expense	446,438	446,438
39			
40	FOR UNIVERSITY OF SOUTHERN INDIANA		
41	Total Operating Expense	53,831,608	53,831,608
42	Fee Replacement	11,847,730	8,898,786
43	DUAL CREDIT		
44	Total Operating Expense	493,335	493,335
45	HISTORIC NEW HARMONY		
46	Total Operating Expense	486,878	486,878
47	EARLY COLLEGE BRIDGE PROGRAM		
48	Total Operating Expense	600,000	600,000
49			



	<i>FY 2025-2026</i>	<i>FY 2026-2027</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1	FOR BALL STATE UNIVERSITY		
2	138,952,025	138,952,025	
3	21,836,212	20,324,337	
4	DUAL CREDIT		
5	235,440	235,440	
6	ENTREPRENEURIAL COLLEGE		
7	2,500,000	2,500,000	
8	ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES		
9	4,384,956	4,384,956	
10	FOR VINCENNES UNIVERSITY		
11	FOR VINCENNES UNIVERSITY		
12	46,789,144	46,789,144	
13	4,926,599	4,932,056	
14	DUAL CREDIT		
15	4,716,315	4,716,315	
16	CAREER AND TECHNICAL EARLY COLLEGE PROGRAM		
17	3,000,000	3,000,000	
18			
19	Additional Early College sites may be established upon approval by the Commission for		
20	Higher Education and after review by the budget committee.		
21			
22	FOR IVY TECH COMMUNITY COLLEGE		
23	248,772,295	248,772,295	
24	27,980,512	28,218,420	
25	DUAL CREDIT		
26	21,934,755	21,934,755	
27	STATEWIDE NURSING		
28	9,000,000	9,000,000	
29	TESTING CENTERS		
30	710,810	710,810	
31	SOUTHERN INDIANA EDUCATIONAL ALLIANCE		
32	1,057,738	1,057,738	
33			

34 **The above appropriations to Indiana University, Purdue University, Indiana State**
35 **University, University of Southern Indiana, Ball State University, Vincennes University,**
36 **and Ivy Tech Community College are in addition to all income of said institutions,**
37 **respectively, from all permanent fees and endowments and from all land grants, fees,**
38 **earnings, and receipts, including gifts, grants, bequests, and devises, and receipts**
39 **from any miscellaneous sales from whatever source derived.**

40
41 **All such income and all such fees, earnings, and receipts on hand June 30, 2025, and**
42 **all such income and fees, earnings, and receipts accruing thereafter are hereby**
43 **appropriated to the boards of trustees or directors of the aforementioned institutions**
44 **and may be expended for any necessary expenses of the respective institutions, including**
45 **university hospitals, schools of medicine, nurses' training schools, schools of dentistry,**
46 **and agricultural extension and experimental stations.**

47
48 **The above appropriations to Indiana University, Purdue University, Indiana State**
49 **University, University of Southern Indiana, Ball State University, Vincennes University,**



1 and Ivy Tech Community College include the employers' share of Social Security payments
 2 for university employees under the public employees' retirement fund, or institutions
 3 covered by the Indiana state teachers' retirement fund. The funds appropriated also include
 4 funding for the employers' share of payments to the public employees' retirement fund
 5 and to the Indiana state teachers' retirement fund at a rate to be established by the
 6 retirement funds for both fiscal years for each institution's employees covered by these
 7 retirement plans.

8
 9 Notwithstanding IC 4-10-11, the state comptroller shall draw warrants to the treasurers
 10 of Indiana University, Purdue University, Indiana State University, University of
 11 Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community
 12 College on the basis of vouchers stating the total amount claimed against each fund or
 13 account, or both, but not to exceed the legally made appropriations.

14
 15 For universities and colleges supported in whole or in part by state funds, grant
 16 applications and lists of applications need only be submitted upon request to the
 17 budget agency for review and approval or disapproval and, unless disapproved by
 18 the budget agency, federal grant funds may be requested and spent without approval
 19 by the budget agency.

20
 21 For all university special appropriations, an itemized list of intended expenditures,
 22 in such form as the governor and the budget agency may specify, shall be submitted to
 23 support the allotment request. All budget requests for university special appropriations
 24 shall be furnished in a like manner and as a part of the operating budgets of the state
 25 universities.

26
 27 The trustees of Indiana University, the trustees of Purdue University, the trustees of
 28 Indiana State University, the trustees of University of Southern Indiana, the trustees
 29 of Ball State University, the trustees of Vincennes University, and the trustees of Ivy
 30 Tech Community College are hereby authorized to accept federal grants, subject to IC
 31 4-12-1.

32
 33 Fee replacement funds are to be distributed as requested by each institution, on
 34 payment due dates, subject to available appropriations.

35
 36 **FOR THE COMMISSION FOR HIGHER EDUCATION**

Total Operating Expense	7,370,948	7,370,948
-------------------------	-----------	-----------

38
 39 The above appropriations include funding for Learn More Indiana, commission technology,
 40 and the administration of the 21st Century scholars program.

41
 42 **FREEDOM OF CHOICE GRANTS**

Total Operating Expense	66,225,902	66,225,902
-------------------------	------------	------------

44 **HIGHER EDUCATION AWARD PROGRAM**

Total Operating Expense	101,425,081	101,425,081
-------------------------	-------------	-------------

46
 47 For the higher education awards and freedom of choice grants, notwithstanding current
 48 administrative rule or practice, the commission shall maintain the proportionality
 49 of award maximums for public, private, and proprietary institutions when setting



1 forth amounts under IC 21-12-1.7.

2
3
4
5
6
7
8
9

CAREER COACHING GRANT FUND

Total Operating Expense	15,000,000	15,000,000
-------------------------	------------	------------

PERKINS STATE MATCH

Total Operating Expense	500,000	500,000
-------------------------	---------	---------

PROMOTED INDUSTRY CERTIFICATIONS

Total Operating Expense	2,000,000	2,000,000
-------------------------	-----------	-----------

10 The above appropriations are for the purpose of reimbursing students enrolled in
11 school corporations, charter schools, and accredited nonpublic schools for the fees
12 incurred for taking exams required to earn certifications on Indiana's promoted
13 industry certification list.

14

**TUITION AND FEE EXEMPTION FOR CHILDREN OF VETERANS AND
PUBLIC SAFETY OFFICERS**

Total Operating Expense	31,773,696	31,773,696
-------------------------	------------	------------

MIDWEST HIGHER EDUCATION COMPACT

Total Operating Expense	115,000	115,000
-------------------------	---------	---------

ADULT STUDENT GRANT APPROPRIATION

Total Operating Expense	7,579,858	7,579,858
-------------------------	-----------	-----------

22

23 Priority for awards made from the above appropriations shall be given first to eligible
24 students meeting TANF income eligibility guidelines as determined by the family
25 and social services administration and second to eligible students who received
26 awards from the adult grant fund during the school year associated with the biennial
27 budget year. Funds remaining shall be distributed according to procedures established
28 by the commission. The maximum grant that an applicant may receive for a particular
29 academic term shall be established by the commission but shall in no case be greater
30 than a grant for which an applicant would be eligible under IC 21-12-3 if the applicant
31 were a full-time student. The commission shall collect and report to the family and
32 social services administration (FSSA) all data required for FSSA to meet the data
33 collection and reporting requirements in 45 CFR Part 265.

34

35 The family and social services administration, division of family resources, shall
36 apply all qualifying expenditures for the part-time grant program toward Indiana's
37 maintenance of effort under the federal Temporary Assistance for Needy Families
38 (TANF) program (45 CFR 260 et seq.).

39

TEACHER RESIDENCY GRANT PILOT PROGRAM (IC 21-18-15.1)

Total Operating Expense	1,000,000	1,000,000
-------------------------	-----------	-----------

MINORITY TEACHER SCHOLARSHIP FUND (IC 21-13-2-1)

Total Operating Expense	400,000	400,000
-------------------------	---------	---------

NEXT GENERATION MINORITY EDUCATOR SCHOLARSHIP (IC 21-12-16.5)

Total Operating Expense	600,000	600,000
-------------------------	---------	---------

HIGH NEED STUDENT TEACHING SCHOLARSHIP FUND (IC 21-13-7)

Total Operating Expense	450,000	450,000
-------------------------	---------	---------

MINORITY STUDENT TEACHING SCHOLARSHIP (IC 21-13-8)

Total Operating Expense	100,000	100,000
-------------------------	---------	---------

49



1	EARN INDIANA WORK STUDY PROGRAM (IC 21-16-2)		
2	Total Operating Expense	2,606,099	2,606,099
3	21ST CENTURY SCHOLAR AWARDS		
4	Total Operating Expense	166,270,623	166,270,623

5
6 **The commission shall collect and report to the family and social services administration**
7 **(FSSA) all data required for FSSA to meet the data collection and reporting requirements**
8 **in 45 CFR 265.**
9

10 **The division of family resources shall apply all qualifying expenditures for the 21st**
11 **century scholars program toward Indiana's maintenance of effort under the federal**
12 **Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).**
13

14	INSTITUTE FOR WORKFORCE EXCELLENCE		
15	Total Operating Expense	400,000	400,000
16	NEXT GENERATION HOOSIER EDUCATORS		
17	Total Operating Expense	12,000,000	12,000,000
18	NATIONAL GUARD TUITION SCHOLARSHIP		
19	Total Operating Expense	3,676,240	3,676,240

20
21 **The above appropriations for national guard scholarships plus reserve balances in the fund**
22 **shall be the total allowable state expenditure for the program in the biennium.**
23

24	PRIMARY CARE SCHOLARSHIP		
25	Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
26	Total Operating Expense	2,000,000	2,000,000

27
28 **The above appropriations shall be distributed in accordance with IC 21-13-9.**
29

30	PUBLIC SERVICE ATTORNEY SCHOLARSHIPS (IC 21-13-12)		
31	Total Operating Expense	1,000,000	1,000,000
32	HIGH VALUE WORKFORCE READY CREDIT BEARING GRANT (IC 21-12-8)		
33	Total Operating Expense	6,036,567	6,036,567

34	MEDICAL EDUCATION BOARD		
35	FAMILY PRACTICE RESIDENCY		
36	Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
37	Total Operating Expense	2,382,197	2,382,197

38
39
40 **Of the above appropriations, \$1,000,000 each year shall be distributed as grants for the purpose**
41 **of improving family practice residency programs serving medically underserved areas.**
42

43	GRADUATE MEDICAL EDUCATION BOARD		
44	MEDICAL RESIDENCY EDUCATION GRANTS		
45	Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
46	Total Operating Expense	7,000,000	7,000,000

47
48 **The above appropriations for medical residency education grants are to be distributed**
49 **in accordance with IC 21-13-6.5.**



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

Total Operating Expense	18,863,634	18,863,634
Professional Standards Fund (IC 20-28-2-10)		
Total Operating Expense	1,237,940	1,237,940
Augmentation allowed from the professional standards fund.		

STATE BOARD OF EDUCATION

Total Operating Expense	1,761,119	1,761,119
-------------------------	-----------	-----------

FREEDOM AND OPPORTUNITY IN EDUCATION

Total Operating Expense	86,000,000	86,000,000
-------------------------	------------	------------

The above appropriations may be used for initiatives to improve academic performance and increase freedom and opportunity in education, including but not limited to expanding the current ILEARN checkpoint pilot statewide; designing and deploying an interactive advising tool to support the implementation of new diploma requirements; operating the real-time educator supply and demand marketplace; recruiting educators in high-need areas, including special education, English learner, STEM teachers, and school counselors; expanding computer science education programs; supporting highly effective dropout prevention programs; funding initiatives related to the Science of Reading; piloting evidence-based reading intervention programs; supporting the Crossing the Finish Line initiative; providing literacy achievement grants; and supporting student learning recovery grants.

Of the above appropriations, the department may allocate up to \$1,000,000 each fiscal year to create a localized educational attainment pilot program to address critical literacy, educational training, and support service needs in a selected community. The pilot program should focus on literacy training and outreach and aim to improve reading proficiency among children and adults, leveraging targeted, evidence-based interventions, including literacy programming, school partnerships, and outreach to reach underserved populations.

PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	3,675,000	3,675,000
-------------------------	-----------	-----------

The Indiana Public Broadcasting Stations, Inc., shall submit a distribution plan for the eight Indiana public television stations for approval by the budget agency after review by the budget committee. Of the above appropriations, at least one seventh of the funds each year shall be set aside and distributed equally among all of the public radio stations.

STEM PROGRAM ALIGNMENT

Total Operating Expense	7,050,000	7,050,000
-------------------------	-----------	-----------

The above appropriations shall be used to provide competitive grants to school corporations, charter schools, and other entities for the purpose of increasing access



1 to high quality STEM programming, implementing qualified STEM curricula and
 2 professional development plans, to develop methods of evaluating STEM curricula
 3 and professional development plans for the purpose of awarding STEM grants, and
 4 to develop a system for measuring student growth in critical thinking, problem-solving,
 5 and other STEM-based skills in schools that receive STEM grants. The department
 6 shall provide an annual report to the general assembly, the office of the governor, and
 7 the state board of education describing the department's progress toward implementing
 8 the state's STEM plan. All data collected by the department shall be tracked electronically
 9 and shared with the management and performance hub for the purpose of collecting
 10 longitudinal data.

11
 12 Of the above appropriations, up to \$1,200,000 in each fiscal year shall be used to provide
 13 grants to colleges or universities for the purpose of supporting programs and statewide
 14 initiatives dedicated to increasing student enrollment and improving student scores in
 15 math and science Advanced Placement courses and up to \$1,200,000 in each fiscal
 16 year shall be used to provide grants to schools or corporations for the purpose
 17 of supporting programs dedicated to increasing student enrollment and improving
 18 student scores in math and science Cambridge International courses.

19
 20 Of the above appropriations, \$4,000,000 each fiscal year shall be used to support
 21 robotics programs, as defined by IC 20-20-45.5, and the Indiana Bar Foundation's
 22 We the People programs at school corporations and charter schools.

23
 24 Of the above appropriations, \$300,000 each fiscal year shall be used to partner with
 25 the commission for higher education to provide professional development and technical
 26 assistance to schools that pilot the transitions math course for students transitioning
 27 from secondary to post-secondary education.

28			
29	RILEY HOSPITAL		
30	Total Operating Expense	250,000	250,000
31	BEST BUDDIES		
32	Total Operating Expense	206,125	206,125
33	SCHOOL TRAFFIC SAFETY		
34	Total Operating Expense	227,143	227,143
35	OFFICE OF KINDERGARTEN READINESS		
36	Total Operating Expense	522,851	522,851
37	TEACHER HIGHER EDUCATION AND INDUSTRY COLLABORATION		
38	Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
39	Total Operating Expense	1,000,000	1,000,000
40	SPECIAL EDUCATION (S-5) (IC 20-35-6-2)		
41	Total Operating Expense	29,070,000	29,070,000
42	AUDITORY-VERBAL ACCELERATED EDUCATION PROGRAM (IC 20-35-13)		
43	Total Operating Expense	2,000,000	2,000,000
44	CHARTER AND INNOVATION NETWORK SCHOOL GRANT PROGRAM		
45	Total Operating Expense	52,600,000	52,600,000
46	Augmentation allowed.		
47	TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION		
48	Total Operating Expense	1,894,521	1,894,521
49			



1 The above appropriations shall be distributed by the department of education on
2 a monthly basis in equal payments to special education cooperatives, area career
3 and technical education schools, and other governmental entities that received state
4 teachers' Social Security distributions for certified education personnel (excluding
5 the certified education personnel funded through federal grants) during the fiscal
6 year beginning July 1, 1992, and ending June 30, 1993, and for the units under the
7 Indiana state teachers' retirement fund, the amount they received during the 2002-2003
8 state fiscal year for teachers' retirement. If the total amount to be distributed is
9 greater than the total appropriation, the department of education shall reduce each
10 entity's distribution proportionately.

11
12 **DISTRIBUTION FOR TUITION SUPPORT**

Total Operating Expense	9,370,000,000	9,560,000,000
-------------------------	---------------	---------------

14
15 The above appropriations are to be distributed in accordance with a statute enacted
16 for this purpose during the 2025 session of the general assembly.

17
18 If the above appropriations are more than the amount required by statute, the excess
19 appropriations shall revert to the general fund at the end of each fiscal year.

20
21 The above appropriations shall be distributed under a schedule set by the budget
22 agency and approved by the governor. The schedule shall provide for at least twelve
23 (12) payments made at least once every forty (40) days, and the aggregate of the
24 payments in each fiscal year shall equal the amount required by statute.

25
26 **TEACHER APPRECIATION GRANTS**

Total Operating Expense	37,500,000	37,500,000
-------------------------	------------	------------

27
28
29 It is the intent of the general assembly that the above appropriations shall be the total
30 allowable state expenditure for the program. If disbursements are anticipated to
31 exceed the total appropriation for a state fiscal year, the department of education
32 shall reduce the distributions proportionately.

33
34 **DISTRIBUTION FOR SUMMER SCHOOL**

Total Operating Expense	18,360,000	18,360,000
-------------------------	------------	------------

35
36
37 It is the intent of the general assembly that the above appropriations shall be the total
38 allowable state expenditure for the program. Therefore, if the expected disbursements
39 are anticipated to exceed the total appropriation for that state fiscal year, then the
40 department of education shall reduce the distributions proportionately.

41
42 **DISTRIBUTION FOR ADULT LEARNERS**

Total Operating Expense	53,749,800	54,576,600
-------------------------	------------	------------

43
44 **NATIONAL SCHOOL LUNCH PROGRAM**

Total Operating Expense	5,108,582	5,108,582
-------------------------	-----------	-----------

45
46 **TESTING**

Total Operating Expense	22,355,000	22,355,000
-------------------------	------------	------------

47
48
49 The above appropriations are for assessments, including special education alternate



1 assessments, as determined by the state board of education and the department of
 2 education.

3

4 **REMEDICATION TESTING**

5 Total Operating Expense	14,126,474	14,126,474
----------------------------------	------------	------------

6

7 The above appropriations for remediation testing are for grants to school corporations,
 8 charter schools, and accredited nonpublic schools through the department of education.
 9 School corporations, charter schools, and accredited nonpublic schools shall use the
 10 grants to fund formative tests to identify students who require remediation.

11

12 **ADVANCED PLACEMENT PROGRAM**

13 Total Operating Expense	5,600,000	5,600,000
-----------------------------------	-----------	-----------

14

15 The above appropriations are to provide funding for students enrolled in school
 16 corporations, charter schools, and accredited nonpublic schools to take the Advanced
 17 Placement and Cambridge International exams. A maximum of three (3) exams per
 18 student may be funded. Any remaining funds available after exam fees have been
 19 paid shall be prioritized for use by teachers of Advanced Placement or Cambridge
 20 International courses to attend professional development training.

21

22 **PSAT PROGRAM**

23 Total Operating Expense	2,710,000	2,710,000
-----------------------------------	-----------	-----------

24

25 The above appropriations are to provide funding for students enrolled in school
 26 corporations, charter schools, and accredited nonpublic schools in grade 10 and
 27 11 to take the PSAT exam.

28

29 **NON-ENGLISH SPEAKING PROGRAM**

30 Total Operating Expense	200,000	200,000
-----------------------------------	---------	---------

31

32 The above appropriations shall be distributed to the department of correction, the
 33 Indiana school for the blind and visually impaired, the Indiana school for the deaf,
 34 the Excel Centers for Adult Learners, the Christel House DORS Centers, and the Gary
 35 Middle College charter schools to support non-English speaking programs. Funds may
 36 only be used to educate students who are less than twenty-three (23) years of age.

37

38 **GIFTED AND TALENTED EDUCATION PROGRAM**

39 Total Operating Expense	15,000,000	15,000,000
-----------------------------------	------------	------------

40

41 Each fiscal year, the department shall make \$750,000 available to school corporations
 42 and charter schools to purchase verbal and quantitative reasoning tests to be administered
 43 to all students within the corporation or charter school that are enrolled in kindergarten,
 44 second grade, and fifth grade.

45

46 **ALTERNATIVE EDUCATION**

47 Total Operating Expense	806,394	806,394
-----------------------------------	---------	---------

48

49 The above appropriations include funding to provide \$10,000 for each child in recovery



1 from alcohol or drug abuse who attends a charter school accredited by the National
 2 Association of Recovery Schools. This funding is in addition to any funding received
 3 by the charter school from the student funding formula.

4
 5 **SENATOR DAVID C. FORD EDUCATIONAL TECHNOLOGY PROGRAM**
 6 **Total Operating Expense** **3,000,000** **3,000,000**

7
 8 The department shall use the above appropriations to make grants to school corporations
 9 and charter schools to promote student learning through the use of technology and to
 10 acquire innovative education technologies that can be accessed and utilized by all school
 11 corporations and charter schools.

12
 13 Of the above appropriations, \$1,350,000 shall be used for each fiscal year to provide
 14 grants to school corporations and charter schools to purchase robotic and avatar
 15 technology and provide professional development endorsed by the Council of Administrators
 16 of Special Education to to improve the literacy, numeracy, social, and behavioral
 17 skills for students with autism.

18
 19 **SCHOOL BUSINESS OFFICIALS LEADERSHIP ACADEMY**
 20 **Total Operating Expense** **150,000** **150,000**

21
 22 The department shall make the above appropriations available to the Indiana Association
 23 of School Business Officials to operate an academy designed to strengthen the management
 24 and leadership skills of practicing Indiana school business officials employed by school
 25 corporations and charter schools.

26
 27 **SCHOOL SUPERINTENDENTS LEADERSHIP ACADEMY**
 28 **Total Operating Expense** **150,000** **150,000**

29
 30 The department shall make the above appropriations available to the Indiana Association
 31 of Public School Superintendents to operate an academy designed to strengthen the
 32 management and leadership skills of practicing Indiana school superintendents and
 33 leaders of charter schools.

34
 35 **FOR THE INDIANA CHARTER SCHOOL BOARD**
 36 **Total Operating Expense** **541,752** **541,752**

37
 38 **FOR THE INDIANA PUBLIC RETIREMENT SYSTEM**
 39 **TEACHERS' RETIREMENT FUND DISTRIBUTION**
 40 **Total Operating Expense** **1,066,300,000** **1,066,300,000**
 41 **Augmentation allowed.**

42
 43 If the amount required under the pre-1996 account of the teachers' retirement fund
 44 for actual benefits for the Post Retirement Pension Increases that are funded on a "pay
 45 as you go" basis plus the base benefits under the pre-1996 account of the teachers'
 46 retirement fund is:

- 47 (1) greater than the above appropriations for a year, after notice to the governor
 48 and the budget agency of the deficiency, the above appropriation for the year shall
 49 be augmented from the state general fund. Any augmentation shall be included in



1 the required pension stabilization calculation under IC 5-10.4; or
 2 (2) less than the above appropriations for a year, the excess shall be retained in the
 3 state general fund. The portion of the benefit funded by the actuarially funded
 4 Post Retirement Pension Increases shall not be part of this calculation.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

C. OTHER EDUCATION

FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD

Total Operating Expense	1,227,219	1,227,219
-------------------------	-----------	-----------

FOR THE STATE LIBRARY

Total Operating Expense	2,627,285	2,627,285
-------------------------	-----------	-----------

STATEWIDE LIBRARY SERVICES

Total Operating Expense	1,433,108	1,433,108
-------------------------	-----------	-----------

LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES

Total Operating Expense	200,000	200,000
-------------------------	---------	---------

ACADEMY OF SCIENCE

Total Operating Expense	4,357	4,357
-------------------------	-------	-------

HISTORICAL MARKER PROGRAM

Total Operating Expense	8,649	8,649
-------------------------	-------	-------

INSPIRE

Total Operating Expense	1,382,250	1,382,250
-------------------------	-----------	-----------

LOCAL LIBRARY CONNECTIVITY GRANT

Total Operating Expense	1,382,250	1,382,250
-------------------------	-----------	-----------

FOR THE ARTS COMMISSION

Total Operating Expense	3,450,796	3,450,796
-------------------------	-----------	-----------

The above appropriations include \$650,000 each year to provide grants to:
 (1) arts organizations that have recently qualified for general operating support
 as major arts organizations, as determined by the arts commission; and
 (2) regional organizations that have recently qualified for general operating support
 as mid-major arts organizations, as determined by the arts commission and its regional
 re-granting partners.

SECTION 10. [EFFECTIVE JULY 1, 2025]

DISTRIBUTIONS

FOR THE STATE COMPTROLLER

GAMING TAX

Total Operating Expense	50,500,000	50,500,000
-------------------------	------------	------------

Augmentation allowed.

The above appropriations include \$48,000,000 each year for the supplemental wagering
 tax distribution in IC 4-33-13-5 and \$2,500,000 each year for the historic hotel district
 community support fee distribution in IC 4-35-8.3-4.

SECTION 11. [EFFECTIVE JULY 1, 2025]



1
2 **Federal funds are available for career and technical education under the Carl D.**
3 **Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for**
4 **Career and Technical Education). Funds shall be received by the commission of**
5 **higher education and may be allocated by the budget agency after consultation with**
6 **the commission for higher education and any other state agencies, commissions,**
7 **or organizations required by state law.**

8
9 **SECTION 12. [EFFECTIVE JULY 1, 2025]**

10
11 **In accordance with IC 20-20-38, the budget agency, upon the request of the commission**
12 **for higher education, may proportionately augment or reduce an allocation of federal**
13 **funds made under SECTION 11 of this act.**

14
15 **SECTION 13. [EFFECTIVE JULY 1, 2025]**

16
17 **Utility bills for the month of June, travel claims covering the period June 16 to June**
18 **30, payroll for the period of the last half of June, any interdepartmental bills for**
19 **supplies or services for the month of June, and any other miscellaneous expenses**
20 **incurred during the period June 16 to June 30 shall be charged to the appropriation**
21 **for the succeeding year. No interdepartmental bill shall be recorded as a refund**
22 **of expenditure to any current year allotment account for supplies or services rendered**
23 **or delivered at any time during the preceding June period.**

24
25 **SECTION 14. [EFFECTIVE JULY 1, 2025]**

26
27 **The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation**
28 **with the Indiana department of administration, may fix the amount of reimbursement**
29 **for traveling expenses (other than transportation) for travel within the limits of**
30 **Indiana. This amount may not exceed actual lodging and miscellaneous expenses**
31 **incurred. A person in travel status, as defined by the state travel policies and**
32 **procedures established by the Indiana department of administration and the budget**
33 **agency, is entitled to a meal allowance not to exceed during any twenty-four (24)**
34 **hour period the standard meal allowances established by the federal Internal Revenue**
35 **Service.**

36
37 **All appropriations provided by this act or any other statute, for traveling and hotel**
38 **expenses for any department, officer, agent, employee, person, trustee, or commissioner,**
39 **are to be used only for travel within the state of Indiana, unless those expenses are**
40 **incurred in traveling outside the state of Indiana on trips that previously have received**
41 **approval as required by the state travel policies and procedures established by the Indiana**
42 **department of administration and the budget agency. With the required approval,**
43 **a reimbursement for out-of-state travel expenses may be granted in an amount not**
44 **to exceed actual lodging and miscellaneous expenses incurred. A person in travel**
45 **status is entitled to a meal allowance not to exceed during any twenty-four (24) hour**
46 **period the standard meal allowances established by the federal Internal Revenue**
47 **Service for properly approved travel within the continental United States and a**
48 **minimum of \$50 during any twenty-four (24) hour period for properly approved travel**
49 **outside the continental United States. However, while traveling in Japan, the minimum**



1 meal allowance shall not be less than \$90 for any twenty-four (24) hour period. While
2 traveling in Korea and Taiwan, the minimum meal allowance shall not be less than
3 \$85 for any twenty-four (24) hour period. While traveling in Singapore, China, Great
4 Britain, Germany, the Netherlands, and France, the minimum meal allowance shall
5 not be less than \$65 for any twenty-four (24) hour period.
6

7 In the case of the state supported institutions of postsecondary education, approval
8 for out-of-state travel may be given by the chief executive officer of the institution,
9 or the chief executive officer's authorized designee, for the chief executive officer's
10 respective personnel.
11

12 Before reimbursing overnight travel expenses, the state comptroller shall require
13 documentation as prescribed in the state travel policies and procedures established
14 by the Indiana department of administration and the budget agency. No appropriation
15 from any fund may be construed as authorizing the payment of any sum in excess of
16 the standard mileage rates for personally owned transportation equipment established
17 by the federal Internal Revenue Service when used in the discharge of state business.
18 The Indiana department of administration and the budget agency may adopt policies
19 and procedures relative to the reimbursement of travel and moving expenses of new
20 state employees and the reimbursement of travel expenses of prospective employees
21 who are invited to interview with the state.
22

23 **SECTION 15. [EFFECTIVE JULY 1, 2025]**
24

25 Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions,
26 and councils who are entitled to a salary per diem is equal to \$100 per day. However,
27 members of boards, commissions, or councils who receive an annual or a monthly salary
28 paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.
29

30 **SECTION 16. [EFFECTIVE JULY 1, 2025]**
31

32 No payment for personal services shall be made by the state comptroller unless the
33 payment has been approved by the budget agency or the designee of the budget agency.
34

35 **SECTION 17. [EFFECTIVE JULY 1, 2025]**
36

37 No warrant for operating expenses, capital outlay, or fixed charges shall be issued
38 to any department or an institution unless the receipts of the department or institution
39 have been deposited into the state treasury for the month. However, if a department
40 or an institution has more than \$10,000 in daily receipts, the receipts shall be deposited
41 into the state treasury daily.
42

43 **SECTION 18. [EFFECTIVE JULY 1, 2025]**
44

45 In case of loss by fire or any other cause involving any state institution or department,
46 the proceeds derived from the settlement of any claim for the loss shall be deposited
47 in the state treasury, and the amount deposited is hereby reappropriated to the
48 institution or department for the purpose of replacing the loss. If it is determined
49 that the loss shall not be replaced, any funds received from the settlement of a claim



1 shall be deposited into the state general fund.

2

3 SECTION 19. [EFFECTIVE JULY 1, 2025]

4

5 If an agency has computer equipment in excess of the needs of that agency, then
6 the excess computer equipment may be sold under the provisions of surplus property
7 sales, and the proceeds of the sale or sales shall be deposited in the state treasury.

8 The amount so deposited is hereby reappropriated to that agency for other total
9 expenses of the then current year, if approved by the director of the budget agency.

10

11 SECTION 20. [EFFECTIVE JULY 1, 2025]

12

13 This act does not authorize any rehabilitation and repairs to any state buildings,
14 nor does it allow that any obligations be incurred for lands and structures, without
15 the prior approval of the budget director or the director's designee. This SECTION
16 does not apply to contracts for the state universities supported in whole or in part
17 by state funds.

18

19 SECTION 21. [EFFECTIVE JULY 1, 2025]

20

21 If an agency has an annual appropriation fixed by law, and if the agency also receives
22 an appropriation in this act for the same function or program, the appropriation in
23 this act supersedes any other appropriations and is the total appropriation for the
24 agency for that program or function.

25

26 SECTION 22. [EFFECTIVE JULY 1, 2025]

27

28 The balance of any appropriation or funds heretofore placed or remaining to the
29 credit of any division of the state of Indiana, and any appropriation or funds provided
30 in this act placed to the credit of any division of the state of Indiana, the powers,
31 duties, and functions whereof are assigned and transferred to any department for
32 salaries, maintenance, operation, construction, or other expenses in the exercise
33 of such powers, duties, and functions, shall be transferred to the credit of the
34 department to which such assignment and transfer is made, and the same shall be
35 available for the objects and purposes for which appropriated originally.

36

37 SECTION 23. [EFFECTIVE JULY 1, 2025]

38

39 The director of the division of procurement of the Indiana department of administration,
40 or any other person or agency authorized to make purchases of equipment, shall not
41 honor any requisition for the purchase of an automobile that is to be paid for from any
42 appropriation made by this act or any other act, unless the following facts are shown
43 to the satisfaction of the commissioner of the Indiana department of administration or
44 the commissioner's designee:

45 (1) In the case of an elected state officer, it shall be shown that the duties of the
46 office require driving about the state of Indiana in the performance of official duty.

47 (2) In the case of department or commission heads, it shall be shown that the statutory
48 duties imposed in the discharge of the office require traveling a greater distance
49 than one thousand (1,000) miles each month or that they are subject to official duty



1 call at all times.

2 (3) In the case of employees, it shall be shown that the major portion of the duties
3 assigned to the employee require travel on state business in excess of one thousand
4 (1,000) miles each month, or that the vehicle is identified by the agency as an integral
5 part of the job assignment.

6
7 In computing the number of miles required to be driven by a department head or an
8 employee, the distance between the individual's home and office or designated official
9 station is not to be considered as a part of the total. Department heads shall annually
10 submit justification for the continued assignment of each vehicle in their department,
11 which shall be reviewed by the commissioner of the Indiana department of administration,
12 or the commissioner's designee. There shall be an insignia permanently affixed on each
13 side of all state owned cars, designating the cars as being state owned. However, this
14 requirement does not apply to state owned cars driven by elected state officials or to
15 cases where the commissioner of the Indiana department of administration or the
16 commissioner's designee determines that affixing insignia on state owned cars would
17 hinder or handicap the persons driving the cars in the performance of their official
18 duties.

19

20 SECTION 24. [EFFECTIVE JULY 1, 2025]

21

22 When budget agency approval or review is required under this act, the budget agency
23 may refer to the budget committee any budgetary or fiscal matter for an advisory
24 recommendation. The budget committee may hold hearings and take any actions authorized
25 by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

26

27 SECTION 25. [EFFECTIVE JULY 1, 2025]

28

29 Except as provided for under IC 4-12-18, the governor of the state of Indiana is
30 solely authorized to accept on behalf of the state any and all federal funds available
31 to the state of Indiana. Federal funds received under this SECTION are appropriated
32 for purposes specified by the federal government, subject to allotment by the budget
33 agency. The provisions of this SECTION and all other SECTIONS concerning the
34 acceptance, disbursement, review, and approval of any grant, loan, or gift made by
35 the federal government or any other source to the state or its agencies and political
36 subdivisions shall apply, notwithstanding any other law.

37

38 SECTION 26. [EFFECTIVE JULY 1, 2025]

39

40 Except as provided for under IC 4-12-18, federal funds received as revenue by a state
41 agency or department are not available to the agency or department for expenditure
42 until allotment has been made by the budget agency under IC 4-12-1-12(d).

43

44 SECTION 27. [EFFECTIVE JULY 1, 2025]

45

46 A contract or an agreement for personal services or other services may not be
47 entered into by any agency or department of state government without the approval
48 of the budget agency or the designee of the budget director.

49



1 SECTION 28. [EFFECTIVE JULY 1, 2025]

2
3
4
5
6
7
8
9

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the state comptroller shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

10 SECTION 29. [EFFECTIVE JULY 1, 2025]

11
12
13
14
15

Subject to SECTION 24 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

16
17 SECTION 30. [EFFECTIVE JULY 1, 2025]

18
19

CONSTRUCTION

20
21
22
23
24

For the 2025-2027 biennium, the following amounts, from the funds listed as follows, are appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals, and the purchase and sale of land, including equipment for these properties and other projects as specified.

25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

State General Fund - Lease Rentals	146,967,420
State General Fund - Construction	649,025,675
Employment Security Special Fund (IC 22-4-25)	500,000
State Construction Fund (IC 9-13-2-173.1)	102,721,494
Veterans' Home Building Fund (IC 10-17-9-7)	6,322,100
State Highway Fund (IC 8-23-9-54)	65,462,500
Indiana Correctional Industries Fund (IC 11-10-6-6)	20,170,000
TOTAL	991,169,189

43
44
45
46
47

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

48
49

A. GENERAL GOVERNMENT



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1			
2	FOR THE STATE BUDGET AGENCY		
3	Stadium Lease Rental	43,467,088	43,486,244
4	Convention Center Lease Rental	17,494,449	17,839,637
5	Housing Infrastructure Assistance	25,000,000	25,000,000
6	Water Infrastructure Assistance	20,000,000	20,000,000
7	Indiana Motorsports Commission	7,000,000	7,000,000
8	Primary Care Access	7,500,000	7,500,000
9	Gary Airport Cargo Ramp	9,700,000	0
10	Statewide Deferred Maintenance	50,000,000	50,000,000
11	DEPARTMENT OF ADMINISTRATION		
12	Preventive Maintenance	7,026,466	7,026,466
13	Repair and Rehabilitation	31,042,345	0
14	State Construction Fund (IC 9-13-2-173.1)		
15	Repair and Rehabilitation	0	29,675,414
16	Archives Administration Move - FF&E	6,500,000	0
17	Conference Center Streaming	2,000,000	0
18	Law Enforcement/Firefighter Monument	1,000,000	0
19	DEPARTMENT OF ADMINISTRATION - LEASES		
20	Neuro-Diagnostic Inst. Capital Lease	12,341,059	12,338,943
21	OFFICE OF ADMINISTRATIVE LAW PROCEEDINGS		
22	Repair and Rehabilitation	1,250,000	0
23			
24	B. PUBLIC SAFETY		
25			
26	(1) LAW ENFORCEMENT		
27			
28	INDIANA STATE POLICE		
29	Preventive Maintenance	2,619,333	2,859,679
30	Repair and Rehabilitation	4,923,858	0
31	Facilities Management Building	3,915,000	0
32	Evidence Warehouse Design	67,250	0
33	LAW ENFORCEMENT TRAINING BOARD		
34	Preventive Maintenance	419,000	460,000
35	Repair and Rehabilitation	3,003,467	0
36	Generator	1,925,000	0
37	Phase II Capital Improvement	12,000,000	0
38	Pole Barn Form	180,000	0
39	ADJUTANT GENERAL		
40	Preventive Maintenance	2,171,079	2,171,079
41	Repair and Rehabilitation	5,123,552	4,545,372
42	Modernization of South Readiness Ctr	4,788,000	0
43	Mod of Crawfordsville Readiness Ctrs	3,899,300	0
44	Modernization Elkhart Readiness Ctrs	3,704,800	0
45	LaPorte RC Utility Extension	1,584,862	0
46	INTEGRATED PUBLIC SAFETY COMMISSION		
47	Preventive Maintenance	500,000	500,000
48	Repair and Rehabilitation	1,988,266	2,652,266
49	FORENSIC AND HEALTH SCIENCE LABORATORY		



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Rape Kit Testing Equipment	2,500,000	0
2			
3	(2) CORRECTIONS		
4			
5	DEPARTMENT OF CORRECTION		
6	Repair and Rehabilitation	6,430,000	0
7	INDIANA CORRECTION INDUSTRIES		
8	Indiana Correctional Industries Fund (IC 11-10-6-6)		
9	Repair and Rehabilitation	805,000	375,000
10	Pendleton Industries Building	2,090,000	0
11	Commissary Warehouse Expansion	6,270,000	0
12	New Castle Industries	4,180,000	0
13	Vehicle Wrap Building	360,000	0
14	Pendleton Industries Building	0	2,090,000
15	Metal Shop Equip	0	4,000,000
16	STATE PRISON		
17	Preventive Maintenance	537,625	537,625
18	PENDLETON CORRECTIONAL FACILITY		
19	Preventive Maintenance	635,375	635,375
20	Repair and Rehabilitation	5,361,800	992,000
21	WOMEN'S PRISON		
22	Preventive Maintenance	175,950	175,950
23	NEW CASTLE CORRECTIONAL FACILITY		
24	Preventive Maintenance	805,000	805,000
25	Repair and Rehabilitation	1,032,000	0
26	PUTNAMVILLE CORRECTIONAL FACILITY		
27	Preventive Maintenance	430,100	430,100
28	Repair and Rehabilitation	200,000	0
29	BRANCHVILLE CORRECTIONAL FACILITY		
30	Preventive Maintenance	193,545	193,545
31	WESTVILLE CORRECTIONAL FACILITY		
32	Preventive Maintenance	587,075	1,008,550
33	ROCKVILLE CORRECTIONAL FACILITY		
34	Preventive Maintenance	244,375	244,375
35	PLAINFIELD CORRECTIONAL FACILITY		
36	Preventive Maintenance	305,469	305,469
37	Repair and Rehabilitation	2,661,500	1,850,000
38	RECEPTION DIAGNOSTIC CENTER		
39	Preventive Maintenance	152,638	152,638
40	CORRECTIONAL INDUSTRIAL FACILITY		
41	Preventive Maintenance	293,250	293,250
42	Repair and Rehabilitation	500,000	1,500,000
43	WABASH VALLEY CORRECTIONAL FACILITY		
44	Preventive Maintenance	446,406	446,406
45	Repair and Rehabilitation	2,987,549	0
46	CHAIN O' LAKES CORRECTIONAL FACILITY		
47	Preventive Maintenance	58,650	58,650
48	MADISON CORRECTIONAL FACILITY		
49	Preventive Maintenance	542,512	542,512



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	MIAMI CORRECTIONAL FACILITY		
2	Preventive Maintenance	439,875	439,875
3	LAPORTE JUVENILE CORRECTIONAL FACILITY		
4	Preventive Maintenance	39,100	39,100
5	Repair and Rehabilitation	925,000	0
6	EDINBURGH CORRECTIONAL FACILITY		
7	Preventive Maintenance	39,100	39,100
8	PENDLETON JUVENILE CORRECTIONAL FACILITY		
9	Preventive Maintenance	146,625	146,625
10	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY		
11	Preventive Maintenance	58,650	58,650
12	SOUTH BEND WORK RELEASE CENTER		
13	Preventive Maintenance	48,875	48,875
14	Repair and Rehabilitation	1,200,000	0
15	HERITAGE TRAIL CORRECTIONAL FACILITY		
16	Preventive Maintenance	219,938	219,938
17	Repair and Rehabilitation	2,800,000	0
18			
19	(3) REGULATORY & LICENSING		
20			
21	DEPARTMENT OF HOMELAND SECURITY		
22	Preventive Maintenance	225,000	225,000
23	BOARD OF ANIMAL HEALTH		
24	Preventive Maintenance	375,000	375,000
25	Repair and Rehabilitation	1,087,000	0
26			
27	C. CONSERVATION AND ENVIRONMENT		
28			
29	DEPARTMENT OF ENVIRONMENTAL MANAGEMENT		
30	Phase II Agency Wide Tech Upgrade	7,000,000	0
31	DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION		
32	Preventive Maintenance	153,500	153,500
33	Repair and Rehabilitation	16,146,080	250,000
34	State Construction Fund (IC 9-13-2-173.1)		
35	Repair and Rehabilitation	0	4,096,080
36	Lilly Endowment Match	10,000,000	0
37	Resource Management -Forestry Capital	500,000	0
38	Yellowwood SF Campground	2,000,000	0
39	Harmonie WWTP	3,800,000	0
40	McCormick's Campground	27,720,000	0
41	HVAC Chiller Boiler	2,250,000	0
42	Potato Creek Lodge FFE	0	7,000,000
43	FISH AND WILDLIFE		
44	Preventive Maintenance	1,955,000	1,955,000
45	FORESTRY		
46	Preventive Maintenance	1,927,500	1,927,500
47	NATURE PRESERVES		
48	Preventive Maintenance	645,275	645,275
49	STATE PARKS AND RESERVOIR MANAGEMENT		



		<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Preventive Maintenance	4,990,000	4,990,000	
2	DIVISION OF WATER			
3	Preventive Maintenance	15,000	15,000	
4	ENFORCEMENT			
5	Preventive Maintenance	297,000	297,000	
6	ENTOMOLOGY			
7	Preventive Maintenance	151,250	151,250	
8	INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION			
9	Preventive Maintenance	780,485	858,532	
10	Repair and Rehabilitation	3,623,900	1,690,000	
11	Capital Fundraising Match - R & R	1,000,000	1,000,000	
12	WAR MEMORIALS COMMISSION			
13	Preventive Maintenance	1,200,000	5,465,580	
14	Repair and Rehabilitation	3,350,000	0	
15	WHITE RIVER STATE PARK			
16	Preventive Maintenance	469,250	469,250	
17	Repair and Rehabilitation	1,700,000	0	
18	Park Redevelopment	15,000,000	0	
19				
20	Of the appropriation in FY 2026, \$15,000,000 shall be used as matching funds for			
21	White River State Park redevelopment.			
22				
23	MAUMEE RIVER BASIN COMMISSION			
24	White River State Park redevelopment.	500,000	500,000	
25				
26	D. ECONOMIC AND WORKFORCE DEVELOPMENT			
27				
28	INDIANA STATE FAIR			
29	Preventive Maintenance	1,362,139	1,416,625	
30	Repair and Rehabilitation	7,078,111	0	
31	Perimeter Security Enhancements Ph II	18,000,000	0	
32	State Construction Fund (IC 9-13-2-173.1)			
33	Repair and Rehabilitation	0	6,180,000	
34	DEPARTMENT OF WORKFORCE DEVELOPMENT			
35	Employment Security Special Fund (IC 22-4-25)			
36	Preventive Maintenance	250,000	250,000	
37				
38	E. TRANSPORTATION			
39				
40	DEPARTMENT OF TRANSPORTATION - BUILDINGS AND GROUNDS			
41	State Highway Fund (IC 8-23-9-54)			
42	Preventive Maintenance	3,735,351	3,930,813	
43	Repair and Rehabilitation	5,154,649	4,959,187	
44	Architectural and Engineering Fee	127,500	0	
45	Indianapolis Traffic Management Ctr	1,500,000	0	
46	A&E for Borman Traffic Mgt Ctr	340,000	0	
47	Construction of Borman Traffic Mgt Ctr	0	4,000,000	
48	Construction of Jasper Unit and Salt Bldg	0	9,500,000	
49	A&E Austin Subdist/Unit and Salt Bldg	1,650,000	0	



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	Const of Austin Subdist/Unit and Salt Bldg	0	16,500,000
2	A&E for Jasper Unit and Salt Bldg	950,000	0
3	Const of Evansville Unit and Salt Bldg	11,500,000	0
4	A&E Fee for Monticello Subdist Bldg	0	600,000
5	A&E for Albany Unit and Salt Bldg	0	515,000
6	Land Purchase	250,000	250,000
7			
8	F. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS		
9			
10	(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION		
11			
12	EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER		
13	Preventive Maintenance	36,500	36,500
14	Repair and Rehabilitation	669,754	1,029,361
15	EVANSVILLE STATE HOSPITAL		
16	Preventive Maintenance	391,162	391,162
17	LOGANSFORT STATE HOSPITAL		
18	Preventive Maintenance	491,572	491,572
19	Repair and Rehabilitation	6,125,626	10,758,400
20	MADISON STATE HOSPITAL		
21	Preventive Maintenance	464,104	464,104
22	Repair and Rehabilitation	171,140	520,250
23	RICHMOND STATE HOSPITAL		
24	Preventive Maintenance	550,000	550,000
25	Repair and Rehabilitation	11,115,000	1,428,950
26	NEURO DIAGNOSTIC INSTITUTE		
27	Preventive Maintenance	475,810	475,810
28	Repair and Rehabilitation	1,060,000	0
29			
30	(2) PUBLIC HEALTH		
31			
32	SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED		
33	Preventive Maintenance	750,000	750,000
34	SCHOOL FOR THE DEAF		
35	Preventive Maintenance	750,000	750,000
36			
37	(3) VETERANS' AFFAIRS		
38			
39	DEPARTMENT OF VETERANS' AFFAIRS		
40	Preventive Maintenance	69,700	69,700
41	Repair and Rehabilitation	400,000	0
42	Committal Shelter	400,000	0
43	INDIANA VETERANS' HOME		
44	Veterans' Home Building Fund (IC 10-17-9-7)		
45	Preventive Maintenance	637,500	637,500
46	Repair and Rehabilitation	4,746,300	300,800
47			
48	(4) HIGHER EDUCATION		
49			



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
1	INDIANA UNIVERSITY - TOTAL SYSTEM		
2	22,021,310	22,021,310	
3	PURDUE UNIVERSITY - TOTAL SYSTEM		
4	18,605,766	18,605,766	
5	INDIANA STATE UNIVERSITY		
6	2,136,051	2,136,051	
7	UNIVERSITY OF SOUTHERN INDIANA		
8	1,736,924	1,736,924	
9	BALL STATE UNIVERSITY		
10	4,522,783	4,522,783	
11	VINCENNES UNIVERSITY		
12	1,474,471	1,474,471	
13	IVY TECH COMMUNITY COLLEGE		
14	4,885,428	4,885,428	

15
16 **SECTION 31. [EFFECTIVE JULY 1, 2025]**

17
18 **The budget agency may employ one (1) or more architects or engineers to inspect**
19 **construction, rehabilitation, and repair projects covered by the appropriations**
20 **in this act or previous acts.**

21
22 **SECTION 32. [EFFECTIVE UPON PASSAGE]**

23
24 **If any part of a construction or rehabilitation and repair appropriation made by this**
25 **act or any previous acts has not been allotted or encumbered before the expiration**
26 **of the biennium, the budget agency may determine that the balance of the appropriation**
27 **is not available for allotment. The appropriation may be terminated, and the balance**
28 **may revert to the fund from which the original appropriation was made.**

29
30 **SECTION 33. [EFFECTIVE JULY 1, 2025]**

31
32 **The budget agency may retain balances in the mental health fund at the end of any fiscal**
33 **year to ensure there are sufficient funds to meet the service needs of the developmentally**
34 **disabled and the mentally ill in any year.**

35
36 **SECTION 34. [EFFECTIVE JULY 1, 2025]**

37
38 **If the budget director determines at any time during the biennium that the executive**
39 **branch of state government cannot meet its statutory obligations due to insufficient**
40 **funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with**
41 **the approval of the governor and after review by the budget committee, may transfer**
42 **from the counter-cyclical revenue and economic stabilization fund to the general fund**
43 **any additional amount necessary to maintain a positive balance in the general fund.**

44 **SECTION 35. IC 2-5-3.2-1, AS AMENDED BY P.L.9-2024, SECTION 7, IS AMENDED TO READ**
45 **AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) As used in this section, "tax incentive" means**
46 **a benefit provided through a state or local tax that is intended to alter, reward, or subsidize a particular**
47 **action or behavior by the tax incentive recipient, including a benefit intended to encourage economic**
48 **development. The term includes the following:**

- 49 (1) An exemption, deduction, credit, preferential rate, or other tax benefit that:



1 (A) reduces the amount of a tax that would otherwise be due to the state;
2 (B) results in a tax refund in excess of any tax due; or
3 (C) reduces the amount of property taxes that would otherwise be due to a political subdivision
4 of the state.

5 (2) The dedication of revenue by a political subdivision to provide improvements or to retire bonds
6 issued to pay for improvements in an economic or sports development area, a community
7 revitalization area, an enterprise zone, a tax increment financing district, or any other similar area
8 or district.

9 (b) The general assembly intends that each tax incentive effectuate the purposes for which it was
10 enacted and that the cost of tax incentives should be included more readily in the biennial budgeting
11 process. To provide the general assembly with the information it needs to make informed policy choices
12 about the efficacy of each tax incentive, the legislative services agency shall conduct a regular review,
13 analysis, and evaluation of all tax incentives according to a schedule developed by the legislative services
14 agency.

15 (c) The legislative services agency shall conduct a systematic and comprehensive review, analysis, and
16 evaluation of each tax incentive scheduled for review. The review, analysis, and evaluation must include
17 information about each tax incentive that is necessary to achieve the goals described in subsection (b),
18 which may include any of the following:

19 (1) The basic attributes and policy goals of the tax incentive, including the statutory and
20 programmatic goals of the tax incentive, the economic parameters of the tax incentive, the original
21 scope and purpose of the tax incentive, and how the scope or purpose has changed over time.

22 (2) The tax incentive's equity, simplicity, competitiveness, public purpose, adequacy, and extent of
23 conformance with the original purposes of the legislation enacting the tax incentive.

24 (3) The types of activities on which the tax incentive is based and how effective the tax incentive
25 has been in promoting these targeted activities and in assisting recipients of the tax incentive.

26 (4) The count of the following:

27 (A) Applicants for the tax incentive.
28 (B) Applicants that qualify for the tax incentive.
29 (C) Qualified applicants that, if applicable, are approved to receive the tax incentive.
30 (D) Taxpayers that actually claim the tax incentive.
31 (E) Taxpayers that actually receive the tax incentive.

32 (5) The dollar amount of the tax incentive benefits that has been actually claimed by all taxpayers
33 over time, including the following:

34 (A) The dollar amount of the tax incentive, listed by the North American Industrial Classification
35 System (NAICS) Code associated with the tax incentive recipients, if an NAICS Code is
36 available.
37 (B) The dollar amount of income tax credits that can be carried forward for the next five (5) state
38 fiscal years.

39 (6) An estimate of the economic impact of the tax incentive, including the following:

40 (A) A return on investment calculation for the tax incentive. For purposes of this clause, "return
41 on investment calculation" means analyzing the cost to the state or political subdivision of
42 providing the tax incentive, analyzing the benefits realized by the state or political subdivision
43 from providing the tax incentive.
44 (B) A cost-benefit comparison of the state and local revenue foregone and property taxes shifted
45 to other taxpayers as a result of allowing the tax incentive, compared to tax revenue generated
46 by the taxpayer receiving the incentive, including direct taxes applied to the taxpayer and taxes
47 applied to the taxpayer's employees.



1 (C) An estimate of the number of jobs that were the direct result of the tax incentive.
2 (D) For any tax incentive that is reviewed or approved by the Indiana economic development
3 corporation, a statement by the chief executive officer of the Indiana economic development
4 corporation as to whether the statutory and programmatic goals of the tax incentive are being met,
5 with obstacles to these goals identified, if possible.
6 (7) The methodology and assumptions used in carrying out the reviews, analyses, and evaluations
7 required under this subsection.
8 (8) The estimated cost to the state to administer the tax incentive.
9 (9) An estimate of the extent to which benefits of the tax incentive remained in Indiana or flowed
10 outside Indiana.
11 (10) Whether the effectiveness of the tax incentive could be determined more definitively if the
12 general assembly were to clarify or modify the tax incentive's goals and intended purpose.
13 (11) Whether measuring the economic impact is significantly limited due to data constraints and
14 whether any changes in statute would facilitate data collection in a way that would allow for better
15 review, analysis, or evaluation.
16 (12) An estimate of the indirect economic benefit or activity stimulated by the tax incentive.
17 (13) Any additional review, analysis, or evaluation that the legislative services agency considers
18 advisable, including comparisons with tax incentives offered by other states if those comparisons
19 would add value to the review, analysis, and evaluation.
20 The legislative services agency may request a state or local official or a state agency, a political
21 subdivision, a body corporate and politic, or a county or municipal redevelopment commission to furnish
22 information necessary to complete the tax incentive review, analysis, and evaluation required by this
23 section. An official or entity presented with a request from the legislative services agency under this
24 subsection shall cooperate with the legislative services agency in providing the requested information.
25 An official or entity may require that the legislative services agency adhere to the provider's rules, if any,
26 that concern the confidential nature of the information.
27 (d) The legislative services agency shall, before October 1 of each year, submit a report to the
28 legislative council, in an electronic format under IC 5-14-6, and to the interim study committee on fiscal
29 policy established by IC 2-5-1.3-4 containing the results of the legislative services agency's review,
30 analysis, and evaluation. ~~The report must include at least the following:~~
31 ~~(1) A detailed description of the review, analysis, and evaluation for each tax incentive reviewed.~~
32 ~~(2) Information to be used by the general assembly to determine whether a reviewed tax incentive~~
33 ~~should be continued, modified, or terminated, the basis for the recommendation, and the expected~~
34 ~~impact of the recommendation on the state's economy.~~
35 ~~(3) Information to be used by the general assembly to better align a reviewed tax incentive with the~~
36 ~~original intent of the legislation that enacted the tax incentive.~~
37 The report required by this subsection must not disclose any proprietary or otherwise confidential
38 taxpayer information.
39 (e) The interim study committee on fiscal policy shall do the following:
40 (1) Hold at least one (1) public hearing after September 30 and before November 1 of each year at
41 which:
42 (A) the legislative services agency presents the review, analysis, and evaluation of tax incentives;
43 and
44 (B) the interim study committee receives information concerning tax incentives.
45 (2) Submit to the legislative council, in an electronic format under IC 5-14-6, any recommendations
46 made by the interim study committee that are related to the legislative services agency's review,
47 analysis, and evaluation of tax incentives prepared under this section.



1 (f) The general assembly shall use the legislative services agency's report under this section and the
2 interim study committee on fiscal policy's recommendations under this section to determine whether a
3 particular tax incentive:

4 (1) is successful;

5 (2) is provided at a cost that can be accommodated by the state's biennial budget; and

6 (3) should be continued, amended, or repealed.

7 (g) The legislative services agency shall establish and maintain a system for making available to the
8 public information about the amount and effectiveness of tax incentives.

9 (h) The legislative services agency shall develop and publish on the general assembly's website a
10 multi-year schedule that lists all tax incentives and indicates the year when the report will be published
11 for each tax incentive reviewed. The legislative services agency may revise the schedule as long as ~~the~~
12 ~~legislative services agency provides for a systematic review, analysis, and evaluation of all tax incentives~~
13 ~~and that each tax incentive is reviewed at least once. every seven (7) years.~~

14 (i) This section expires December 31, ~~2025.~~ **2030.**

15 SECTION 36. IC 4-8.1-2-7, AS AMENDED BY P.L.9-2024, SECTION 57, IS AMENDED TO READ
16 AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) Except as otherwise specified in this section,
17 the treasurer of state may not pay any money out of the state treasury except upon warrant of the state
18 comptroller **or upon check drawn against a financial institution** based on an approved claim.

19 (b) The treasurer of state may transfer money invested or on deposit in a public depository to any
20 deposit account in the same or a different public depository. A transfer between deposit accounts may be
21 made by warrant, check, or electronic funds transfer.

22 (c) If a political subdivision (as defined in IC 36-1-2-13) elects to receive distributions from the state
23 or if a state employee elects to have wages deposited directly in a financial institution under IC 4-15-5.9-2
24 by means of an electronic transfer of funds, the treasurer of state shall have the funds transferred
25 electronically.

26 (d) Notwithstanding any other law, if:

27 (1) a vendor or claimant requests that one (1) or more payments be made by means of an electronic
28 funds transfer; and

29 (2) the state comptroller and the treasurer of state agree that payment by electronic funds transfer
30 is advantageous to the state;

31 the state comptroller may elect to authorize an electronic funds transfer method of payment. If authorized
32 by the state comptroller, the treasurer of state may pay money from the state treasury by electronic funds
33 transfer.

34 (e) With regard to electronic funds transfer, a record of each transfer authorization shall be made by
35 the treasurer of state immediately following the authorization and shall be made in a form which conforms
36 to accounting systems approved by the state board of accounts.

37 (f) As used in this section, "electronic funds transfer" means any transfer of funds, other than a
38 transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic
39 terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing, or authorizing
40 a financial institution to debit or credit an account.

41 SECTION 37. IC 4-8.1-2-10, AS AMENDED BY P.L.215-2016, SECTION 60, IS AMENDED TO
42 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. The treasurer of state shall keep double
43 entry records of warrants paid, **checks drawn**, receipts, cash on hand, and investments for which the
44 treasurer of state is accountable by law in sufficient detail to fulfill the requirements of the law and the
45 duty of the treasurer of state's office to safeguard the state treasury.

46 SECTION 38. IC 4-13-2-1, AS AMENDED BY P.L.2-2007, SECTION 35, IS AMENDED TO READ
47 AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) This chapter may be known and cited as the



1 "Financial Reorganization Act of 1947".

2 (b) This chapter applies to all agencies of the state. **Except as provided in section 30 of this chapter,**
3 as used in this chapter, "agency" refers to every officer, board, commission, department, division, bureau,
4 committee, employee, and other instrumentality of the state, including: state hospitals, state penal
5 institutions, and other state institution enterprises and activities wherever located, except, unless
6 specifically included, the following:

7 (1) Military officers and military and armory boards of the state.

8 (2) The state fair commission.

9 (3) The supreme court and the court of appeals.

10 (4) The legislative department of state government including:

11 (A) the senate;

12 (B) the house of representatives;

13 (C) the legislative council; and

14 (D) the legislative services agency.

15 (5) State educational institutions.

16 (6) Persons and institutions under the control of an entity described in subdivision (1), (2), (3), (4),
17 or (5).

18 (7) All counties, cities, towns, townships, school towns, townships, and other municipal corporations
19 or political subdivisions of the state.

20 (c) As used in this chapter, "supplies", "materials", "equipment", and "services" means any and all
21 articles and things, and all services other than personal, used by, or furnished to, any agency, including
22 printing, binding, publication of books and records, repairs and improvements, utility services, and any
23 and all other services required for the maintenance, operation, or upkeep of buildings and offices.

24 (d) The enumeration of the things specified in this section are not exclusive.

25 SECTION 39. IC 4-13-2-1.5, AS AMENDED BY P.L.85-2017, SECTION 6, IS AMENDED TO
26 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1.5. (a) Notwithstanding section 1 of this
27 chapter, **but except as provided in section 30 of this chapter,** the term "agencies of state", "state
28 agency", or "agency", as used in sections 7, 19, and 23 of this chapter, include the judicial and legislative
29 departments of state government.

30 (b) Notwithstanding section 1 of this chapter, section 19 of this chapter applies to the judicial and
31 legislative departments of state government.

32 (c) Notwithstanding section 1 of this chapter, section 5.2 of this chapter applies to a body corporate
33 and politic.

34 SECTION 40. IC 4-13-2-18, AS AMENDED BY P.L.9-2024, SECTION 89, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 18. (a) For the purpose of the administration
36 of the allotment system provided by this section, each fiscal year shall be divided into four (4) quarterly
37 allotment periods, beginning respectively on the first day of July, October, January, and April. In any case
38 where the quarterly allotment period is impracticable, the budget director may prescribe a different period
39 suited to the circumstances but not extending beyond the end of any fiscal year.

40 (b) Except as otherwise expressly provided in this section, the provisions of this chapter relating to the
41 allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds,
42 including standing or annual appropriations and dedicated funds, from which expenditures are to be made
43 from time to time by or under the authority of any state agency. The provisions relating to the allotment
44 system shall not apply to money made available for the purpose of conducting a post-audit of financial
45 transactions of any state agency. Likewise, appropriations for construction or for the acquisition of real
46 estate for public purposes may be exempted from the allotment system by the budget director. The budget
47 director shall prescribe regulations as will ensure the proper application and encumbering of those funds.



1 (c) No appropriation to any state agency shall become available for expenditure until:
2 (1) the state agency shall have submitted to the budget agency a request for allotment, the request
3 for allotment to consist of an estimate of the amount required for each activity and each purpose for
4 which money is to be expended during the applicable allotment period; and
5 (2) the estimate contained in the request for allotment shall have been approved, increased, or
6 decreased by the budget director and funds allotted as provided.
7 The form of a request for allotment, including a request by hand, mail, facsimile transmission, or other
8 electronic transmission, shall be prescribed by the budget agency with the approval of the state
9 comptroller and shall be submitted to them at least twenty-five (25) days prior to the beginning of the
10 allotment period.

11 (d) **Subject to subsection (k)**, each request for allotment shall be reviewed by the budget agency and
12 respective amounts shall be allotted for expenditure if:
13 (1) the estimate is within the terms of the appropriation as to amount and purpose, having due regard
14 for the probable future needs of the state agency for the remainder of the fiscal year or other term
15 for which the appropriation was made; and
16 (2) the agency contemplates expenditure of the allotment during the period.
17 Otherwise the budget agency shall modify the estimate to conform with the terms of the appropriation and
18 the prospective needs of the state agency, and shall reduce the amount to be allotted accordingly. The
19 budget agency shall act promptly upon all requests for allotment and shall notify every state agency of
20 its allotments at least five (5) days before the beginning of each allotment period. The total amount
21 allotted to any agency for the fiscal year or other term for which the appropriation was made shall not
22 exceed the amount appropriated for the year or term.

23 (e) The budget director shall also have authority at any time to modify or amend any allotment
24 previously made by the budget director.

25 (f) In case the budget director shall discover at any time that:
26 (1) the probable receipts from taxes or other sources for any fund will be less than were anticipated;
27 and
28 (2) as a consequence the amount available for the remainder of the term of the appropriation or for
29 any allotment period will be less than the amount estimated or allotted;
30 the budget director shall, with the approval of the governor, and after notice to the state agency or
31 agencies concerned, reduce the amount or amounts allotted or to be allotted to prevent a deficit.

32 (g) The budget agency shall promptly transmit records of all allotments and modifications to the state
33 comptroller.

34 (h) The state comptroller shall maintain as a part of the central accounting system for the state, as
35 provided, records showing at all times, by funds, accounts, and other pertinent classifications, the amounts
36 appropriated, the estimated revenues, the actual revenues or receipts; the amounts allotted and available
37 for expenditure, the total expenditures, the unliquidated obligations, actual balances on hand, and the
38 unencumbered balances of the allotments for each state agency.

39 (i) No payment shall be made from any fund, allotment, or appropriation unless the state comptroller
40 shall first certify that there is a sufficient unencumbered balance in the fund, allotment, or appropriation,
41 after taking into consideration all previous expenditures to meet the same. In the case of an obligation to
42 be paid from federal funds, a notice of a federal grant award shall be considered an appropriation against
43 which obligations may be incurred, funds may be allotted, and encumbrances may be made.

44 (j) Every expenditure or obligation authorized or incurred in violation of the provisions of this chapter
45 shall be void. Every payment made in violation of the provisions of this chapter shall be illegal, and every
46 official authorizing or making a void payment, or taking part in a void payment, and every person
47 receiving a void payment, or any part of a void payment, shall be jointly and severally liable to the state



1 for the full amount paid or received. If any appointive officer or employee of the state shall knowingly
2 incur any obligation or shall authorize or make any expenditure in violation of the provisions of this
3 chapter, or take any part, it shall be ground for removal of the appointive officer or employee of the state
4 by the officer appointing the appointive officer or employee of the state. If the appointing officer is a
5 person other than the governor and fails to remove the officer or employee, the governor may exercise the
6 power of removal after giving notice of the charges and opportunity for hearing to the accused officer or
7 employee and to the officer appointing the accused officer or employee.

8 **(k) If the budget director determines at any time that a state agency can perform the agency's**
9 **statutory obligations with less than the amount appropriated, the budget director shall, with the**
10 **approval of the governor, and after notice to the state agency or agencies concerned, reduce the**
11 **amount or amounts allotted or to be allotted. The budget agency shall maintain a list of each**
12 **appropriation from which the amount or amounts allotted or to be allotted are reduced and publish**
13 **the list on the budget agency's website.**

14 SECTION 41. IC 4-13-2-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ
15 AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 30. (a) This section applies in each of the state fiscal**
16 **years:**

17 (1) beginning July 1, 2025, and ending June 30, 2026; and

18 (2) beginning July 1, 2026, and ending June 30, 2027.

19 **(b) As used in this section, "state agency" means an authority, board, branch, commission,**
20 **committee, department, division, or other instrumentality of any of the following:**

21 (1) The executive, including the administrative department of state government.

22 (2) A state educational institution.

23 (3) A body corporate and politic created by statute.

24 **(c) Each state fiscal year, the budget director shall withhold, from each appropriation for the**
25 **state fiscal year made in the biennial budget bill to a state agency that is predominantly used, as**
26 **determined by the budget director, for:**

27 (1) salaries or other wages for state agency employees; or

28 (2) general operating expenses of the state agency;

29 **an amount equal to five percent (5%) of the appropriation for the state fiscal year.**

30 **(d) The budget director may, with the approval of the governor, release any part of the amount**
31 **of the appropriation withheld under subsection (c) during the state fiscal year to the state agency**
32 **upon written request from the state agency.**

33 **(e) The withholding requirement under subsection (c) does not apply to an appropriation for the**
34 **state fiscal year to a state agency that is predominantly used, as determined by the budget director,**
35 **to pay for services performed by vendors, to provide grants or distributions, or otherwise used for**
36 **a purpose not described in subsection (c).**

37 **(f) The budget director shall, not later than August 1 and December 31 of each state fiscal year,**
38 **provide a report to the budget committee that:**

39 (1) lists each appropriation from which funds were withheld under this section;

40 (2) details any appropriation for which the budget director released any part of the amount
41 withheld, as permitted under subsection (d); and

42 (3) provides the rationale for releasing each amount described in subdivision (2).

43 SECTION 42. IC 4-13-12.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
44 2025]: **Sec. 7. After completion of construction and negotiation of a lease under section 8 of this chapter**
45 **(before its repeal), the society shall convey title to the building to the state.**

46 SECTION 43. IC 4-13-12.1-8 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 8: (a) The~~
47 ~~department may enter into a lease with the society for the society's use of any part of the building, exterior~~



1 improvements, and surrounding site.

2 (b) Notwithstanding the term limitation for a lease under IC 4-13-1-4(10), the department may enter
3 into a lease under subsection (a) for a term of not more than ninety-nine (99) years.

4 (c) Rent under a lease entered into under this section is one dollar (\$1) each year, payable in advance.

5 (d) A lease entered into under this section must require the department to provide, at no cost to the
6 society, the following services in relation to the building, the exterior improvements, and the surrounding
7 site:

8 (1) Management.

9 (2) Maintenance.

10 (3) Operation.

11 (4) Utilities (other than telephone services).

12 (5) Other services reasonably necessary to maintain the building, exterior improvements, and the
13 surrounding site.

14 (e) A lease entered into under this section must provide that the lease terminates if the society or its
15 successor vacates the building.

16 (f) A lease entered into under this section may permit the building to house state activities or functions.

17 SECTION 44. IC 4-13.6-5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
18 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 13. (a) As used in this section, "business
19 providing specialized employee services" refers to a business that satisfies all of the following:**

20 (1) Not less than seventy-five percent (75%) of the employees of the business are Indiana
21 residents who meet at least one (1) of the following criteria:

22 (A) The employee is incarcerated or was formerly incarcerated.

23 (B) The employee is on probationary status.

24 (C) The employee is receiving government funded public assistance.

25 (D) The employee is a military veteran.

26 (2) The business pays a minimum wage of not less than thirteen dollars and fifty cents (\$13.50)
27 per hour.

28 (3) The business maintains a company representative to assist employees with at least one (1)
29 of the following:

30 (A) Transitional services out of incarceration or probation.

31 (B) Job skills based training programs.

32 (C) Social skills training and assistance relating to personal finance and basic legal
33 assistance.

34 (4) The business provides employees with health insurance, vision insurance, dental insurance,
35 and access to retirement savings options.

36 (b) The division shall determine whether a particular business meets the requirements of this
37 section.

38 (c) There is a price preference of fifteen percent (15%) for supplies or services purchased from
39 a business providing specialized employee services.

40 (d) A business that wants to claim a preference provided under this section must do all of the
41 following:

42 (1) State in the business's offer that the business claims the preference provided by this section.

43 (2) Provide information to the division necessary to demonstrate that the business is a business
44 providing specialized employee services.

45 SECTION 45. IC 5-28-2-1.5, AS AMENDED BY P.L.214-2023, SECTION 1, IS AMENDED TO
46 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: **Sec. 1.5. "Applicable tax credit" means a tax
47 credit available under any of the following:**



- 1 (1) IC 6-3.1-13.
- 2 (2) IC 6-3.1-19.
- 3 (3) IC 6-3.1-26.
- 4 (4) IC 6-3.1-30.
- 5 (5) IC 6-3.1-34.
- 6 (6) IC 6-3.1-36.
- 7 (7) IC 6-3.1-37.2.
- 8 **(8) IC 6-3.1-46.**

9 SECTION 46. IC 6-2.5-1-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
 10 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10.5. "Adult diapers" means diapers other**
 11 **than children's diapers.**

12 SECTION 47. IC 6-2.5-5-57, AS ADDED BY P.L.180-2022(ss), SECTION 7, IS AMENDED TO
 13 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 57. (a) Sales of children's diapers are exempt**
 14 **from the state gross retail tax.**

15 **(b) Sales of adult diapers are exempt from the state gross retail tax.**

16 SECTION 48. IC 6-2.5-5-57.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
 17 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 57.5. (a) For purposes of this section,**
 18 **"feminine hygiene products" means:**

- 19 (1) **tampons;**
- 20 (2) **panty liners;**
- 21 (3) **menstrual cups;**
- 22 (4) **sanitary napkins; and**
- 23 (5) **other similar tangible personal property designed for feminine hygiene in connection with**
 24 **the human menstrual cycle.**

25 **(b) Sales of feminine hygiene products are exempt from the state gross retail tax.**

26 SECTION 49. IC 6-3-1-3.5, AS AMENDED BY P.L.9-2024, SECTION 185, IS AMENDED TO
 27 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 3.5. When used in**
 28 **this article, the term "adjusted gross income" shall mean the following:**

29 (a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal
 30 Revenue Code), modified as follows:

- 31 (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes
 32 of the United States.
- 33 (2) Except as provided in subsection (c), add an amount equal to any deduction or deductions
 34 allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or
 35 measured by income and levied at the state level by any state of the United States.
- 36 (3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and
 37 wife, subtract for each spouse one thousand dollars (\$1,000).
- 38 (4) Subtract one thousand dollars (\$1,000) for:
 39 (A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code (as
 40 effective January 1, 2017);
 41 (B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and
 42 (C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for
 43 the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not
 44 the dependent of another taxpayer.
- 45 (5) Subtract each of the following:
 46 (A) One thousand five hundred dollars (\$1,500) for each of the exemptions allowed under
 47 Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004), except that in



1 the first taxable year in which a particular exemption is allowed under Section 151(c)(1)(B) of
2 the Internal Revenue Code (as effective January 1, 2004), subtract three thousand dollars
3 (\$3,000) for that exemption.

4 (B) One thousand five hundred dollars (\$1,500) for each exemption allowed under Section 151(c)
5 of the Internal Revenue Code (as effective January 1, 2017) for an individual:

6 (i) who is less than nineteen (19) years of age or is a full-time student who is less than
7 twenty-four (24) years of age;

8 (ii) for whom the taxpayer is the legal guardian; and

9 (iii) for whom the taxpayer does not claim an exemption under clause (A).

10 (C) ~~Five hundred dollars (\$500)~~ **One thousand dollars (\$1,000)** for each additional amount
11 allowable under Section 63(f)(1) of the Internal Revenue Code if the federal adjusted gross
12 income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is
13 less than forty thousand dollars (\$40,000). In the case of a married individual filing a separate
14 return, the qualifying income amount in this clause is equal to twenty thousand dollars (\$20,000).

15 (D) Three thousand dollars (\$3,000) for each exemption allowed under Section 151(c) of the
16 Internal Revenue Code (as effective January 1, 2017) for an individual who is:

17 (i) an adopted child of the taxpayer; and

18 (ii) less than nineteen (19) years of age or is a full-time student who is less than twenty-four
19 (24) years of age.

20 This amount is in addition to any amount subtracted under clause (A) or (B).

21 This amount is in addition to the amount subtracted under subdivision (4).

22 (6) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal
23 Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted
24 gross income.

25 (7) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code
26 which amounts were received by the individual as supplemental railroad retirement annuities under
27 45 U.S.C. 231 and which are not deductible under subdivision (1).

28 (8) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement
29 benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

30 (9) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less
31 than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to
32 subdivisions (3), (4), and (5) shall be reduced to an amount which bears the same ratio to the total
33 as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

34 (10) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1,
35 IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted
36 gross income with respect to which the individual is not allowed under federal law to retain an
37 amount to pay state and local income taxes.

38 (11) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement
39 payment included in the individual's federal adjusted gross income.

40 (12) Subtract an amount equal to the portion of any premiums paid during the taxable year by the
41 taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the
42 taxpayer's spouse if the taxpayer and the taxpayer's spouse file a joint income tax return or the
43 taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

44 (13) Subtract an amount equal to the lesser of:

45 (A) two thousand five hundred dollars (\$2,500), or one thousand two hundred fifty dollars
46 (\$1,250) in the case of a married individual filing a separate return; or

47 (B) the amount of property taxes that are paid during the taxable year in Indiana by the individual



1 on the individual's principal place of residence.

2 (14) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment
3 included in the individual's federal adjusted gross income.

4 (15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
5 owns property for which bonus depreciation was allowed in the current taxable year or in an earlier
6 taxable year equal to the amount of adjusted gross income that would have been computed had an
7 election not been made under Section 168(k) of the Internal Revenue Code to apply bonus
8 depreciation to the property in the year that it was placed in service.

9 (16) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code
10 (concerning net operating losses).

11 (17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
12 placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in
13 the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income
14 that would have been computed had an election for federal income tax purposes not been made for
15 the year in which the property was placed in service to take deductions under Section 179 of the
16 Internal Revenue Code in a total amount exceeding the sum of:

17 (A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the
18 Internal Revenue Code were not elected as provided in clause (B); and

19 (B) for taxable years beginning after December 31, 2017, the deductions elected under Section
20 179 of the Internal Revenue Code on property acquired in an exchange if:

21 (i) the exchange would have been eligible for nonrecognition of gain or loss under Section
22 1031 of the Internal Revenue Code in effect on January 1, 2017;

23 (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the
24 Internal Revenue Code; and

25 (iii) the taxpayer made an election to take deductions under Section 179 of the Internal
26 Revenue Code with regard to the acquired property in the year that the property was placed into
27 service.

28 The amount of deductions allowable for an item of property under this clause may not exceed the
29 amount of adjusted gross income realized on the property that would have been deferred under
30 the Internal Revenue Code in effect on January 1, 2017.

31 (18) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not
32 excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the
33 Internal Revenue Code.

34 (19) Subtract income that is:

35 (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

36 (B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

37 (20) Add an amount equal to any income not included in gross income as a result of the deferral of
38 income arising from business indebtedness discharged in connection with the reacquisition after
39 December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in
40 Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross
41 income of any taxpayer that added an amount to adjusted gross income in a previous year to offset
42 the amount included in federal gross income as a result of the deferral of income arising from
43 business indebtedness discharged in connection with the reacquisition after December 31, 2008, and
44 before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the
45 Internal Revenue Code.

46 (21) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue
47 Code for interest received on an obligation of a state other than Indiana, or a political subdivision



1 of such a state, that is acquired by the taxpayer after December 31, 2011. For purposes of this
2 subdivision:

3 (A) if the taxpayer receives interest from a pass through entity, a regulated investment company,
4 a hedge fund, or similar arrangement, the taxpayer will be considered to have acquired the
5 obligation on the date the entity acquired the obligation;

6 (B) if ownership of the obligation occurs by means other than a purchase, the date of acquisition
7 of the obligation shall be the date ownership of the obligation was transferred, except to the
8 extent provided in clause (A), and if a portion of the obligation is acquired on multiple dates, the
9 date of acquisition shall be considered separately for each portion of the obligation; and

10 (C) if ownership of the obligation occurred as the result of a refinancing of another obligation,
11 the acquisition date shall be the date on which the obligation was refinanced.

12 (22) Subtract an amount as described in Section 1341(a)(2) of the Internal Revenue Code to the
13 extent, if any, that the amount was previously included in the taxpayer's adjusted gross income for
14 a prior taxable year.

15 (23) For taxable years beginning after December 25, 2016, add an amount equal to the deduction
16 for deferred foreign income that was claimed by the taxpayer for the taxable year under Section
17 965(c) of the Internal Revenue Code.

18 (24) Subtract any interest expense paid or accrued in the current taxable year but not deducted as
19 a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any
20 interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section
21 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an
22 interest expense is considered paid or accrued only in the first taxable year the deduction would have
23 been allowable under Section 163 of the Internal Revenue Code if the limitation under Section
24 163(j)(1) of the Internal Revenue Code did not exist.

25 (25) Subtract the amount that would have been excluded from gross income but for the enactment
26 of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

27 (26) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an
28 amount of the deduction claimed under Section 62(a)(22) of the Internal Revenue Code.

29 (27) For taxable years beginning after December 31, 2019, for payments made by an employer under
30 an education assistance program after March 27, 2020:

31 (A) add the amount of payments by an employer that are excluded from the taxpayer's federal
32 gross income under Section 127(c)(1)(B) of the Internal Revenue Code; and

33 (B) deduct the interest allowable under Section 221 of the Internal Revenue Code, if the
34 disallowance under Section 221(e)(1) of the Internal Revenue Code did not apply to the payments
35 described in clause (A). For purposes of applying Section 221(b) of the Internal Revenue Code
36 to the amount allowable under this clause, the amount under clause (A) shall not be added to
37 adjusted gross income.

38 (28) Add an amount equal to the remainder of:

39 (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code;
40 minus

41 (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue
42 Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid
43 or incurred after December 31, 2020.

44 (29) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an
45 amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the
46 Internal Revenue Code. In addition:

47 (A) if a taxpayer has an excess business loss under this subdivision and also has modifications



1 under subdivisions (15) and (17) for property placed in service during the taxable year, the
2 taxpayer shall treat a portion of the taxable year modifications for that property as occurring in
3 the taxable year the property is placed in service and a portion of the modifications as occurring
4 in the immediately following taxable year.

5 (B) The portion of the modifications under subdivisions (15) and (17) for property placed in
6 service during the taxable year treated as occurring in the taxable year in which the property is
7 placed in service equals:

8 (i) the modification for the property otherwise determined under this section; minus

9 (ii) the excess business loss disallowed under this subdivision;

10 but not less than zero (0).

11 (C) The portion of the modifications under subdivisions (15) and (17) for property placed in
12 service during the taxable year treated as occurring in the taxable year immediately following the
13 taxable year in which the property is placed in service equals the modification for the property
14 otherwise determined under this section minus the amount in clause (B).

15 (D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be
16 first allocated to the modification under subdivision (15), then to the modification under
17 subdivision (17).

18 (30) Add an amount equal to the amount excluded from federal gross income under Section
19 108(f)(5) of the Internal Revenue Code. For purposes of this subdivision:

20 (A) if an amount excluded under Section 108(f)(5) of the Internal Revenue Code would be
21 excludible under Section 108(a)(1)(B) of the Internal Revenue Code, the exclusion under Section
22 108(a)(1)(B) of the Internal Revenue Code shall take precedence; and

23 (B) if an amount would have been excludible under Section 108(f)(5) of the Internal Revenue
24 Code as in effect on January 1, 2020, the amount is not required to be added back under this
25 subdivision.

26 (31) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction
27 disallowed pursuant to:

28 (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and
29 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260);
30 and

31 (B) Section 3134(e) of the Internal Revenue Code.

32 (32) Subtract the amount of an ESA annual grant amount and, as applicable, a CSA annual grant
33 amount distributed to a taxpayer's Indiana education scholarship account under IC 20-51.4 that is
34 used for an ESA or CSA qualified expense (as defined in IC 20-51.4-2) or to an Indiana enrichment
35 scholarship account under IC 20-52 that is used for qualified expenses (as defined in IC 20-52-2-6),
36 to the extent the distribution used for the qualified expense is included in the taxpayer's federal
37 adjusted gross income under the Internal Revenue Code.

38 (33) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an
39 amount equal to the amount of unemployment compensation excluded from federal gross income
40 under Section 85(c) of the Internal Revenue Code.

41 (34) For taxable years beginning after December 31, 2022, subtract an amount equal to the
42 deduction disallowed under Section 280C(h) of the Internal Revenue Code.

43 (35) For taxable years beginning after December 31, 2021, add or subtract amounts related to
44 specified research or experimental procedures as required under IC 6-3-2-29.

45 (36) Subtract any other amounts the taxpayer is entitled to deduct under IC 6-3-2.

46 (37) Subtract the amount of a CSA annual grant amount distributed to a taxpayer's career scholarship
47 account under IC 20-51.4-4.5 that is used for a CSA qualified expense (as defined in



1 IC 20-51.4-2-3.8), to the extent the distribution used for the CSA qualified expense is included in
2 the taxpayer's federal adjusted gross income under the Internal Revenue Code.

3 (b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal
4 Revenue Code) adjusted as follows:

5 (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes
6 of the United States.

7 (2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section
8 170 of the Internal Revenue Code (concerning charitable contributions).

9 (3) Except as provided in subsection (c), add an amount equal to any deduction or deductions
10 allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or
11 measured by income and levied at the state level by any state of the United States.

12 (4) Subtract an amount equal to the amount included in the corporation's taxable income under
13 Section 78 of the Internal Revenue Code (concerning foreign tax credits).

14 (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
15 owns property for which bonus depreciation was allowed in the current taxable year or in an earlier
16 taxable year equal to the amount of adjusted gross income that would have been computed had an
17 election not been made under Section 168(k) of the Internal Revenue Code to apply bonus
18 depreciation to the property in the year that it was placed in service.

19 (6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code
20 (concerning net operating losses).

21 (7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
22 placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in
23 the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income
24 that would have been computed had an election for federal income tax purposes not been made for
25 the year in which the property was placed in service to take deductions under Section 179 of the
26 Internal Revenue Code in a total amount exceeding the sum of:

27 (A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the
28 Internal Revenue Code were not elected as provided in clause (B); and

29 (B) for taxable years beginning after December 31, 2017, the deductions elected under Section
30 179 of the Internal Revenue Code on property acquired in an exchange if:

31 (i) the exchange would have been eligible for nonrecognition of gain or loss under Section
32 1031 of the Internal Revenue Code in effect on January 1, 2017;

33 (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the
34 Internal Revenue Code; and

35 (iii) the taxpayer made an election to take deductions under Section 179 of the Internal
36 Revenue Code with regard to the acquired property in the year that the property was placed into
37 service.

38 The amount of deductions allowable for an item of property under this clause may not exceed the
39 amount of adjusted gross income realized on the property that would have been deferred under
40 the Internal Revenue Code in effect on January 1, 2017.

41 (8) Add to the extent required by IC 6-3-2-20:

42 (A) the amount of intangible expenses (as defined in IC 6-3-2-20) for the taxable year that
43 reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code)
44 for federal income tax purposes; and

45 (B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the
46 corporation's adjusted gross income (determined without regard to this subdivision). For purposes
47 of this clause, any directly related interest expense that constitutes business interest within the



1 meaning of Section 163(j) of the Internal Revenue Code shall be considered to have reduced the
2 taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise
3 would have been allowable under Section 163 of the Internal Revenue Code if the limitation
4 under Section 163(j)(1) of the Internal Revenue Code did not exist.

5 (9) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the
6 Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in
7 section 34.5 of this chapter).

8 (10) Subtract income that is:

9 (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and
10 (B) included in the corporation's taxable income under the Internal Revenue Code.

11 (11) Add an amount equal to any income not included in gross income as a result of the deferral of
12 income arising from business indebtedness discharged in connection with the reacquisition after
13 December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in
14 Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any
15 taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to
16 offset the amount included in federal gross income as a result of the deferral of income arising from
17 business indebtedness discharged in connection with the reacquisition after December 31, 2008, and
18 before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the
19 Internal Revenue Code.

20 (12) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue
21 Code for interest received on an obligation of a state other than Indiana, or a political subdivision
22 of such a state, that is acquired by the taxpayer after December 31, 2011. For purposes of this
23 subdivision:

24 (A) if the taxpayer receives interest from a pass through entity, a regulated investment company,
25 a hedge fund, or similar arrangement, the taxpayer will be considered to have acquired the
26 obligation on the date the entity acquired the obligation;

27 (B) if ownership of the obligation occurs by means other than a purchase, the date of acquisition
28 of the obligation shall be the date ownership of the obligation was transferred, except to the
29 extent provided in clause (A), and if a portion of the obligation is acquired on multiple dates, the
30 date of acquisition shall be considered separately for each portion of the obligation; and

31 (C) if ownership of the obligation occurred as the result of a refinancing of another obligation,
32 the acquisition date shall be the date on which the obligation was refinanced.

33 (13) For taxable years beginning after December 25, 2016:

34 (A) for a corporation other than a real estate investment trust, add:

35 (i) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax
36 Statement, line 1; or

37 (ii) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in
38 determining the taxpayer's taxable income for purposes of the federal income tax, the amount
39 deducted under Section 965(c) of the Internal Revenue Code; and

40 (B) for a real estate investment trust, add an amount equal to the deduction for deferred foreign
41 income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal
42 Revenue Code, but only to the extent that the taxpayer included income pursuant to Section 965
43 of the Internal Revenue Code in its taxable income for federal income tax purposes or is required
44 to add back dividends paid under subdivision (9).

45 (14) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year
46 under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed
47 income). The taxpayer shall separately specify the amount of the reduction under Section



1 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal
2 Revenue Code.

3 (15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as
4 a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any
5 interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section
6 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an
7 interest expense is considered paid or accrued only in the first taxable year the deduction would have
8 been allowable under Section 163 of the Internal Revenue Code if the limitation under Section
9 163(j)(1) of the Internal Revenue Code did not exist.

10 (16) Subtract the amount that would have been excluded from gross income but for the enactment
11 of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

12 (17) Add an amount equal to the remainder of:

13 (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code;
14 minus

15 (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue
16 Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid
17 or incurred after December 31, 2020.

18 (18) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction
19 disallowed pursuant to:

20 (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and
21 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260);
22 and

23 (B) Section 3134(e) of the Internal Revenue Code.

24 (19) For taxable years beginning after December 31, 2022, subtract an amount equal to the
25 deduction disallowed under Section 280C(h) of the Internal Revenue Code.

26 (20) For taxable years beginning after December 31, 2021, subtract the amount of any:

27 (A) federal, state, or local grant received by the taxpayer; and

28 (B) discharged federal, state, or local indebtedness incurred by the taxpayer;
29 for purposes of providing or expanding access to broadband service in this state.

30 (21) For taxable years beginning after December 31, 2021, add or subtract amounts related to
31 specified research or experimental procedures as required under IC 6-3-2-29.

32 (22) Add or subtract any other amounts the taxpayer is:

33 (A) required to add or subtract; or

34 (B) entitled to deduct;

35 under IC 6-3-2.

36 (c) The following apply to taxable years beginning after December 31, 2018, for purposes of the add
37 back of any deduction allowed on the taxpayer's federal income tax return for wagering taxes, as provided
38 in subsection (a)(2) if the taxpayer is an individual or subsection (b)(3) if the taxpayer is a corporation:

39 (1) For taxable years beginning after December 31, 2018, and before January 1, 2020, a taxpayer is
40 required to add back under this section eighty-seven and five-tenths percent (87.5%) of any
41 deduction allowed on the taxpayer's federal income tax return for wagering taxes.

42 (2) For taxable years beginning after December 31, 2019, and before January 1, 2021, a taxpayer is
43 required to add back under this section seventy-five percent (75%) of any deduction allowed on the
44 taxpayer's federal income tax return for wagering taxes.

45 (3) For taxable years beginning after December 31, 2020, and before January 1, 2022, a taxpayer is
46 required to add back under this section sixty-two and five-tenths percent (62.5%) of any deduction
47 allowed on the taxpayer's federal income tax return for wagering taxes.



1 (4) For taxable years beginning after December 31, 2021, and before January 1, 2023, a taxpayer is
2 required to add back under this section fifty percent (50%) of any deduction allowed on the
3 taxpayer's federal income tax return for wagering taxes.

4 (5) For taxable years beginning after December 31, 2022, and before January 1, 2024, a taxpayer is
5 required to add back under this section thirty-seven and five-tenths percent (37.5%) of any deduction
6 allowed on the taxpayer's federal income tax return for wagering taxes.

7 (6) For taxable years beginning after December 31, 2023, and before January 1, 2025, a taxpayer is
8 required to add back under this section twenty-five percent (25%) of any deduction allowed on the
9 taxpayer's federal income tax return for wagering taxes.

10 (7) For taxable years beginning after December 31, 2024, and before January 1, 2026, a taxpayer is
11 required to add back under this section twelve and five-tenths percent (12.5%) of any deduction
12 allowed on the taxpayer's federal income tax return for wagering taxes.

13 (8) For taxable years beginning after December 31, 2025, a taxpayer is not required to add back
14 under this section any amount of a deduction allowed on the taxpayer's federal income tax return for
15 wagering taxes.

16 (d) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code)
17 that are organized under Indiana law, the same as "life insurance company taxable income" (as defined
18 in Section 801 of the Internal Revenue Code), adjusted as follows:

19 (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes
20 of the United States.

21 (2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal
22 Revenue Code (concerning charitable contributions).

23 (3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c)
24 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level
25 by any state.

26 (4) Subtract an amount equal to the amount included in the company's taxable income under Section
27 78 of the Internal Revenue Code (concerning foreign tax credits).

28 (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
29 owns property for which bonus depreciation was allowed in the current taxable year or in an earlier
30 taxable year equal to the amount of adjusted gross income that would have been computed had an
31 election not been made under Section 168(k) of the Internal Revenue Code to apply bonus
32 depreciation to the property in the year that it was placed in service.

33 (6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code
34 (concerning net operating losses).

35 (7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
36 placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in
37 the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income
38 that would have been computed had an election for federal income tax purposes not been made for
39 the year in which the property was placed in service to take deductions under Section 179 of the
40 Internal Revenue Code in a total amount exceeding the sum of:

41 (A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the
42 Internal Revenue Code were not elected as provided in clause (B); and

43 (B) for taxable years beginning after December 31, 2017, the deductions elected under Section
44 179 of the Internal Revenue Code on property acquired in an exchange if:

45 (i) the exchange would have been eligible for nonrecognition of gain or loss under Section
46 1031 of the Internal Revenue Code in effect on January 1, 2017;

47 (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the



1 Internal Revenue Code; and
2 (iii) the taxpayer made an election to take deductions under Section 179 of the Internal
3 Revenue Code with regard to the acquired property in the year that the property was placed into
4 service.

5 The amount of deductions allowable for an item of property under this clause may not exceed the
6 amount of adjusted gross income realized on the property that would have been deferred under
7 the Internal Revenue Code in effect on January 1, 2017.

8 (8) Subtract income that is:
9 (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and
10 (B) included in the insurance company's taxable income under the Internal Revenue Code.

11 (9) Add an amount equal to any income not included in gross income as a result of the deferral of
12 income arising from business indebtedness discharged in connection with the reacquisition after
13 December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in
14 Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any
15 taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to
16 offset the amount included in federal gross income as a result of the deferral of income arising from
17 business indebtedness discharged in connection with the reacquisition after December 31, 2008, and
18 before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the
19 Internal Revenue Code.

20 (10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal
21 Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter
22 N of the Internal Revenue Code.

23 (11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue
24 Code for interest received on an obligation of a state other than Indiana, or a political subdivision
25 of such a state, that is acquired by the taxpayer after December 31, 2011. For purposes of this
26 subdivision:

27 (A) if the taxpayer receives interest from a pass through entity, a regulated investment company,
28 a hedge fund, or similar arrangement, the taxpayer will be considered to have acquired the
29 obligation on the date the entity acquired the obligation;

30 (B) if ownership of the obligation occurs by means other than a purchase, the date of acquisition
31 of the obligation shall be the date ownership of the obligation was transferred, except to the
32 extent provided in clause (A), and if a portion of the obligation is acquired on multiple dates, the
33 date of acquisition shall be considered separately for each portion of the obligation; and

34 (C) if ownership of the obligation occurred as the result of a refinancing of another obligation,
35 the acquisition date shall be the date on which the obligation was refinanced.

36 (12) For taxable years beginning after December 25, 2016, add:
37 (A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax
38 Statement, line 1; or

39 (B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in
40 determining the taxpayer's taxable income for purposes of the federal income tax, the amount
41 deducted under Section 965(c) of the Internal Revenue Code.

42 (13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year
43 under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed
44 income). The taxpayer shall separately specify the amount of the reduction under Section
45 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal
46 Revenue Code.

47 (14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as



1 a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any
2 interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section
3 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an
4 interest expense is considered paid or accrued only in the first taxable year the deduction would have
5 been allowable under Section 163 of the Internal Revenue Code if the limitation under Section
6 163(j)(1) of the Internal Revenue Code did not exist.

7 (15) Subtract the amount that would have been excluded from gross income but for the enactment
8 of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

9 (16) Add an amount equal to the remainder of:

10 (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code;
11 minus

12 (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue
13 Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid
14 or incurred after December 31, 2020.

15 (17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction
16 disallowed pursuant to:

17 (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and
18 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260);
19 and

20 (B) Section 3134(e) of the Internal Revenue Code.

21 (18) For taxable years beginning after December 31, 2022, subtract an amount equal to the
22 deduction disallowed under Section 280C(h) of the Internal Revenue Code.

23 (19) For taxable years beginning after December 31, 2021, add or subtract amounts related to
24 specified research or experimental procedures as required under IC 6-3-2-29.

25 (20) Add or subtract any other amounts the taxpayer is:

26 (A) required to add or subtract; or

27 (B) entitled to deduct;

28 under IC 6-3-2.

29 (e) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code
30 and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal
31 Revenue Code), adjusted as follows:

32 (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes
33 of the United States.

34 (2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal
35 Revenue Code (concerning charitable contributions).

36 (3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c)
37 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level
38 by any state.

39 (4) Subtract an amount equal to the amount included in the company's taxable income under Section
40 78 of the Internal Revenue Code (concerning foreign tax credits).

41 (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
42 owns property for which bonus depreciation was allowed in the current taxable year or in an earlier
43 taxable year equal to the amount of adjusted gross income that would have been computed had an
44 election not been made under Section 168(k) of the Internal Revenue Code to apply bonus
45 depreciation to the property in the year that it was placed in service.

46 (6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code
47 (concerning net operating losses).



1 (7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
2 placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in
3 the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income
4 that would have been computed had an election for federal income tax purposes not been made for
5 the year in which the property was placed in service to take deductions under Section 179 of the
6 Internal Revenue Code in a total amount exceeding the sum of:

7 (A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the
8 Internal Revenue Code were not elected as provided in clause (B); and

9 (B) for taxable years beginning after December 31, 2017, the deductions elected under Section
10 179 of the Internal Revenue Code on property acquired in an exchange if:

11 (i) the exchange would have been eligible for nonrecognition of gain or loss under Section
12 1031 of the Internal Revenue Code in effect on January 1, 2017;

13 (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the
14 Internal Revenue Code; and

15 (iii) the taxpayer made an election to take deductions under Section 179 of the Internal
16 Revenue Code with regard to the acquired property in the year that the property was placed into
17 service.

18 The amount of deductions allowable for an item of property under this clause may not exceed the
19 amount of adjusted gross income realized on the property that would have been deferred under
20 the Internal Revenue Code in effect on January 1, 2017.

21 (8) Subtract income that is:

22 (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

23 (B) included in the insurance company's taxable income under the Internal Revenue Code.

24 (9) Add an amount equal to any income not included in gross income as a result of the deferral of
25 income arising from business indebtedness discharged in connection with the reacquisition after
26 December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in
27 Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any
28 taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to
29 offset the amount included in federal gross income as a result of the deferral of income arising from
30 business indebtedness discharged in connection with the reacquisition after December 31, 2008, and
31 before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the
32 Internal Revenue Code.

33 (10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal
34 Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter
35 N of the Internal Revenue Code.

36 (11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue
37 Code for interest received on an obligation of a state other than Indiana, or a political subdivision
38 of such a state, that is acquired by the taxpayer after December 31, 2011. For purposes of this
39 subdivision:

40 (A) if the taxpayer receives interest from a pass through entity, a regulated investment company,
41 a hedge fund, or similar arrangement, the taxpayer will be considered to have acquired the
42 obligation on the date the entity acquired the obligation;

43 (B) if ownership of the obligation occurs by means other than a purchase, the date of acquisition
44 of the obligation shall be the date ownership of the obligation was transferred, except to the
45 extent provided in clause (A), and if a portion of the obligation is acquired on multiple dates, the
46 date of acquisition shall be considered separately for each portion of the obligation; and

47 (C) if ownership of the obligation occurred as the result of a refinancing of another obligation,



1 the acquisition date shall be the date on which the obligation was refinanced.

2 (12) For taxable years beginning after December 25, 2016, add:

3 (A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax

4 Statement, line 1; or

5 (B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in

6 determining the taxpayer's taxable income for purposes of the federal income tax, the amount

7 deducted under Section 965(c) of the Internal Revenue Code.

8 (13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year

9 under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed

10 income). The taxpayer shall separately specify the amount of the reduction under Section

11 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal

12 Revenue Code.

13 (14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as

14 a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any

15 interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section

16 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an

17 interest expense is considered paid or accrued only in the first taxable year the deduction would have

18 been allowable under Section 163 of the Internal Revenue Code if the limitation under Section

19 163(j)(1) of the Internal Revenue Code did not exist.

20 (15) Subtract the amount that would have been excluded from gross income but for the enactment

21 of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

22 (16) Add an amount equal to the remainder of:

23 (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code;

24 minus

25 (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue

26 Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid

27 or incurred after December 31, 2020.

28 (17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction

29 disallowed pursuant to:

30 (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and

31 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260);

32 and

33 (B) Section 3134(e) of the Internal Revenue Code.

34 (18) For taxable years beginning after December 31, 2022, subtract an amount equal to the

35 deduction disallowed under Section 280C(h) of the Internal Revenue Code.

36 (19) For taxable years beginning after December 31, 2021, add or subtract amounts related to

37 specified research or experimental procedures as required under IC 6-3-2-29.

38 (20) Add or subtract any other amounts the taxpayer is:

39 (A) required to add or subtract; or

40 (B) entitled to deduct;

41 under IC 6-3-2.

42 (f) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b)

43 of the Internal Revenue Code) adjusted as follows:

44 (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes

45 of the United States.

46 (2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment

47 included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist



1 attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.
2 (3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
3 owns property for which bonus depreciation was allowed in the current taxable year or in an earlier
4 taxable year equal to the amount of adjusted gross income that would have been computed had an
5 election not been made under Section 168(k) of the Internal Revenue Code to apply bonus
6 depreciation to the property in the year that it was placed in service.
7 (4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code
8 (concerning net operating losses).
9 (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that
10 placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in
11 the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income
12 that would have been computed had an election for federal income tax purposes not been made for
13 the year in which the property was placed in service to take deductions under Section 179 of the
14 Internal Revenue Code in a total amount exceeding the sum of:
15 (A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the
16 Internal Revenue Code were not elected as provided in clause (B); and
17 (B) for taxable years beginning after December 31, 2017, the deductions elected under Section
18 179 of the Internal Revenue Code on property acquired in an exchange if:
19 (i) the exchange would have been eligible for nonrecognition of gain or loss under Section
20 1031 of the Internal Revenue Code in effect on January 1, 2017;
21 (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the
22 Internal Revenue Code; and
23 (iii) the taxpayer made an election to take deductions under Section 179 of the Internal
24 Revenue Code with regard to the acquired property in the year that the property was placed into
25 service.
26 The amount of deductions allowable for an item of property under this clause may not exceed the
27 amount of adjusted gross income realized on the property that would have been deferred under
28 the Internal Revenue Code in effect on January 1, 2017.
29 (6) Subtract income that is:
30 (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and
31 (B) included in the taxpayer's taxable income under the Internal Revenue Code.
32 (7) Add an amount equal to any income not included in gross income as a result of the deferral of
33 income arising from business indebtedness discharged in connection with the reacquisition after
34 December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in
35 Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any
36 taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to
37 offset the amount included in federal gross income as a result of the deferral of income arising from
38 business indebtedness discharged in connection with the reacquisition after December 31, 2008, and
39 before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the
40 Internal Revenue Code.
41 (8) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue
42 Code for interest received on an obligation of a state other than Indiana, or a political subdivision
43 of such a state, that is acquired by the taxpayer after December 31, 2011. For purposes of this
44 subdivision:
45 (A) if the taxpayer receives interest from a pass through entity, a regulated investment company,
46 a hedge fund, or similar arrangement, the taxpayer will be considered to have acquired the
47 obligation on the date the entity acquired the obligation;



- 1 (B) if ownership of the obligation occurs by means other than a purchase, the date of acquisition
2 of the obligation shall be the date ownership of the obligation was transferred, except to the
3 extent provided in clause (A), and if a portion of the obligation is acquired on multiple dates, the
4 date of acquisition shall be considered separately for each portion of the obligation; and
5 (C) if ownership of the obligation occurred as the result of a refinancing of another obligation,
6 the acquisition date shall be the date on which the obligation was refinanced.
- 7 (9) For taxable years beginning after December 25, 2016, add an amount equal to:
8 (A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;
9 (B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in
10 determining the taxpayer's taxable income for purposes of the federal income tax, the amount
11 deducted under Section 965(c) of the Internal Revenue Code; and
12 (C) with regard to any amounts of income under Section 965 of the Internal Revenue Code
13 distributed by the taxpayer, the deduction under Section 965(c) of the Internal Revenue Code
14 attributable to such distributed amounts and not reported to the beneficiary.
- 15 For purposes of this article, the amount required to be added back under clause (B) is not considered
16 to be distributed or distributable to a beneficiary of the estate or trust for purposes of Sections 651
17 and 661 of the Internal Revenue Code.
- 18 (10) Subtract any interest expense paid or accrued in the current taxable year but not deducted as
19 a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any
20 interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section
21 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an
22 interest expense is considered paid or accrued only in the first taxable year the deduction would have
23 been allowable under Section 163 of the Internal Revenue Code if the limitation under Section
24 163(j)(1) of the Internal Revenue Code did not exist.
- 25 (11) Add an amount equal to the deduction for qualified business income that was claimed by the
26 taxpayer for the taxable year under Section 199A of the Internal Revenue Code.
- 27 (12) Subtract the amount that would have been excluded from gross income but for the enactment
28 of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.
- 29 (13) Add an amount equal to the remainder of:
30 (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code;
31 minus
32 (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue
33 Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid
34 or incurred after December 31, 2020.
- 35 (14) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an
36 amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the
37 Internal Revenue Code. In addition:
38 (A) If a taxpayer has an excess business loss under this subdivision and also has modifications
39 under subdivisions (3) and (5) for property placed in service during the taxable year, the taxpayer
40 shall treat a portion of the taxable year modifications for that property as occurring in the taxable
41 year the property is placed in service and a portion of the modifications as occurring in the
42 immediately following taxable year.
43 (B) The portion of the modifications under subdivisions (3) and (5) for property placed in service
44 during the taxable year treated as occurring in the taxable year in which the property is placed
45 in service equals:
46 (i) the modification for the property otherwise determined under this section; minus
47 (ii) the excess business loss disallowed under this subdivision;



1 but not less than zero (0).

2 (C) The portion of the modifications under subdivisions (3) and (5) for property placed in service
3 during the taxable year treated as occurring in the taxable year immediately following the taxable
4 year in which the property is placed in service equals the modification for the property otherwise
5 determined under this section minus the amount in clause (B).

6 (D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be
7 first allocated to the modification under subdivision (3), then to the modification under
8 subdivision (5).

9 (15) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction
10 disallowed pursuant to:

11 (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and
12 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260);
13 and

14 (B) Section 3134(e) of the Internal Revenue Code.

15 (16) For taxable years beginning after December 31, 2022, subtract an amount equal to the
16 deduction disallowed under Section 280C(h) of the Internal Revenue Code.

17 (17) Except as provided in subsection (c), for taxable years beginning after December 31, 2022, add
18 an amount equal to any deduction or deductions allowed or allowable in determining taxable income
19 under Section 641(b) of the Internal Revenue Code for taxes based on or measured by income and
20 levied at the state level by any state of the United States.

21 (18) For taxable years beginning after December 31, 2021, add or subtract amounts related to
22 specified research or experimental procedures as required under IC 6-3-2-29.

23 (19) Add or subtract any other amounts the taxpayer is:

24 (A) required to add or subtract; or

25 (B) entitled to deduct;

26 under IC 6-3-2.

27 (g) For purposes of IC 6-3-2.1, IC 6-3-4-12, IC 6-3-4-13, and IC 6-3-4-15 for taxable years beginning
28 after December 31, 2022, "adjusted gross income" of a pass through entity means the items of ordinary
29 income and loss in the case of a partnership or a corporation described in IC 6-3-2-2.8(2), or distributions
30 subject to tax for state and federal income tax for beneficiaries in the case of a trust or estate, whichever
31 is applicable, for the taxable year modified as follows:

32 (1) Add the separately stated items of income and gains, or the equivalent items that must be
33 considered separately by a beneficiary, as determined for federal purposes, attributed to the partners,
34 shareholders, or beneficiaries of the pass through entity, determined without regard to whether the
35 owner is permitted to exclude all or part of the income or gain or deduct any amount against the
36 income or gain.

37 (2) Subtract the separately stated items of deductions or losses or items that must be considered
38 separately by beneficiaries, as determined for federal purposes, attributed to partners, shareholders,
39 or beneficiaries of the pass through entity and that are deductible by an individual in determining
40 adjusted gross income as defined under Section 62 of the Internal Revenue Code:

41 (A) limited as if the partners, shareholders, and beneficiaries deducted the maximum allowable
42 loss or deduction allowable for the taxable year prior to any amount deductible from the pass
43 through entity; but

44 (B) not considering any disallowance of deductions resulting from federal basis limitations for
45 the partner, shareholder, or beneficiary.

46 (3) Add or subtract any modifications to adjusted gross income that would be required both for
47 individuals under subsection (a) and corporations under subsection (b) to the extent otherwise



1 provided in those subsections, including amounts that are allowable for which such modifications
2 are necessary to account for separately stated items in subdivision (1) or (2).

3 (h) Subsections (a)(36), (b)(22), (d)(20), (e)(20), or (f)(19) may not be construed to require an add
4 back or allow a deduction or exemption more than once for a particular add back, deduction, or
5 exemption.

6 (i) For taxable years beginning after December 25, 2016, if:

7 (1) a taxpayer is a shareholder, either directly or indirectly, in a corporation that is an E&P deficit
8 foreign corporation as defined in Section 965(b)(3)(B) of the Internal Revenue Code, and the
9 earnings and profit deficit, or a portion of the earnings and profit deficit, of the E&P deficit foreign
10 corporation is permitted to reduce the federal adjusted gross income or federal taxable income of
11 the taxpayer, the deficit, or the portion of the deficit, shall also reduce the amount taxable under this
12 section to the extent permitted under the Internal Revenue Code, however, in no case shall this
13 permit a reduction in the amount taxable under Section 965 of the Internal Revenue Code for
14 purposes of this section to be less than zero (0); and

15 (2) the Internal Revenue Service issues guidance that such an income or deduction is not reported
16 directly on a federal tax return or is to be reported in a manner different than specified in this
17 section, this section shall be construed as if federal adjusted gross income or federal taxable income
18 included the income or deduction.

19 (j) If a partner is required to include an item of income, a deduction, or another tax attribute in the
20 partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be
21 includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether
22 such item is actually required to be reported by the partner for federal income tax purposes. For purposes
23 of this subsection:

24 (1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall
25 not be required to be included in the partner's adjusted gross income or taxable income; and

26 (2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or
27 IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall
28 be included in the partner's adjusted gross income or taxable income.

29 (k) The following apply for purposes of this section:

30 (1) For purposes of subsections (b) and (f), if a taxpayer is an organization that has more than one
31 (1) trade or business subject to the provisions of Section 512(a)(6) of the Internal Revenue Code,
32 the following rules apply for taxable years beginning after December 31, 2017:

33 (A) If a trade or business has federal unrelated business taxable income of zero (0) or greater for
34 a taxable year, the unrelated business taxable income and modifications required under this
35 section shall be combined in determining the adjusted gross income of the taxpayer and shall not
36 be treated as being subject to the provisions of Section 512(a)(6) of the Internal Revenue Code
37 if one (1) or more trades or businesses have negative Indiana adjusted gross income after
38 adjustments.

39 (B) If a trade or business has federal unrelated business taxable income of less than zero (0) for
40 a taxable year, the taxpayer shall apply the modifications under this section for the taxable year
41 against the net operating loss in the manner required under IC 6-3-2-2.5 and IC 6-3-2-2.6 for
42 separately stated net operating losses. However, if the application of modifications required under
43 IC 6-3-2-2.5 or IC 6-3-2-2.6 results in the separately stated net operating loss for the trade or
44 business being zero (0), the modifications that increase adjusted gross income under this section
45 and remain after the calculations to adjust the separately stated net operating loss to zero (0) that
46 result from the trade or business must be treated as modifications to which clause (A) applies for
47 the taxable year.



1 (C) If a trade or business otherwise described in Section 512(a)(6) of the Internal Revenue Code
2 incurred a net operating loss for a taxable year beginning after December 31, 2017, and before
3 January 1, 2021, and the net operating loss was carried back for federal tax purposes:

4 (i) if the loss was carried back to a taxable year for which the requirements under Section
5 512(a)(6) of the Internal Revenue Code did not apply, the portion of the loss and modifications
6 attributable to the loss shall be treated as adjusted gross income of the taxpayer for the first
7 taxable year of the taxpayer beginning after December 31, 2022, and shall be treated as part
8 of the adjusted gross income attributable to clause (A), unless, and to the extent, the loss and
9 modifications were applied to adjusted gross income for a previous taxable year, as determined
10 under this article; and

11 (ii) if the loss was carried back to a taxable year for which the requirements under Section
12 512(a)(6) of the Internal Revenue Code applied, the portion of the loss and modifications
13 attributable to the loss shall be treated as adjusted gross income of the taxpayer for the first
14 taxable year of the taxpayer beginning after December 31, 2022, and for purposes of this
15 clause, the inclusion of losses and modifications shall be in the same manner as provided in
16 clause (B), unless, and to the extent, the loss and modifications were applied to adjusted gross
17 income for a previous taxable year, as determined under this article.

18 (D) Notwithstanding any provision in this subdivision, if a taxpayer computed its adjusted gross
19 income for a taxable year beginning before January 1, 2023, based on a reasonable interpretation
20 of this article, the taxpayer shall be permitted to compute its adjusted gross income for those
21 taxable years based on that interpretation. However, a taxpayer must continue to report any tax
22 attributes for taxable years beginning after December 31, 2022, in a manner consistent with its
23 previous interpretation.

24 (2) In the case of a corporation, other than a captive real estate investment trust, for which the
25 adjusted gross income under this article is determined after a deduction for dividends paid under the
26 Internal Revenue Code, the modifications required under this section shall be applied in ratio to the
27 corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) after
28 deductions for dividends paid under the Internal Revenue Code compared to the corporation's
29 taxable income (as defined in Section 63 of the Internal Revenue Code) before the deduction for
30 dividends paid under the Internal Revenue Code.

31 (3) In the case of a trust or estate, the trust or estate is required to include only the portion of the
32 modifications not passed through to beneficiaries.

33 (4) In the case of a taxpayer for which modifications are required to be applied against a separately
34 stated net operating loss under IC 6-3-2-2.5 or IC 6-3-2-2.6, the modifications required under this
35 section must be adjusted to reflect the required application of the modifications against a separately
36 stated net operating loss, in order to avoid the application of a particular modification multiple times.

37 SECTION 50. IC 6-3-5-5, AS ADDED BY P.L.135-2022, SECTION 6, IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 5. (a) If the Indiana economic
39 development corporation established by IC 5-28-3-1 enters into an agreement with a taxpayer for an
40 economic development for a growing economy tax credit under IC 6-3.1-13, and the taxpayer elects to
41 forgo claiming the credit against any state tax liability for that taxable year and requests the department
42 to remit to the taxpayer an amount equal to the credit for the taxable year as set forth under
43 IC 6-3.1-13-20(b), the provisions of this section shall apply.

44 (b) Before making a payment to a taxpayer under this section, the taxpayer shall provide to the
45 department:

- 46 (1) a copy of the taxpayer's agreement with the Indiana economic development corporation;
47 (2) the credit awarded to the taxpayer for that taxable year; and



1 (3) any other information required by the department.

2 (c) A payment by the department cannot exceed the actual incremental income tax withholdings
3 collected by the department as a result of the employment of new employees subject to an agreement
4 entered into under IC 6-3.1-13.

5 (d) In the case of a credit awarded under IC 6-3.1-13 to a taxpayer that is a pass through entity, the:
6 (1) pass through entity has the authority to make the election with regard to the credit;
7 (2) shareholders, partners, members, and beneficiaries of the pass through entity may not make an
8 election separate from the pass through entity with regard to the credit;
9 (3) pass through entity is entitled to the payment allowable under this section; and
10 (4) pass through entity may not pass through any portion of the credit for which the pass through
11 entity requests payment as a tax credit to the shareholders, partners, members, or beneficiaries of
12 the pass through entity.

13 (e) If a payment under this section is included in the federal adjusted gross income of an individual
14 or the federal taxable income of any other entity, the payment must be treated as:
15 (1) adjusted gross income from Indiana sources under this article and IC 6-5.5;
16 (2) business income for purposes of this article; and
17 (3) a receipt from Indiana sources for apportionment purposes under IC 6-3-2 and IC 6-5.5-4.

18 (f) For purposes of offsetting refunds and overpayments, a payment under this section is treated as an
19 overpayment of tax under this article and IC 6-5.5 for purposes of IC 6-8.1-9-2, IC 6-8.1-9.5, and
20 IC 6-8.1-9.7.

21 (g) A payment under this section is subject to IC 6-3.1-13-22 in the same manner as if the payment had
22 been claimed as a credit.

23 (h) If all or a portion of a payment under this section is determined to have been made in error or is
24 subject to assessment under IC 6-3.1-13-22, the department may issue an assessment for repayment of
25 such amount before the later of:
26 (1) ten (10) years from the date of the payment; or
27 (2) three (3) years from the date the Indiana economic development corporation notifies the
28 department of the taxpayer's noncompliance pursuant to IC 6-3.1-13-22.

29 (i) An assessment for repayment shall be treated as a proposed assessment for purposes of
30 administrative review and judicial appeal under IC 6-8.1-5. However, review of the Indiana economic
31 development corporation's determination of noncompliance shall be limited to an abuse of discretion by
32 the Indiana economic development corporation.

33 (j) For purposes of this section, an election for payment in lieu of claiming the credit under IC 6-3.1-13
34 for a taxable year is not allowed if:
35 (1) the taxpayer has claimed all or part of the credit for the taxable year;
36 (2) in the case of a taxpayer who is a pass through entity, the taxpayer passes through all or part of
37 the credit as a tax credit, regardless of whether the pass through entity subsequently provides
38 information to the department, the Indiana economic development corporation, or any other affected
39 person or entity, that the credit should not be passed through as a tax credit or whether the credit
40 otherwise has been claimed as a tax credit; or
41 (3) the taxpayer makes the election after the due date of the taxpayer's return under IC 6-3, IC 6-5.5,
42 IC 6-8-15, or IC 27-1-18-2, determined without regard to extensions, on which it would have
43 claimed the credit for which the taxpayer is requesting payment under this section.

44 (k) The amount needed to make a payment under this section shall be paid from funds appropriated
45 to the Indiana economic development corporation for business promotion and innovation. ~~or from the~~
46 ~~statewide innovation development district fund established by IC 36-7-32.5-20.~~ Payments made under
47 this section are subject to available funding.



1 SECTION 51. IC 6-3.1-13-20, AS AMENDED BY P.L.135-2022, SECTION 9, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 20. (a) Except as
3 provided in subsection (b), a taxpayer claiming a credit under this chapter must claim the credit on the
4 taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue.
5 The taxpayer shall submit to the department of state revenue all information that the department
6 determines necessary for the calculation of the credit provided by this chapter and the determination of
7 whether the credit was properly claimed.

8 (b) Notwithstanding subsection (a), if a taxpayer is entitled to a credit under this chapter, the taxpayer
9 may, with the approval of the corporation, elect to forgo claiming the credit against any state tax liability
10 and submit the credit to the department with a request to receive a payment from the corporation, to be
11 paid from funds appropriated to the corporation for business promotion and innovation ~~or from the~~
12 ~~statewide innovation development district fund established by IC 36-7-32.5-20~~; that is equal to the credit
13 for that taxable year as provided in IC 6-3-5-5.

14 SECTION 52. IC 6-3.1-33.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
15 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

16 **Chapter 33.5. Rural Fund Capital Investment Tax Credit**

17 **Sec. 1. The state tax credit provided by this chapter applies to taxable years beginning after**
18 **December 31, 2025. However, beginning with the period set forth in section 3(a) of this chapter, the**
19 **corporation may begin to receive applications for the credit provided by this chapter.**

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

21 (1) "Affiliate" means an entity that directly, or indirectly through one (1) or more
22 intermediaries, controls, or is controlled by, or is under the common control with, another
23 entity. An entity is controlled by another entity if the controlling entity holds, directly or
24 indirectly, the majority of voting or ownership interest in the controlled entity or has control
25 over day-to-day operations of the controlled entity by contract or by law.

26 (2) "Applicable percentage" means zero percent (0%) for the first two (2) credit allowance
27 dates, and fifteen percent (15%) for the next four (4) credit allowance dates.

28 (3) "Capital investment" means any equity investment in a rural fund by a rural investor that:

29 (A) is acquired after June 30, 2025, at its original issuance solely in exchange for cash;

30 (B) has one hundred percent (100%) of its cash purchase price used by the rural fund to
31 make qualified investments in eligible businesses located in Indiana by the third
32 anniversary of the initial credit allowance date; and

33 (C) is designated by the rural fund as a capital investment that is certified by the
34 corporation under sections 3 through 5 of this chapter, including any capital investment
35 that does not satisfy section 3(b)(1) of this chapter if the investment was a capital
36 investment in the hands of a prior holder.

37 (4) "Corporation" means the Indiana economic development corporation established by
38 IC 5-28-3-1.

39 (5) "Credit allowance date" means the date on which the corporation provides the certification
40 set forth in section 5(a) of this chapter and each of the five (5) anniversary dates of that date
41 thereafter.

42 (6) "Department" refers to the department of state revenue.

43 (7) "Eligible business" means a business that, at the time of the initial qualified investment in
44 the business:

45 (A) has fewer than two hundred fifty (250) employees; and

46 (B) has its principal business operations in a rural area of Indiana.

47 Any business classified as an eligible business at the time of the initial investment in the



1 business by a rural fund shall remain classified as an eligible business and may receive
2 follow-on investments from any rural fund. The follow-on investments shall be qualified
3 investments even though the business may not meet the definition of an "eligible business" at
4 the time of the follow-on investment.

5 (8) "Principal business operations" means the location where at least sixty percent (60%) of
6 a business's employees work or where employees who are paid at least sixty percent (60%) of
7 the business's payroll work. A business that has agreed to relocate employees using the
8 proceeds of a qualified investment to establish its principal business operations in a new
9 location shall be deemed to have its principal business operations in the new location if it
10 satisfied the requirements of this subdivision not later than one hundred eighty (180) days
11 after receiving a qualified investment.

12 (9) "Purchase price" means the amount paid to the rural fund that issues a capital investment,
13 which shall not exceed the amount of capital investment authority certified under sections 3
14 through 5 of this chapter.

15 (10) "Qualified investment" means any investment in an eligible business or any loan to an
16 eligible business with a stated maturity date of at least one (1) year after the date of issuance,
17 excluding revolving lines of credit and senior-secured debt unless the chief executive or similar
18 officer of the eligible business certifies that the eligible business sought and was denied similar
19 financing from a depository institution or by a rural fund unless, with respect to any one (1)
20 eligible business, the maximum amount of investments made in the business by one (1) or more
21 rural funds, on a collective basis with all of the businesses' affiliates, with the proceeds of the
22 capital investments, are an amount equal to the greater of twenty percent (20%) of the rural
23 fund's capital investment authority or six million five hundred thousand dollars (\$6,500,000),
24 exclusive of investments made with repaid or redeemed investments or interest or profits
25 realized on those investments.

26 (11) "Rural area" means:

27 (A) an area other than a municipality with a population of more than fifty thousand
28 (50,000) or an urban area contiguous and adjacent to the municipality;

29 (B) an area determined to be rural in character by the United States Department of
30 Agriculture; or

31 (C) an urban area contiguous or adjacent to a municipality with a population of more than
32 fifty thousand (50,000) if the corporation determines the eligible business is rural in nature,
33 employs employees from rural areas, or is otherwise beneficial to residents of rural areas.

34 (12) "Rural fund" means an entity certified by the corporation under sections 3 through 5 of
35 this chapter.

36 (13) "Rural investor" means an entity that makes a capital investment in a rural fund.

37 (14) "Senior-secured debt" means any loan that is secured by a first mortgage on real estate
38 with a loan-to-value ratio of less than eighty percent (80%).

39 (15) "State tax liability" means a person's total tax liability that is incurred under:

40 (A) IC 27-1-18-2 (the insurance premiums tax); and

41 (B) IC 27-1-20-12 (the insurance premiums retaliatory tax);

42 as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied
43 before the credit provided by this chapter. An insurance company claiming a credit against
44 the taxes listed in this subdivision is not required to pay any additional retaliatory tax in
45 Indiana as a result of claiming the credit.

46 (16) "Taxpayer" means an entity that has state tax liability.

47 Sec. 3. (a) A rural fund that seeks to have an equity investment certified as a capital investment



1 eligible for a credit allowed under this chapter must apply to the corporation. The corporation shall
2 begin accepting applications within ninety (90) days after July 1, 2025.

3 (b) The application must include each of the following:

4 (1) The amount of capital investment requested.

5 (2) A copy of the applicant's or an affiliate of the applicant's license as a rural business
6 investment company under 7 U.S.C. 2009cc or as a small business investment company under
7 15 U.S.C. 681 and a certificate executed by an executive officer of the applicant attesting that
8 the license remains in effect and has not been revoked.

9 (3) Evidence that, as of the date the application is submitted, the applicant or affiliates of the
10 applicant have invested at least one hundred million dollars (\$100,000,000) in nonpublic
11 companies located in counties within the United States with a population of less than
12 seventy-five thousand (75,000) according to the 2020 federal decennial census. The evidence
13 may be in the form of a list containing the names of the companies, the location of the
14 companies, and the amounts invested by the applicant or affiliates of the applicant. However,
15 an officer of the applicant must certify the list.

16 (4) A business plan that includes a revenue impact assessment projecting state and local tax
17 revenue to be generated by the applicant's proposed qualified investments, prepared by a
18 nationally recognized, third party, independent economic forecasting firm using a dynamic
19 economic forecasting model that analyzes the applicant's business plan over the ten (10) years
20 following the date the application is submitted to the corporation. The plan must include an
21 estimate of the number of jobs created and jobs retained in Indiana as a result of the
22 applicant's qualified investments.

23 (5) A nonrefundable application fee of five thousand dollars (\$5,000) payable to the
24 corporation.

25 Sec. 4. (a) Within thirty (30) days after the receipt of a completed application, the corporation
26 shall grant or deny the application in full or in part. The corporation shall deny the application if
27 any of the following apply:

28 (1) The applicant does not satisfy all the criteria set forth in section 3 of this chapter.

29 (2) The revenue impact assessment submitted with the application does not demonstrate that
30 the applicant's business plan will result in a positive fiscal impact on Indiana over a ten (10)
31 year period that exceeds the cumulative amount of credits that would be issued to the applicant
32 if the application were approved.

33 (3) The corporation has already approved the maximum amount of capital investment
34 authority allowed under section 6 of this chapter.

35 (b) If the corporation denies any part of the application, it shall inform the applicant of the
36 grounds for the denial. If the applicant provides any additional information required by the
37 corporation or otherwise completes its application within fifteen (15) days of the notice of denial,
38 the application shall be considered complete as of the original date of submission. If the applicant
39 fails to provide the information or fails to complete its application within the fifteen (15) day period,
40 the application shall remain denied and must be resubmitted with a new submission date and a new
41 application fee.

42 Sec. 5. (a) Upon approval of an application, the corporation shall provide a certification of the
43 proposed equity investment as a capital investment eligible for credits under this chapter, subject
44 to the limitations set forth in section 6 of this chapter. The corporation shall provide written notice
45 of the certification to the applicant, which must include the amount of the applicant's capital
46 investment authority and a schedule of credits by year and amount related to the capital investment
47 authority.



1 (b) The corporation shall certify proposed capital investments in the order that the applications
2 are received by the corporation. Applications received on the same day shall be deemed to have
3 been received simultaneously. For applications that are complete and received on the same day, the
4 corporation shall certify applications in proportionate percentages based upon the ratio of the
5 amount of capital investment authority requested in all applications.

6 Sec. 6. (a) The corporation may not certify capital investment authority under this chapter in
7 an amount that exceeds fifteen million dollars (\$15,000,000) in credits to be claimed against state
8 tax liability in any calendar year, excluding any credit amounts carried forward under section 7 of
9 this chapter.

10 (b) Within ninety (90) days of the applicant receiving notice of certification, the rural fund shall
11 issue the capital investment to and receive cash in the amount of the certified amount from a rural
12 investor. At least ten percent (10%) of the rural investor's capital investment shall be composed of
13 capital raised by the rural investor directly or indirectly from sources including directors,
14 members, employees, officers, and affiliates of the rural investor, other than the amount invested
15 by the allocatee claiming the credits in exchange for the allocation of credits. The rural fund shall
16 provide the corporation with evidence of the receipt of the cash investment within ninety-five (95)
17 days of the applicant receiving notice of certification.

18 (c) If the rural fund does not receive the cash investment and issue the capital investment within
19 the time period following receipt of the certification set forth in section 5(a) of this chapter, the
20 certification shall lapse and the rural fund shall not issue the capital investment without reapplying
21 to the corporation for certification. Lapsed certifications shall revert to the corporation and shall
22 be reissued on a pro rata basis to applicants whose capital investment allocations were reduced in
23 accordance with the application process set forth in section 5 of this chapter.

24 Sec. 7. (a) Upon making a capital investment in a rural fund, a rural investor is entitled to a
25 vested credit against the taxpayer's state tax liability that may be used on each credit allowance
26 date of the capital investment in an amount equal to:

27 (1) the applicable percentage for the credit allowance date; multiplied by

28 (2) the purchase price paid to the rural fund for the capital investment.

29 (b) The amount of the credit claimed by a taxpayer shall not exceed the amount of the taxpayer's
30 state tax liability for the tax year for which the credit is claimed. Any amount of credit that a
31 taxpayer is prohibited from claiming in a tax year as a result of this section may be carried forward
32 for use in any of the five (5) subsequent tax years.

33 (c) The credit shall not be carried back and is not refundable.

34 Sec. 8. No credit claimed under this chapter shall be refundable or saleable on the open market.
35 Credits may be transferred to affiliates of a taxpayer. Credits earned by or allocated to a
36 partnership, limited liability company, or S corporation may be allocated to the partners, members,
37 or shareholders of such an entity for their use in accordance with the provisions of any agreement
38 among such partners, members, or shareholders, and a rural fund shall notify the department of
39 taxpayers that are eligible to utilize credits and transfers upon such allocation, change, or transfer.
40 Such allocations shall not be considered a sale for the purpose of this section.

41 Sec. 9. To apply a credit under this chapter against the taxpayer's state tax liability, a taxpayer
42 must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed
43 by the department. The taxpayer must attach the certification provided by the corporation in
44 accordance with section 5(a) of this chapter and any additional information that the department
45 determines is necessary for the department to determine whether the taxpayer is eligible for the
46 credit.

47 Sec. 10. (a) A credit is subject to recapture if any of the following circumstances apply:



1 (1) The rural fund does not invest:

2 (A) at least sixty percent (60%) of its capital investment authority in qualified investments
3 in Indiana within two (2) years of the credit allowance date; and

4 (B) one hundred percent (100%) of its capital investment authority in qualified investments
5 in Indiana within three (3) years of the credit allowance date.

6 (2) The rural fund fails to maintain qualified investments equal to one hundred percent
7 (100%) of its capital investment authority from the third anniversary until the sixth
8 anniversary of the credit allowance date. For purposes of this subdivision, a qualified
9 investment is considered maintained even if the qualified investment was sold or repaid as long
10 as the rural fund reinvests an amount equal to the capital returned or recovered or repaid by
11 the rural fund from the original investment, exclusive of any profits realized, in other qualified
12 investments in Indiana within twelve (12) months of receipt of the capital. Amounts received
13 periodically by a rural fund shall be treated as maintained in qualified investments if the
14 amounts are reinvested in one (1) or more qualified investments by the end of the following
15 calendar year. A rural fund is not required to reinvest capital returned from qualified
16 investments after the fifth anniversary of the credit allowance date, and the qualified
17 investments shall be considered maintained by the rural fund through the sixth anniversary
18 of the credit allowance date.

19 (3) Before the earlier of:

20 (A) exiting the program in accordance with this chapter; or

21 (B) thirty (30) days after the sixth anniversary of the credit allowance date;

22 the rural fund makes a distribution or payment that results in the rural fund having less than
23 one hundred percent (100%) of its capital investment authority invested in qualified
24 investments in Indiana or held in cash or other marketable securities.

25 (4) The rural fund violates section 11 of this chapter, in which case the corporation may
26 recapture an amount equal to the amount of the rural fund's capital investment authority
27 found to be in violation of those provisions.

28 (b) Recaptured credits and related capital investment authority shall revert to the corporation
29 and shall be reissued on a pro rata basis to applicants whose capital investment allocations were
30 reduced in accordance with sections 3 through 5 of this chapter.

31 (c) No recapture shall occur until the rural fund has been given notice of noncompliance and
32 afforded six (6) months from the date of the notice to cure the noncompliance.

33 (d) A rural fund, before making a qualified investment, may request from the corporation a
34 written opinion as to whether the business in which it proposes to invest is an eligible business. The
35 corporation, not later than fifteen (15) business days after the date of receipt of the request, shall
36 notify the rural fund of its determination. If the corporation fails to notify the rural fund of its
37 determination by the twentieth business day, the business in which the rural fund proposes to invest
38 shall be deemed an eligible business.

39 Sec. 11. No eligible business that receives a qualified investment under this chapter or any
40 affiliates of the eligible business shall directly or indirectly:

41 (1) own or have the right to acquire an ownership interest in a rural fund or in a member or
42 affiliate of a rural fund including, but not limited to, a holder of a capital investment issued
43 by a rural fund; or

44 (2) lend to or invest in a rural fund or any member or affiliate of a rural fund including, but
45 not limited to, a holder of capital investment issued by a rural fund, where the proceeds of the
46 loan or investment are directly or indirectly used to fund or refinance the purchase of capital
47 investments under this chapter.



1 **Sec. 12. (a) A rural fund shall submit a report to the corporation by June 30 of each calendar**
2 **year during the credit allowance period.**

3 **(b) The report following the second anniversary of the initial credit allowance date shall provide**
4 **documentation as to the investment of at least sixty percent (60%) of the purchase price of such**
5 **capital investment in qualified investments.**

6 **(c) The report following the third anniversary of the initial credit allowance date shall provide**
7 **documentation as to the investment of one hundred percent (100%) of the purchase price of such**
8 **capital investment in qualified investments. Unless previously reported under this section, the**
9 **report must also include the following information:**

10 **(1) The name and location of each eligible business receiving a qualified investment.**

11 **(2) Bank statements of the rural fund evidencing each qualified investment.**

12 **(3) A copy of the written opinion of the corporation, as provided in section 10(d) of this**
13 **chapter, or evidence that the business was an eligible business at the time of the qualified**
14 **investment, as applicable.**

15 **(4) The number of jobs created and jobs retained as a result of each qualified investment.**

16 **(5) The average salary of the jobs described in subdivision (4).**

17 **(6) Any other information required by the corporation.**

18 **(d) For all subsequent years, a rural fund shall submit an annual report to the corporation by**
19 **June 30 of each calendar year during the credit allowance period, which must include the following**
20 **information:**

21 **(1) The number of jobs created and jobs retained as a result of qualified investments.**

22 **(2) The average annual salary of jobs described in subdivision (1).**

23 **(3) Any other information required by the corporation.**

24 **Sec. 13. On or after the sixth anniversary of the credit allowance date, a rural fund may apply**
25 **to the corporation to exit the program and no longer be subject to the requirements established**
26 **under this chapter. The corporation shall respond to the exit application within fifteen (15) days**
27 **of receipt. In evaluating the exit application, the fact that no credits have been recaptured and that**
28 **the rural fund has not received a notice of recapture that has not been cured as allowed under**
29 **section 10(c) of this chapter shall be sufficient evidence to prove that the rural fund is eligible for**
30 **exit. The corporation shall not unreasonably deny an exit application submitted under this section.**
31 **If an exit application is denied, the notice shall include the reasons for the determination.**

32 **SECTION 53. IC 6-3.1-38-4, AS ADDED BY P.L.203-2023, SECTION 2, IS AMENDED TO READ**
33 **AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 4. Subject to section 7 of this**
34 **chapter, a qualified taxpayer may claim a credit against the qualified taxpayer's state tax liability for a**
35 **qualified contribution for a qualified taxpayer with less than ~~ffty (50)~~ **seventy-five (75)** employees, up**
36 **to four hundred dollars (\$400) in the first year per covered employee if the amount provided toward the**
37 **health reimbursement arrangement is equal to or greater than either the level of benefits provided in the**
38 **previous benefit year, or if the amount the employer contributes toward the health reimbursement**
39 **arrangement equals the same amount contributed per covered individual toward the employer provided**
40 **health insurance plan during the previous benefit year. The credit under this section decreases to two**
41 **hundred dollars (\$200) per covered employee in the second year.**

42 **SECTION 54. IC 6-3.1-38-7, AS ADDED BY P.L.203-2023, SECTION 2, IS AMENDED TO READ**
43 **AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 7. (a) The amount of tax**
44 **credits granted under this chapter may not exceed ~~ten million dollars (\$10,000,000)~~ **fifteen million****
45 **dollars (\$15,000,000) in any taxable year.**

46 **(b) The department shall record the time of filing of each return claiming a credit under section 6 of**
47 **this chapter and shall approve the claims if they otherwise qualify for a tax credit under this chapter, in**



1 the chronological order in which the claims are filed in the state fiscal year.

2 (c) The department may not approve a claim for a tax credit after the date on which the total credits
3 approved under this section equal the maximum amount allowable in a particular state fiscal year.

4 SECTION 55. IC 6-3.1-46 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
5 AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]:

6 **Chapter 46. Hoosier Workforce Investment Tax Credit**

7 **Sec. 1.** As used in this chapter, "corporation" means the Indiana economic development
8 corporation established by IC 5-28-3-1.

9 **Sec. 2.** As used in this chapter, "credit" refers to a credit allowed under this chapter.

10 **Sec. 3.** As used in this chapter, "eligible business" means an individual, corporation, partnership,
11 estate, trust, or other entity that employs at least five (5) employees based in Indiana.

12 **Sec. 4.** As used in this chapter, "eligible employee" means an employee of an eligible business
13 who:

14 (1) worked as a full-time employee for an eligible business in Indiana for the calendar year
15 immediately preceding the calendar year in which the employee's training begins;

16 (2) received an average annual wage from the eligible business after completion of the training
17 that exceeds both:

18 (A) the average annual wage the employee received before beginning the training:

19 (i) by at least twenty-five percent (25%); and

20 (ii) for at least two (2) calendar quarters;

21 (B) the average annual wage of an individual in the economic growth region in which the
22 employee resides; and

23 (3) is not a shareholder, partner, member, or beneficiary of the eligible business, or the spouse
24 or dependent of a shareholder, partner, member, or beneficiary of the eligible business.

25 **Sec. 5.** As used in this chapter, "eligible training costs" means amounts paid by an eligible
26 business for training costs incurred after December 31, 2025, on behalf of an employee that are
27 reasonably intended to result in the employee acquiring or improving skills related to the
28 employee's current or future work for the eligible business.

29 **Sec. 6.** As used in this chapter, "pass through entity" has the meaning set forth in IC 6-3-1-35.

30 **Sec. 7.** As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is
31 incurred under:

32 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

33 (2) IC 27-1-18-2 (the insurance premiums tax) or IC 6-8-15 (the nonprofit agricultural
34 organization health coverage tax); and

35 (3) IC 6-5.5 (the financial institutions tax);

36 as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the
37 credit provided by this chapter.

38 **Sec. 8.** As used in this chapter, "taxpayer" means an eligible business with any state tax liability.

39 **Sec. 9.** As used in this chapter, "training" means a course of instruction intended to increase the
40 marketable skills of an eligible employee.

41 **Sec. 10.** As used in this chapter, "wages" has the meaning set forth in IC 22-4-4-2.

42 **Sec. 11.** An eligible business may apply to the corporation for a tax credit under this chapter. The
43 corporation shall prescribe the form and contents of the application. The corporation may request
44 any information required to determine the amount of credit allowable under this section.

45 **Sec. 12.** (a) Subject to subsection (b) and section 17 of this chapter, a taxpayer is entitled to a
46 credit under this chapter in the amount equal to the lesser of:

47 (1) the eligible training costs paid for an eligible employee and certified by the corporation;



1 or

2 (2) five thousand dollars (\$5,000).

3 (b) A taxpayer may not be awarded aggregate credits totaling more than fifty thousand dollars
4 (\$50,000) for eligible training costs paid on behalf of all eligible employees of the taxpayer.

5 (c) The corporation may decline to award all or part of a credit to a taxpayer if the corporation
6 determines that the taxpayer's credit claim is intended to permit one (1) or more taxpayers to claim
7 more than the amount otherwise allowable to the taxpayer under subsection (b) or intended to
8 avoid the requirements of this chapter.

9 Sec. 13. (a) Subject to sections 12 and 17 of this chapter, a taxpayer must be awarded a credit
10 upon the corporation's certification that:

11 (1) the eligible employee has completed their training; and

12 (2) the eligible employee's average annual wage is at least an amount described in section 4(2)
13 of this chapter.

14 (b) The first taxable year for which a taxpayer may claim the credit is the first taxable year for
15 which an eligible employee meets the requirements in subsection (a) as certified by the corporation.

16 Sec. 14. (a) If a pass through entity does not have state income tax liability against which the
17 credit provided by this chapter may be applied, a shareholder, partner, beneficiary, or member of
18 the pass through entity is entitled to a credit equal to:

19 (1) the credit determined for the pass through entity for the taxable year; multiplied by

20 (2) the percentage of the pass through entity's distributive income to which the shareholder,
21 partner, beneficiary, or member is entitled.

22 (b) The credit provided under subsection (a) is in addition to a credit to which a shareholder,
23 partner, or member of a pass through entity is otherwise entitled under this chapter.

24 (c) Notwithstanding subsections (a) and (b), for a credit awarded to a pass through entity that
25 is an estate or trust, the estate or trust may elect to retain all or part of the credit to apply against
26 its own state tax liability and attribute the remaining portion of the credit to its beneficiaries as
27 provided under subsection (a). Such election shall be made in the first year in which the estate or
28 trust is permitted the credit and shall be irrevocable, except that the estate or trust may distribute
29 any remaining portion of the credit in the manner provided in subsection (a) upon termination of
30 the estate or trust.

31 Sec. 15. (a) If the amount of the credit determined under section 12 of this chapter for a taxpayer
32 in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may
33 carry the excess credit over for a period not to exceed the taxpayer's following nine (9) taxable
34 years.

35 (b) The amount of the credit carryover from a taxable year shall be reduced to the extent that
36 the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent
37 taxable year.

38 (c) A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

39 (d) A taxpayer may not assign any portion of the credit under this chapter.

40 Sec. 16. A taxpayer shall report the credit under this chapter in the manner prescribed by the
41 department.

42 Sec. 17. (a) A tax credit awarded under this chapter is subject to the limitations set forth in
43 IC 5-28-6-9.

44 (b) The aggregate amount of tax credits allowed under this chapter may not exceed four million
45 dollars (\$4,000,000) in a state fiscal year.

46 Sec. 18. The department may adopt rules under IC 4-22-2 to carry out the provisions of this
47 chapter.



1 SECTION 56. IC 8-22-3-4.3, AS AMENDED BY P.L.192-2015, SECTION 6, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4.3. (a) This section applies only to the board
3 of an airport authority that:

- 4 (1) is not located in a county containing a consolidated city;
- 5 (2) is established by a city; and
- 6 (3) has entered into a federal interstate compact.

7 (b) The board of an airport authority described in subsection (a) consists of members appointed as
8 follows:

9 (1) ~~Four (4) members~~ **One (1) member** appointed by the executive of the city in which the airport
10 is located. ~~Not more than two (2) members appointed under this subdivision may be members of the~~
11 ~~same political party.~~

12 (2) One (1) member appointed by the executive of the county in which the airport is located.

13 (3) One (1) member appointed by the executive of the county (other than the county in which the
14 airport is located) that is closest geographically to the airport.

15 (4) One (1) member appointed by the governor.

16 **(5) The commissioner of the Indiana department of transportation.**

17 **(6) One (1) member appointed by the executive of the city of Hammond.**

18 **(7) One (1) member appointed by the executive of the city of Crown Point.**

19 (c) ~~A member of the board holds office for four (4) years and until the member's successor is appointed~~
20 ~~and qualified. The terms of the members of the board are as follows:~~

21 **(1) For a member appointed under subsection (b)(6) or (b)(7), two (2) years.**

22 **(2) For a member appointed under subsection (b)(2) or (b)(3), three (3) years.**

23 **(3) For all other members of the board, four (4) years.**

24 (d) If a vacancy occurs in the board, the authority that appointed the member that vacated the board
25 shall appoint an individual to serve for the remainder of the unexpired term.

26 (e) A board member may be reappointed to successive terms.

27 (f) A board member may be impeached under the procedure provided for the impeachment of county
28 officers.

29 (g) The board member appointed under subsection (b)(4) serves as the president of the board.

30 (h) On September 1, 2013, the term of each member serving on the board of the airport authority
31 originally established by the city of Gary is terminated. The appointing authorities required to make
32 appointments to the board under this section shall make new appointments to the board as soon as
33 possible after August 31, 2013.

34 (i) Each person appointed by an appointing authority under subsection (b) must have knowledge of
35 and at least five (5) years professional work experience in at least one (1) of the following:

36 (1) Aviation management at an executive level.

37 (2) Regional economic development.

38 (3) Business or finance.

39 (j) A person appointed by an appointing authority under subsection (b) may not personally have, or
40 be employed by or have an ownership interest in an entity that has, a significant contractual or business
41 relationship with the airport authority.

42 (k) The board of an airport authority described in subsection (a) shall contract with a certified public
43 accountant for an annual financial audit of the airport authority. The certified public accountant may not
44 be selected without review of the accountant's proposal and approval of the accountant by the state board
45 of accounts. The certified public accountant may not have a significant financial interest, as determined
46 by the board of the airport authority, in a project, facility, or service owned by, funded by, or leased by
47 or to the airport authority. The certified public accountant shall present the annual financial audit not later



1 than four (4) months after the end of the airport authority's fiscal year. The board of the airport authority
2 shall pay the cost of the annual financial audit. In addition, the state board of accounts may at any time
3 conduct an audit of any phase of the operations of the airport authority. The airport authority shall pay the
4 cost of any audit by the state board of accounts.

5 (l) The board of the airport authority shall, not later than four (4) months after the end of the airport
6 authority's fiscal year, submit an annual report of the board's activities for the preceding fiscal year to:

- 7 (1) the budget agency, for review by the budget committee; and
- 8 (2) the legislative council.

9 An annual report submitted under this section to the legislative council must be in an electronic format
10 under IC 5-14-6. The annual report must set forth a complete operating and financial statement of the
11 airport authority for the airport authority's preceding fiscal year.

12 **(m) On September 1, 2025, the term of each member serving on the board of the airport**
13 **authority is terminated. The appointing authorities required to make appointments to the board**
14 **under this section shall make new appointments to the board as soon as possible after August 31,**
15 **2025.**

16 SECTION 57. IC 10-11-2-13, AS AMENDED BY P.L.201-2023, SECTION 122, IS AMENDED TO
17 READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 13. (a) The board shall categorize salaries of
18 police employees within each rank based upon the rank held and the number of years of service in the
19 department through the fifteenth year. The salary ranges the board assigns to each rank shall be divided
20 into a base salary and fifteen (15) increments above the base salary, with:

- 21 (1) the base salary in the rank paid to a person with less than one (1) year of service in the
22 department; and
- 23 (2) the highest salary in the rank paid to a person with at least fifteen (15) years of service in the
24 department.

25 (b) The salary matrix prescribed by this section shall be reviewed and approved by the budget agency
26 biennially in even-numbered years before implementation.

27 **(c) The board shall adjust the salary matrix prescribed by this section whenever a revision or**
28 **adjustment is made to a pay plan developed under IC 4-15-2.2-27 for which all employees are**
29 **generally eligible. The adjusted percentage increase of the salary matrix and each corresponding**
30 **salary increment in the salary matrix is equal to the percentage by which the revised or adjusted**
31 **statewide average salary of state employees in the executive branch who are in a particular salary**
32 **bracket exceeds the statewide average salary of state employees in the executive branch who were**
33 **in the same or a similar salary bracket on July 1 of the immediately preceding year.**

34 SECTION 58. IC 10-11-2-28.5, AS AMENDED BY P.L.114-2022, SECTION 16, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 28.5. (a) After June 30, 2007, the board shall
36 use a salary matrix that categorizes salaries of capitol police officers described in section 28 of this
37 chapter within each rank based upon the rank held and the number of years of service in the department
38 through the tenth year. The salary ranges the board assigns to each rank shall be divided into a base salary
39 and ten (10) increments above the base salary, with:

- 40 (1) the base salary in the rank paid to a capitol police officer with less than one (1) year of service
41 in the department; and
- 42 (2) the highest salary in the rank paid to a capitol police officer with at least ten (10) years of service
43 in the department.

44 (b) For purposes of creating the salary matrix prescribed by this section, the board may not approve
45 salary ranges for any rank of capitol police officers that are less than the salary ranges effective for that
46 rank on January 1, 2006.

47 (c) The salary matrix prescribed by this section shall be reviewed and approved by the budget agency



1 biennially in even-numbered years before implementation.

2 (d) The salary matrix developed under subsection (a) must use the same percentage differentials
3 between increments that are used for the salary matrix for police employees under ~~IC 10-11-2-13~~. **section**
4 **13 of this chapter.**

5 (e) **The board shall adjust the salary matrix prescribed by this section whenever a revision or**
6 **adjustment is made to a pay plan developed under IC 4-15-2.2-27 for which all employees are**
7 **generally eligible. The adjusted percentage increase of the salary matrix and each corresponding**
8 **salary increment in the salary matrix is equal to the percentage by which the revised or adjusted**
9 **statewide average salary of state employees in the executive branch who are in a particular salary**
10 **bracket exceeds the statewide average salary of state employees in the executive branch who were**
11 **in the same or a similar salary bracket on July 1 of the immediately preceding year.**

12 SECTION 59. IC 14-9-8-28, AS AMENDED BY P.L.201-2023, SECTION 144, IS AMENDED TO
13 READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 28. (a) The natural resources commission shall
14 categorize salaries of enforcement officers within each rank based upon the rank held and the number of
15 years of service in the department through the twentieth year. The salary ranges that the commission
16 assigns to each rank shall be divided into a base salary and fifteen (15) increments above the base salary
17 with:

18 (1) the base salary in the rank paid to a person with less than one (1) year of service in the
19 department; and

20 (2) the highest salary in the rank paid to a person with at least fifteen (15) years of service in the
21 department.

22 (b) The salary matrix prescribed by this section shall be reviewed and approved by the state budget
23 agency biennially in even-numbered years before implementation.

24 (c) The salaries for law enforcement officers of the law enforcement division of the department must
25 be equal to the salaries of police employees of the state police department under IC 10-11-2-13, based
26 upon years of service in the department and rank held.

27 (d) The requirement of subsection (c) does not affect:

28 (1) any rights or liabilities accrued; or

29 (2) any proceedings begun;

30 on or before June 30, 1999. Those rights, liabilities, and proceedings continue and shall be imposed and
31 enforced under prior civil law and procedure as if the requirement of subsection (c) had not been enacted.

32 (e) **The salary matrix prescribed by this section must be adjusted at the same time and in the**
33 **same manner as an adjustment required by IC 10-11-2-13(c).**

34 SECTION 60. IC 16-21-10-21, AS AMENDED BY P.L.201-2023, SECTION 148, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. This chapter expires June 30, ~~2025~~.
36 **2027.**

37 SECTION 61. IC 16-28-15-14, AS AMENDED BY P.L.201-2023, SECTION 149, IS AMENDED TO
38 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. This chapter expires June 30, ~~2025~~.
39 **2027.**

40 SECTION 62. IC 16-41-42.2-3, AS AMENDED BY P.L.200-2015, SECTION 2, IS AMENDED TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) The spinal cord and brain injury fund
42 is established to fund research on spinal cord and brain injuries.

43 (b) The fund shall be administered by the state department.

44 (c) The fund consists of:

45 (1) appropriations;

46 (2) gifts and bequests;

47 (3) fees deposited in the fund by law; and



- 1 (4) grants received from the federal government or private sources.
- 2 (d) The expenses of administering the fund shall be paid from money in the fund.
- 3 (e) The treasurer of state shall invest the money in the fund not currently needed to meet the
- 4 obligations of the fund in the same manner as other public money may be invested.
- 5 (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.
- 6 ~~(g) The money in the fund is continually appropriated to the state department to fund the purposes~~
- 7 ~~specified in section 4 of this chapter.~~

8 SECTION 63. IC 20-19-1-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ
 9 AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4. (a) Not later than December 1, 2026, the**
 10 **secretary of education shall provide a report and recommendation in an electronic format under**
 11 **IC 5-14-6 to the general assembly concerning:**

- 12 (1) **aligning state funding for dual credit with the new high school diploma established under**
- 13 **IC 20-19-2-21; and**
- 14 (2) **expanding access to dual credit course work to all Indiana students.**

15 (b) **This section expires July 1, 2027.**

16 SECTION 64. IC 20-24-7-13.5, AS AMENDED BY P.L.201-2023, SECTION 155, IS AMENDED
 17 TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 13.5. (a) This section applies to the
 18 following charter schools:

- 19 (1) The Excel Centers for Adult Learners.
- 20 (2) The Christel House DORS centers.
- 21 (3) The Gary Middle College charter schools.

22 (b) Notwithstanding any other law, for a state fiscal year, a charter school described in subsection (a)
 23 is entitled to receive funding from the state in an amount equal to the product of:

- 24 (1) the charter school's number of students who are Indiana residents (expressed as full-time
- 25 equivalents); multiplied by
- 26 (2) ~~six thousand seven hundred fifty dollars (\$6,750) beginning July 1, 2017; the foundation~~
- 27 **amount for the state fiscal year as provided under IC 20-43-3-8.**

28 (c) However, in the case of the charter school described in subsection (a)(3), the funding under this
 29 section applies only for those students who are twenty-two (22) years of age and older. In addition, the
 30 total number of students (expressed as full-time equivalents) of all adult learners in charter schools
 31 covered by this section may not exceed the following:

- 32 (1) For the ~~2023-2024~~ **2025-2026** state fiscal year:
 - 33 (A) For the Christel House DORS centers, one thousand (1,000) adult learner students.
 - 34 (B) For the Gary Middle College charter schools, two hundred fifty (250) adult learner students.
 - 35 (C) For the Excel Centers for Adult Learners, ~~five thousand three hundred fifty (5,350)~~ **six**
 - 36 **thousand five hundred fifty (6,550)** adult learner students.
- 37 (2) For the ~~2024-2025~~ **2026-2027** state fiscal year:
 - 38 (A) For the Christel House DORS centers, one thousand (1,000) adult learner students.
 - 39 (B) For the Gary Middle College charter schools, two hundred fifty (250) adult learner students.
 - 40 (C) For the Excel Centers for Adult Learners, six thousand five hundred fifty (6,550) adult
 - 41 learner students.

42 (d) A charter school described in subsection (a) is entitled to receive federal special education funding.

43 (e) The state funding under this section shall be paid each state fiscal year under a schedule set by the
 44 budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12)
 45 payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the
 46 payments in each state fiscal year shall equal the amount required under this section. However, if the
 47 appropriations for this purpose are insufficient, the distributions to each recipient shall be reduced



1 proportionately.

2 (f) A charter school that receives funding as provided in this section must report the following
3 information annually to the state board and (in an electronic format under IC 5-14-6) to the legislative
4 council, on a schedule specified by the state board:

5 (1) The number of adult learners enrolled in the charter school during the preceding year.

6 (2) The demographics of the adult learners enrolled in the charter school during the preceding year
7 (in a format requested by the state board).

8 (3) The graduation rates of the adult learners enrolled in the charter school during the preceding
9 year.

10 (4) The outcomes for adult learners enrolled in the charter school, as of graduation and as of two (2)
11 years after graduation. A charter school must include information concerning students' job placement
12 outcomes, information concerning students' matriculation into higher education, and any other
13 information concerning outcomes required by the state board.

14 (g) This section expires June 30, ~~2025~~: **2027**.

15 SECTION 65. IC 20-25.7-5-2, AS AMENDED BY P.L.162-2024, SECTION 9, IS AMENDED TO
16 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 2. (a) The board may enter into an agreement
17 with an organizer to reconstitute an eligible school as a participating innovation network charter school
18 or to establish a participating innovation network charter school at a location selected by the board within
19 the boundary of the school corporation. Notwithstanding IC 20-26-7.1, a participating innovation network
20 charter school may be established within a vacant school building.

21 (b) The terms of the agreement entered into between the board and an organizer must specify the
22 following:

23 (1) A statement that the organizer authorizes the department to include the charter school's
24 performance assessment results under IC 20-31-8 when calculating the school corporation's
25 performance assessment under rules adopted by the state board.

26 (2) Subject to an administrative fee as described in subsection (g), a statement that the school
27 corporation will distribute at least one hundred percent (100%) of state tuition support dollars that
28 the school corporation receives from student enrollment in the participating innovation network
29 charter school in accordance with the school funding formula to the participating innovation network
30 charter school (if the participating innovation network charter school is treated in the same manner
31 as a school operated by the school corporation under subsection (d)(2)).

32 (3) The performance goals and accountability metrics agreed upon for the charter school in the
33 charter agreement between the organizer and the authorizer and a statement that the school
34 corporation is prohibited from setting additional performance goals or accountability metrics.

35 (4) For an agreement entered into or renewed after June 30, 2023, the process the board is required
36 to follow in determining whether to renew the agreement.

37 (5) The amount of money levied as property taxes that will be distributed by the school corporation
38 to the organizer.

39 (6) Subject to section 5 of this chapter, the participating innovation network charter school's
40 enrollment and discipline policies, including defined attendance areas and enrollment zones.

41 (7) A statement that the innovation agreement shall not create an obligation that would cause the
42 organizer to be in violation of its charter agreement (as described in IC 20-24-1-3).

43 (c) If an organizer and the board enter into an agreement under subsection (a), the organizer and the
44 board shall notify the department that the agreement has been made under this section within thirty (30)
45 days after the agreement is entered into.

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



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

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

7 (3) if requested by a participating innovation network charter school that reconstitutes an eligible
8 school, the department may use student growth as the state board's exclusive means to determine the
9 innovation network charter school's category or designation of school improvement under 511
10 IAC 6.2-10-10 for a period of three (3) years. Beginning with the 2019-2020 school year, the
11 department may not use student growth as the state board's exclusive means to determine an
12 innovation network charter school's category or designation of school improvement. This subdivision
13 expires July 1, 2023.

14 (e) If a participating innovation network school was established before January 1, 2016, and for the
15 current school year has a complexity index that is greater than the complexity index for the school
16 corporation that the innovation network school has contracted with, the innovation network school shall
17 be treated as a charter school for purposes of determining tuition support. This subsection expires June
18 30, ~~2025~~. **2027**.

19 (f) If the board or organizer fails to follow the process described in subsection (b)(4), the board or
20 organizer may appeal to the state board. The state board shall hear the appeal in a public meeting and
21 ensure that the board or organizer follows the renewal process specified in the agreement. The board may
22 not terminate an agreement until the board has provided evidence to the state board that the board has
23 complied with the renewal process specified in the agreement. The state board shall issue a decision on
24 an appeal under this subsection not later than sixty (60) days after the date the board or organizer
25 submitted the appeal to the state board.

26 (g) If an administrative fee is included in an agreement entered into or renewed after June 30, 2023,
27 under this section, the fee may not exceed one percent (1%) of the total amount of state tuition support
28 that is distributed to the school corporation based on the participating innovation network charter school's
29 student enrollment.

30 (h) An agreement entered into between the board and an organizer under this section may not be
31 altered without written approval from the organizer.

32 SECTION 66. IC 20-26-11-17, AS AMENDED BY P.L. 146-2008, SECTION 472, IS AMENDED TO
33 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17. (a) Each year before the date specified in
34 the rules adopted by the state board, a school corporation shall report the information specified in
35 subsection (b) for each student:

36 (1) for whom tuition support is paid by another school corporation;

37 (2) for whom tuition support is paid by the state; and

38 (3) who is enrolled in the school corporation but has the equivalent of a legal settlement in another
39 state or country;

40 to the department.

41 (b) Each school corporation shall provide the following information for each school year for each
42 category of student described in subsection (a):

43 (1) The amount of tuition support and other support received for the students described in subsection

44 (a).

45 (2) The operating expenses, as determined under section 13 of this chapter, incurred for the students
46 described in subsection (a).

47 (3) Special equipment expenditures that are directly related to educating students described in



1 subsection (a).

2 (4) The number of transfer students described in subsection (a).

3 (5) Any other information required under the rules adopted by the state board after consultation with
4 the office of the secretary of family and social services.

5 (c) The information required under this section shall be reported in the format and on the forms
6 specified by the state board.

7 (d) Not later than November 30 of each year the department shall compile the information required
8 from school corporations under this section and submit the compiled information in the form specified
9 by the office of the secretary of family and social services to the office of the secretary of family and
10 social services.

11 (e) Not later than December 31 of each year, the office of the secretary of family and social services
12 shall submit a report to the members of the budget committee and the executive director of the legislative
13 services agency that compiles and analyzes the information required from school corporations under this
14 section. The report must identify the types of state and local funding changes that are needed to provide
15 adequate state and local money to educate transfer students. A report submitted under this subsection to
16 the executive director of the legislative services agency must be in an electronic format under IC 5-14-6.

17 SECTION 67. IC 20-28-9-28, AS AMENDED BY P.L.150-2024, SECTION 26, AND AS AMENDED
18 BY P.L.136-2024, SECTION 43, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
19 OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2025]: Sec. 28. (a) *Subject to subsection (g), (e)*; For each school year in a state
21 fiscal year beginning after June 30, 2023, a school corporation shall expend an amount for teacher
22 compensation that is not less than an amount equal to sixty-two percent (62%) of the state tuition support,
23 *other than the state tuition support described in subsection (b)*, distributed to the school corporation
24 during the state fiscal year. For purposes of determining whether a school corporation has complied with
25 this requirement, the amount a school corporation expends for teacher compensation shall include the
26 amount the school corporation expends for adjunct teachers, supplemental pay for teachers, stipends, and
27 for participating in a special education cooperative or an interlocal agreement or consortium that is
28 directly attributable to the compensation of teachers employed by the cooperative or interlocal agreement
29 or consortium. *The amount a school corporation expends on teacher compensation shall also include the*
30 *amount the school corporation expends on dropout recovery educational services for an at-risk student*
31 *enrolled in the school corporation provided by an agreement with an eligible school that is directly*
32 *attributable to the compensation of teachers employed by the eligible school. Teacher benefits include*
33 *all benefit categories collected by the department for Form 9 purposes.*

34 *(b) If a school corporation determines that the school corporation cannot comply with the requirement*
35 *under subsection (a) for a particular school year, the school corporation shall apply for a waiver from*
36 *the department.*

37 *(c) The waiver application must include an explanation of the financial challenges, with detailed data,*
38 *that preclude the school corporation from meeting the requirement under subsection (a) and describe*
39 *the cost saving measures taken by the school corporation in attempting to meet the requirement in*
40 *subsection (a). The waiver may also include an explanation of an innovative or efficient approach in*
41 *delivering instruction that is responsible for the school corporation being unable to meet the requirement*
42 *under subsection (a).*

43 *(d) If, after review, the department determines that the school corporation has exhausted all*
44 *reasonable efforts in attempting to meet the requirement in subsection (a), the department may grant the*
45 *school corporation a one (1) year exception from the requirement.*

46 *(e) A school corporation that receives a waiver under this section shall work with the department to*
47 *develop a plan to identify additional cost saving measures and any other steps that may be taken to allow*



1 *the school corporation to meet the requirement under subsection (a).*
2 ~~(f)~~ *A school corporation may not receive more than three (3) waivers under this section.*
3 *(b) State tuition support distributed to a school corporation for students enrolled in the school*
4 *corporation who are receiving one hundred percent (100%) virtual instruction from a teacher employed*
5 *by a third party provider with whom the school corporation has contracted is not included as state tuition*
6 *support distributed to the school corporation for purposes of subsection (a).*
7 ~~(g)~~ *(e) For purposes of determining whether a school corporation has complied with the requirement*
8 *in subsection (a), distributions from the curricular materials fund established by IC 20-40-22-5 that are*
9 *deposited in a school corporation's education fund in a state fiscal year are not considered to be state*
10 *tuition support distributed to the school corporation during the state fiscal year.*
11 ~~(c)~~ ~~(h)~~ ~~(d)~~ *(c) Before November 1, 2022, and before November 1 of each year thereafter, the*
12 *department shall submit a report to the legislative council in an electronic format under IC 5-14-6 and the*
13 *state budget committee that contains information as to:*
14 *(1) the percent and amount that each school corporation expended and the statewide total expended*
15 *for teacher compensation;*
16 *(2) the percent and amount that each school corporation expended and statewide total expended for*
17 *teacher benefits, including health, dental, life insurance, and pension benefits; and*
18 *(3) whether the school corporation met the requirement set forth in subsection (a). and*
19 ~~(4)~~ *whether the school corporation received a waiver under subsection (d).*
20 ~~(e)~~ *(d) The department shall publish the report described in subsection (d) (c) on the department's*
21 *website.*
22 ~~(f)~~ *(e) Beginning after June 30, 2024, for each state fiscal year that a school corporation fails to*
23 *expend the amount for teacher compensation as required under subsection (a), the department shall*
24 *submit in both a written and an electronic format a notice to the school corporation's:*
25 *(1) superintendent;*
26 *(2) school business officer; and*
27 *(3) governing body;*
28 *that the school corporation failed to meet the requirements set forth in subsection (a) for the applicable*
29 *state fiscal year.*
30 ~~(g)~~ *(f) If a school corporation's governing body receives a notice from the department under*
31 *subsection (f) (e), the school corporation shall do the following:*
32 *(1) Publicly acknowledge receipt of the notice from the department at the governing body's next*
33 *public meeting.*
34 *(2) Enter into the governing body's official minutes for the meeting described in subdivision (1)*
35 *acknowledgment of the notice.*
36 *(3) Not later than thirty (30) days after the meeting described in subdivision (1), publish on the*
37 *school corporation's website:*
38 *(A) the department's notice; and*
39 *(B) any relevant individual reports prepared by the department.*
40 ~~(h)~~ *(g) If the department determines a school corporation that received one (1) or more notices from*
41 *the department under subsection (f) (e) has met the expenditure requirements required under subsection*
42 *(a) for a subsequent state fiscal year, the school corporation may remove from the school corporation's*
43 *website any:*
44 *(1) notices the school corporation received under subsection (f) (e); and*
45 *(2) relevant individual reports prepared by the department under subsection (g)(3): (f)(3).*
46 SECTION 68. IC 20-33-5-9 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 9: (a) As used in this
47 section, "accredited nonpublic school" means a nonpublic school that:



1 (1) has voluntarily become accredited under IC 20-31-4.1; or
2 (2) is accredited by a national or regional accrediting agency that is recognized by the state board.
3 (b) If a parent of a child or an emancipated minor who is enrolled in an accredited nonpublic school
4 meets the financial eligibility standard under section 2 of this chapter, the parent or the emancipated
5 minor may receive a reimbursement from the department as provided in this chapter for the costs incurred
6 by the parent or emancipated minor for curricular materials.
7 (c) The department shall provide each accredited nonpublic school with sufficient application forms
8 for assistance, prescribed by the state board of accounts.
9 (d) Each accredited nonpublic school shall provide the parents or emancipated minors who wish to
10 apply for assistance with:
11 (1) the appropriate application forms; and
12 (2) any assistance needed in completing the application form.
13 (e) The parent or emancipated minor shall submit the application to the accredited nonpublic school.
14 The accredited nonpublic school shall make a determination of financial eligibility subject to appeal by
15 the parent or emancipated minor.
16 (f) If a determination is made that the applicant is eligible for assistance, subsection (b) applies.
17 (g) To be guaranteed some level of reimbursement from the department, the principal or other designee
18 shall submit the reimbursement request before November 1 of a school year.
19 (h) In its request, the principal or other designee shall certify to the department:
20 (1) the number of students who are enrolled in the accredited nonpublic school and who are eligible
21 for assistance under this chapter;
22 (2) the costs incurred in providing curricular materials (including curricular materials used in special
23 education and high ability classes);
24 (3) that the curricular materials described in subdivision (2) (except any curricular materials used
25 in special education classes and high ability classes) have been adopted by the governing body; and
26 (4) any other information required by the department.
27 (i) The amount of reimbursement that a parent or emancipated minor is entitled to receive shall be
28 determined as provided in IC 20-40-22-7.
29 (j) The accredited nonpublic school shall distribute the money received under IC 20-40-22-8 to the
30 appropriate eligible parents or emancipated minors.
31 (k) Section 7(c) of this chapter applies to parents or emancipated minors as described in this section.
32 (l) The accredited nonpublic school and the department shall maintain complete and accurate
33 information concerning the number of applicants determined to be eligible for assistance under this
34 section.
35 (m) The state board shall adopt rules under IC 4-22-2 to implement this section.
36 SECTION 69. IC 20-33-5-9.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 9-5: (a) This section
37 applies to reimbursements made under this chapter in the state fiscal year beginning after June 30, 2013.
38 (b) The amount of reimbursement that a school corporation or an accredited nonpublic school (as
39 defined in section 9(a) of this chapter) is entitled to receive under section 7 or 9 of this chapter in a state
40 fiscal year is equal to the amount determined in the following STEPS:
41 STEP ONE: Determine the amount appropriated to make reimbursements under this chapter for the
42 state fiscal year.
43 STEP TWO: Determine the total number of eligible students for which reimbursement was
44 requested under either section 7 or 9 of this chapter before November 1 of the previous calendar year
45 by all school corporations and accredited nonpublic schools.
46 STEP THREE: Divide the result determined in STEP ONE by the number determined in STEP
47 TWO.



1 STEP FOUR: Multiply:

2 (A) the STEP THREE result; by

3 (B) the number of eligible students for which reimbursement was requested under section 7 or
4 9 of this chapter before November 1 of the state fiscal year by the school corporation or the
5 accredited nonpublic school:

6 SECTION 70. IC 20-33-5-14 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 14. (a) The school
7 curricular materials reimbursement contingency fund is established to reimburse eligible parents of
8 children who attend accredited nonpublic schools and emancipated minors who attend accredited
9 nonpublic schools as provided in section 9 of this chapter for assistance provided under this chapter. The
10 fund consists of money appropriated to the fund by the general assembly. The secretary of education shall
11 administer the fund.

12 (b) The treasurer of state shall invest the money in the school curricular materials reimbursement
13 contingency fund not currently needed to meet the obligations of the fund in the same manner as other
14 public funds may be invested:

15 SECTION 71. IC 20-37-2-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
16 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. (a) The definitions in IC 20-51.4-2 apply
17 throughout this section.

18 (b) A school corporation or a career and technical education center or school established under
19 this chapter may not charge:

20 (1) a career scholarship student enrolled in the CSA program; or

21 (2) an intermediary (as defined in IC 21-18-1-3.5) acting on behalf of a career scholarship
22 student described in subdivision (1);

23 a tuition or fee amount to enroll in or attend a career and technical education program, course, or
24 class that is more than the proportionate amount that the school corporation or career and
25 technical education center or school would receive under IC 20-43-8 if the student had enrolled in
26 and completed the applicable career and technical education program, course, or class.

27 SECTION 72. IC 20-40-2-3, AS AMENDED BY P.L.136-2024, SECTION 44, IS AMENDED TO
28 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. Distributions of

29 (1) tuition support and

30 (2) money for curricular materials;

31 shall be received in the education fund.

32 SECTION 73. IC 20-40-22 IS REPEALED [EFFECTIVE JULY 1, 2025]. (Curricular Materials Fund).

33 SECTION 74. IC 20-43-1-1, AS AMENDED BY P.L.201-2023, SECTION 197, IS AMENDED TO
34 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 1. This article expires June 30, 2025- 2027.

35 SECTION 75. IC 20-43-3-8, AS AMENDED BY P.L.201-2023, SECTION 200, IS AMENDED TO
36 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 8. A school corporation's foundation amount
37 is the following:

38 (1) Six thousand five hundred ninety dollars (\$6,590) for the state fiscal year beginning July 1, 2023;

39 (2) Six thousand six hundred eighty-one dollars (\$6,681) for the state fiscal year beginning July 1,
40 2024.

41 (1) Six thousand eight hundred ninety-one dollars (\$6,891) for the state fiscal year beginning
42 July 1, 2025.

43 (2) Six thousand nine hundred ninety-seven dollars (\$6,997) for the state fiscal year beginning
44 July 1, 2026.

45 SECTION 76. IC 20-43-6-3, AS AMENDED BY P.L.201-2023, SECTION 204, IS AMENDED TO
46 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 3. (a) A school corporation's basic tuition
47 support for a state fiscal year is the amount determined under the applicable provision of this section.



1 (b) This subsection applies to a school corporation that does not have any students in the school
2 corporation's current ADM for the year for whom, of the instructional services that the students receive
3 from the school corporation, at least fifty percent (50%) is virtual instruction. The school corporation's
4 basic tuition support for a state fiscal year is equal to the amount determined under STEP FOUR of the
5 following formula:

6 STEP ONE: Multiply the foundation amount by the school corporation's current ADM.

7 STEP TWO: Multiply the school corporation's complexity index by:

8 (A) for the state fiscal year beginning July 1, 2023, three thousand nine hundred eighty-three
9 dollars (\$3,983); and

10 (B) (A) for the state fiscal year beginning July 1, 2024, 2025, four thousand twenty-four dollars
11 (\$4,024); and

12 (B) for the state fiscal year beginning July 1, 2026, four thousand twenty-four dollars
13 (\$4,024).

14 STEP THREE: Multiply the STEP TWO amount by the school corporation's current ADM.

15 STEP FOUR: Determine the sum of the STEP ONE amount and the STEP THREE amount.

16 (c) This subsection applies to a school corporation that has students in the school corporation's current
17 ADM for the year for whom, of the instructional services that the students receive from the school
18 corporation, at least fifty percent (50%) is virtual instruction. The school corporation's basic tuition
19 support for a state fiscal year is equal to the amount determined under STEP SEVEN ~~FOUR~~ of the
20 following formula:

21 ~~STEP ONE: Determine the total number of students in the school corporation's current ADM for the~~
22 ~~year for whom, of the instructional services that the students receive from the school corporation,~~
23 ~~at least fifty percent (50%) is virtual instruction.~~

24 ~~STEP TWO: Determine the result of the school corporation's current ADM for the year minus the~~
25 ~~STEP ONE amount.~~

26 ~~STEP THREE: Determine the result of:~~

27 ~~(A) the foundation amount, multiplied by~~

28 ~~(B) the STEP TWO amount.~~

29 ~~STEP FOUR: Determine the result of:~~

30 ~~(A) the STEP ONE amount, multiplied by~~

31 ~~(B) eighty-five percent (85%) of the foundation amount.~~

32 **STEP ONE: Multiply the foundation amount by the school corporation's current ADM.**

33 ~~STEP FIVE: TWO:~~ Multiply the school corporation's complexity index by:

34 ~~(A) for the state fiscal year beginning July 1, 2023, three thousand nine hundred eighty-three~~
35 ~~dollars (\$3,983); and~~

36 ~~(B) (A) for the state fiscal year beginning July 1, 2024, 2025, four thousand twenty-four dollars~~
37 ~~(\$4,024); and~~

38 ~~(B) for the state fiscal year beginning July 1, 2026, four thousand twenty-four dollars~~
39 ~~(\$4,024).~~

40 ~~STEP SIX: THREE:~~ Multiply the ~~STEP FIVE TWO~~ amount by the school corporation's current
41 ADM.

42 ~~STEP SEVEN: FOUR:~~ Determine the sum of the ~~STEP THREE amount, the STEP FOUR amount,~~
43 ~~and the STEP SIX amount: ONE amount and the STEP THREE amount.~~

44 SECTION 77. IC 20-43-7-6, AS AMENDED BY P.L.201-2023, SECTION 205, IS AMENDED TO
45 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 6. A school corporation's special education
46 grant for a state fiscal year is equal to the sum of the following:

47 (1) The nonduplicated count of pupils in programs for severe disabilities level one (1), including



1 multiple disabilities, orthopedic impairment, emotional disability requiring full-time placement,
2 severe intellectual disability, autism spectrum disorders, and traumatic brain injury, multiplied by
3 the following:

4 (A) ~~Eleven thousand one hundred four dollars (\$11,104) for the state fiscal year beginning July~~
5 ~~1, 2023.~~

6 (B) (A) Eleven thousand six hundred fifty-nine dollars (\$11,659) for the state fiscal year
7 beginning July 1, 2024. **2025.**

8 (B) **Eleven thousand six hundred fifty-nine dollars (\$11,659) for the state fiscal year**
9 **beginning July 1, 2026.**

10 (2) The nonduplicated count of pupils in programs for severe disabilities level two (2), including
11 blind or low vision, deaf or hard of hearing, and deaf and blind, multiplied by the following:

12 (A) ~~Eleven thousand one hundred four dollars (\$11,104) for the state fiscal year beginning July~~
13 ~~1, 2023.~~

14 (B) (A) Eleven thousand six hundred fifty-nine dollars (\$11,659) for the state fiscal year
15 beginning July 1, 2024. **2025.**

16 (B) **Eleven thousand six hundred fifty-nine dollars (\$11,659) for the state fiscal year**
17 **beginning July 1, 2026.**

18 (3) The nonduplicated count of pupils in programs of mild and moderate disabilities level one (1),
19 including specific learning disability, developmental delay, and other health impairment, multiplied
20 by the following:

21 (A) ~~Two thousand seven hundred ninety dollars (\$2,790) for the state fiscal year beginning July~~
22 ~~1, 2023.~~

23 (B) (A) Two thousand nine hundred thirty dollars (\$2,930) for the state fiscal year beginning July
24 1, 2024. **2025.**

25 (B) **Two thousand nine hundred thirty dollars (\$2,930) for the state fiscal year beginning**
26 **July 1, 2026.**

27 (4) The nonduplicated count of pupils in programs for mild and moderate disabilities level two (2),
28 including emotional disability not requiring full-time placement, mild intellectual disability, and
29 moderate intellectual disability, multiplied by the following:

30 (A) ~~Two thousand seven hundred ninety dollars (\$2,790) for the state fiscal year beginning July~~
31 ~~1, 2023.~~

32 (B) (A) Two thousand nine hundred thirty dollars (\$2,930) for the state fiscal year beginning July
33 1, 2024. **2025.**

34 (B) **Two thousand nine hundred thirty dollars (\$2,930) for the state fiscal year beginning**
35 **July 1, 2026.**

36 (5) The duplicated count of pupils in programs for communication disorders multiplied by the
37 following:

38 (A) ~~Five hundred twenty-five dollars (\$525) for the state fiscal year beginning July 1, 2023.~~

39 (B) (A) Five hundred fifty-one dollars (\$551) for the state fiscal year beginning July 1, 2024.
40 **2025.**

41 (B) **Five hundred fifty-one dollars (\$551) for the state fiscal year beginning July 1, 2026.**

42 (6) The cumulative count of pupils in homebound programs multiplied by the following:

43 (A) ~~Five hundred twenty-five dollars (\$525) for the state fiscal year beginning July 1, 2023.~~

44 (B) (A) Five hundred fifty-one dollars (\$551) for the state fiscal year beginning July 1, 2024.
45 **2025.**

46 (B) **Five hundred fifty-one dollars (\$551) for the state fiscal year beginning July 1, 2026.**

47 (7) The nonduplicated count of pupils in special preschool education programs multiplied by the



1 following:

2 (A) ~~Three thousand six hundred thirty-eight dollars (\$3,638) for the state fiscal year beginning~~
3 ~~July 1, 2023.~~

4 (B) (A) Three thousand eight hundred twenty dollars (\$3,820) for the state fiscal year beginning
5 July 1, ~~2024.~~ **2025.**

6 (B) **Three thousand eight hundred twenty dollars (\$3,820) for the state fiscal year beginning**
7 **July 1, 2026.**

8 SECTION 78. IC 20-43-8-15, AS AMENDED BY P.L.201-2023, SECTION 207, IS AMENDED TO
9 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 15. (a) This ~~subsection~~ **section** applies to the
10 state fiscal year ~~beginning July 1, 2023, and ending June 30, 2024.~~ **years beginning after June 30, 2025.**

11 A school corporation's career and technical education enrollment grant for a state fiscal year is the sum
12 of the amounts determined under the following STEPS:

13 STEP ONE: Determine for each career and technical education program provided by the school
14 corporation:

15 (A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3)
16 credits); multiplied by

17 (B) the number of pupils enrolled in the program; multiplied by

18 (C) the following applicable amount:

19 (i) Seven hundred fourteen dollars (\$714) for a career and technical education program
20 designated by the department of workforce development as a high value level 1 program under
21 section 7.5 of this chapter.

22 (ii) One thousand seventy-one dollars (\$1,071) for a career and technical education program
23 designated by the department of workforce development as a high value level 2 program under
24 section 7.5 of this chapter.

25 (iii) Four hundred dollars (\$400) for a career and technical education program designated by
26 the department of workforce development as a moderate value level 1 program under section
27 7.5 of this chapter.

28 (iv) Six hundred dollars (\$600) for a career and technical education program designated by the
29 department of workforce development as a moderate value level 2 program under section 7.5
30 of this chapter.

31 (v) Two hundred dollars (\$200) for a career and technical education program designated by the
32 department of workforce development as a less than moderate value level 1 program under
33 section 7.5 of this chapter.

34 (vi) Three hundred dollars (\$300) for a career and technical education program designated by
35 the department of workforce development as a less than moderate value level 2 program under
36 section 7.5 of this chapter.

37 STEP TWO: Determine the number of pupils enrolled in an apprenticeship program or a work based
38 learning program designated under section 7.5 of this chapter multiplied by five hundred dollars
39 (\$500).

40 STEP THREE: Determine the number of pupils enrolled in an introductory program designated
41 under section 7.5 of this chapter multiplied by three hundred dollars (\$300).

42 STEP FOUR: Determine the number of pupils enrolled in a planning for college and career course
43 under section 7.5 of this chapter at the school corporation that is approved by the department of
44 workforce development multiplied by one hundred fifty dollars (\$150).

45 STEP FIVE: Determine the number of pupils who travel from the school in which they are currently
46 enrolled to another school to participate in a career and technical education program in which pupils
47 from multiple schools are served at a common location multiplied by one hundred fifty dollars



1 (\$150).

2 (b) This subsection applies to state fiscal years beginning after June 30, 2024. A school corporation's
3 career and technical education enrollment grant for a state fiscal year is the sum of the amounts
4 determined under the following STEPS:

5 STEP ONE: Determine for each career and technical education program provided by the school
6 corporation:

7 (A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3)
8 credits); multiplied by

9 (B) the number of pupils enrolled in the program; multiplied by

10 (C) the following applicable amount:

11 (i) Seven hundred fourteen dollars (\$714) for a career and technical education program
12 designated by the department of workforce development as a high value level 1 program under
13 section 7.5 of this chapter.

14 (ii) One thousand seventy-one dollars (\$1,071) for a career and technical education program
15 designated by the department of workforce development as a high value level 2 program under
16 section 7.5 of this chapter.

17 (iii) Four hundred dollars (\$400) for a career and technical education program designated by
18 the department of workforce development as a moderate value level 1 program under section
19 7.5 of this chapter.

20 (iv) Six hundred dollars (\$600) for a career and technical education program designated by the
21 department of workforce development as a moderate value level 2 program under section 7.5
22 of this chapter.

23 (v) Two hundred dollars (\$200) for a career and technical education program designated by the
24 department of workforce development as a less than moderate value level 1 program under
25 section 7.5 of this chapter.

26 (vi) Three hundred dollars (\$300) for a career and technical education program designated by
27 the department of workforce development as a less than moderate value level 2 program under
28 section 7.5 of this chapter.

29 STEP TWO: Determine the number of pupils enrolled in an apprenticeship program or a work based
30 learning program designated under section 7.5 of this chapter multiplied by five hundred dollars
31 (\$500).

32 STEP THREE: Determine the number of pupils enrolled in an introductory program designated
33 under section 7.5 of this chapter multiplied by three hundred dollars (\$300).

34 STEP FOUR: Determine the number of pupils enrolled in a planning for college and career course
35 under section 7.5 of this chapter at the school corporation that is approved by the department of
36 workforce development multiplied by one hundred fifty dollars (\$150).

37 STEP FIVE: Determine the number of pupils who travel from the school in which they are currently
38 enrolled to another school to participate in a career and technical education program in which pupils
39 from multiple schools are served at a common location multiplied by one hundred fifty dollars
40 (\$150).

41 SECTION 79. IC 20-43-8-15.5, AS AMENDED BY P.L.150-2024, SECTION 68, IS AMENDED TO
42 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 15.5. (a) This section applies to a student
43 who:

44 (1) has legal settlement in Indiana;

45 (2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the
46 school year specified in IC 20-33-2-7;

47 (3) is enrolled in grade 10, 11, or 12 in Indiana; and



1 (4) meets one (1) of the following requirements:
2 (A) The student:
3 (i) successfully completed a modern youth apprenticeship or course sequence designated and
4 approved under IC 20-51.4-4.5-6(a); and
5 (ii) received an industry recognized credential with regard to the apprenticeship or course
6 sequence.
7 (B) The student successfully completed any other credential approved under subsection (h).
8 (b) As used in this section, "CSA participating entity" has the meaning set forth in IC 20-51.4-2-3.2.
9 (c) Subject to subsection (l), upon a student described in subsection (a) meeting the requirements under
10 subsection (a)(4)(A) or (a)(4)(B), if the student is enrolled in an accredited or nonaccredited school that
11 has one (1) or more employees, the department shall award a credential completion grant in an amount
12 equal to five hundred dollars (\$500) to the accredited or nonaccredited school.
13 (d) **Except as provided under subsection (m) and** subject to subsection (l), upon a student described
14 in subsection (a) meeting the requirements under subsection (a)(4)(A) or (a)(4)(B), and in addition to the
15 grant amount awarded under subsection (c), the department shall award a credential completion grant in
16 an amount equal to five hundred dollars (\$500) to the CSA participating entity that provided the
17 apprenticeship or course sequence described in subsection (a)(4)(A) or (a)(4)(B) that the student
18 completed.
19 (e) A CSA participating entity that receives a grant amount under subsection (d) may enter into an
20 agreement with one (1) or more intermediaries (as defined in IC 21-18-1-3.5) or other CSA participating
21 entities to share a grant amount received under subsection (d).
22 (f) An accredited or nonaccredited school that is also a CSA participating entity may receive, if
23 eligible, a grant award under:
24 (1) subsection (c);
25 (2) subsection (d); or
26 (3) both subsections (c) and (d).
27 (g) The department shall distribute the grants awarded under this section.
28 (h) The department, in consultation with the governor's workforce cabinet, shall approve and maintain
29 a list of credentials that are eligible for a credential completion grant under subsection (a)(4)(B).
30 (i) The department shall approve a CSA **provider participating entity** that is also an employer who
31 has partnered with an approved intermediary to offer an apprenticeship, modern youth apprenticeship,
32 or program of study that culminates in an approved credential. The department may revoke an initial
33 approval under this subsection if the **provider CSA participating entity** fails to achieve an adequate
34 outcome as determined by the department.
35 (j) A grant awarded under this section to an eligible school (as defined in IC 20-51-1-4.7) does not
36 count toward a student's choice scholarship amount calculated under IC 20-51-4-5 and is not subject to
37 the maximum choice scholarship cap under IC 20-51-4-4.
38 (k) The state board may adopt rules under IC 4-22-2 to implement this section.
39 (l) The total amount of grants that may be awarded in a state fiscal year under this section may not
40 exceed five million dollars (\$5,000,000).
41 **(m) A career and technical education center that charges a career scholarship student enrolled**
42 **in the CSA program established by IC 20-51.4-3-1.5 a tuition or fee amount to enroll in or attend**
43 **a career and technical education program, course, or class may not receive a credential completion**
44 **grant for the student under this section.**
45 ~~(m)~~ (n) If the total amount to be distributed as credential completion grants for a particular state fiscal
46 year exceeds the maximum amount allowed under subsection (l) for a state fiscal year, the total amount
47 to be distributed as credential completion grants shall be proportionately reduced so that the total



1 reduction equals the amount of the excess.

2 ~~(m)~~ (o) The amount of the reduction described in subsection (m) for a particular recipient is equal to
3 the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the
4 credential completion grant that the recipient would have received if a reduction were not made under this
5 section. The denominator of the fraction is the total amount that would be distributed as credential
6 completion grants to all recipients if a reduction were not made under this section.

7 SECTION 80. IC 20-43-10-3.5, AS AMENDED BY P.L.93-2024, SECTION 147, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 3.5. (a) As used in this section, "school"
9 means a school corporation, charter school, and a virtual charter school.

10 (b) Subject to the requirements of this section, a school qualifies for a teacher appreciation grant as
11 provided in this section for a state fiscal year if one (1) or more licensed teachers:

12 (1) employed in the classroom by the school; or

13 (2) directly providing virtual education;

14 were rated as effective or as highly effective, using the most recently completed teacher ratings.

15 (c) A school may not receive a teacher appreciation grant under this section unless:

16 (1) the school has in the state fiscal year in which the teacher appreciation grants are made under
17 this section:

18 (A) adopted an annual policy concerning the distribution of teacher appreciation grants; and

19 (B) submitted the policy to the department for approval; and

20 (2) the department has approved the policy.

21 The department shall specify the date by which a policy described in subdivision (1) must be submitted
22 to the department.

23 (d) The amount of a teacher appreciation grant for a qualifying school corporation or virtual charter
24 school is equal to:

25 (1) thirty-seven dollars and fifty-cents (\$37.50); multiplied by

26 (2) the school's current ADM.

27 However, the grant amount for a virtual charter school may not exceed the statewide average grant
28 amount.

29 (e) The following apply to the distribution of teacher appreciation grants:

30 (1) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year
31 exceeds the amount appropriated by the general assembly for teacher appreciation grants for that
32 state fiscal year, the total amount to be distributed as teacher appreciation grants to schools shall be
33 proportionately reduced so that the total reduction equals the amount of the excess. The amount of
34 the reduction for a particular school is equal to the total amount of the excess multiplied by a
35 fraction. The numerator of the fraction is the amount of the teacher appreciation grant that the school
36 would have received if a reduction were not made under this section. The denominator of the
37 fraction is the total amount that would be distributed as teacher appreciation grants to all schools if
38 a reduction were not made under this section.

39 (2) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year
40 is less than the amount appropriated by the general assembly for teacher appreciation grants for that
41 state fiscal year, the total amount to be distributed as teacher appreciation grants to schools for that
42 particular state fiscal year shall be proportionately increased so that the total amount to be
43 distributed equals the amount of the appropriation for that particular state fiscal year.

44 (f) The annual teacher appreciation grant to which a school is entitled for a state fiscal year shall be
45 distributed to the school before December 5 of that state fiscal year.

46 (g) The following apply to a school's policy under subsection (c) concerning the distribution of teacher
47 appreciation grants:



1 (1) The governing body shall differentiate between a teacher rated as a highly effective teacher and
2 a teacher rated as an effective teacher. The policy must provide that the amount of a stipend awarded
3 to a teacher rated as a highly effective teacher must be at least twenty-five percent (25%) more than
4 the amount of a stipend awarded to a teacher rated as an effective teacher.

5 (2) The governing body of a school may differentiate between school buildings.

6 (3) A stipend to an individual teacher in a particular year is not subject to collective bargaining and
7 is in addition to the minimum salary or increases in salary set under IC 20-28-9-1.5. The governing
8 body may provide that an amount not exceeding fifty percent (50%) of the amount of a stipend to
9 an individual teacher in a particular state fiscal year becomes a permanent part of and increases the
10 base salary of the teacher receiving the stipend for school years beginning after the state fiscal year
11 in which the stipend is received. The addition to base salary is not subject to collective bargaining.

12 (h) A teacher appreciation grant received by a school shall be allocated among and used only to pay
13 cash stipends to all licensed teachers employed in the classroom who are rated as effective or as highly
14 effective and employed by the school as of December 1. A school may allocate up to twenty percent
15 (20%) of the grant received by the school to provide a supplemental award to teachers with less than five
16 (5) years of service who are rated as effective or as highly effective. A school may allocate up to ten
17 percent (10%) of the grant received by the school to provide a supplemental award to teachers who serve
18 as mentors to teachers who have less than two (2) years of service. The supplemental awards are in
19 addition to the award made from the part of the grant that is allocated to all eligible teachers.

20 (i) The lead school corporation or interlocal cooperative administering a cooperative or other special
21 education program or administering a career and technical education program, including programs
22 managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award teacher appreciation grant
23 stipends to and carry out the other responsibilities of an employing school corporation under this section
24 for the teachers in the special education program or career and technical education program.

25 (j) A school shall distribute all stipends from a teacher appreciation grant to individual teachers within
26 twenty (20) business days of the date the department distributes the teacher appreciation grant to the
27 school. Any part of the teacher appreciation grant not distributed as stipends to teachers before February
28 must be returned to the department on the earlier of the date set by the department or June 30 of that state
29 fiscal year.

30 (k) The department, after review by the budget committee, may waive the December 5 deadline under
31 subsection (f) to distribute an annual teacher appreciation grant to the school under this section for that
32 state fiscal year and approve an extension of that deadline to a later date within that state fiscal year, if
33 the department determines that a waiver and extension of the deadline are in the public interest.

34 (l) The state board may adopt rules under IC 4-22-2 as necessary to implement this section.

35 (m) This section expires June 30, ~~2025~~. **2027**.

36 SECTION 81. IC 20-43-10.5-1, AS ADDED BY P.L.201-2023, SECTION 212, IS AMENDED TO
37 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 1. (a) In addition to the amount a school
38 corporation is entitled to receive in basic tuition support, each school corporation is eligible to receive
39 an academic performance grant. Subject to subsection (b), the amount of a school corporation's grant for
40 a state fiscal year is equal to the aggregate of each of the single largest amounts determined for each
41 student under:

- 42 (1) section 2 of this chapter;
43 (2) section 3 of this chapter;
44 (3) section 4(a)(1) of this chapter;
45 (4) section 4(a)(2) of this chapter; **or**
46 (5) section 4(a)(3) of this chapter; **or**
47 **(6) section 4(a)(4) of this chapter.**



1 (b) If a school corporation:

2 (1) received as part of a grant under this chapter in a previous state fiscal year an amount based on
3 a determination of eligibility of a particular student under section 2 of this chapter or section 3 of
4 this chapter; and

5 (2) is determined by the department to be eligible in a subsequent state fiscal year for an amount
6 based on a determination of eligibility of the same student under section 4 of this chapter;
7 the school corporation may only receive as part of the school corporation's grant in the subsequent state
8 fiscal year the amount equal to the greater of zero (0) or the difference between the amount described in
9 subdivision (2) minus the amount described in subdivision (1).

10 (c) Each school corporation and charter school shall submit information prescribed by the department
11 that is necessary to make the determinations required under this chapter.

12 SECTION 82. IC 20-43-10.5-4, AS ADDED BY P.L.201-2023, SECTION 212, IS AMENDED TO
13 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 4. (a) Each state fiscal year, the department,
14 in consultation with the commission for higher education, shall determine the following with respect to
15 each school corporation:

16 (1) Each student who:

17 (A) was enrolled in the school corporation in the state fiscal year before the immediately
18 preceding state fiscal year; and

19 (B) successfully completed a dual credit or dual enrollment course.

20 The amount of a school corporation's grant based on a student described under this subdivision is
21 equal to the number of credit hours completed by the student multiplied by forty dollars (\$40), but
22 may not exceed one thousand two hundred dollars (\$1,200).

23 (2) Each student who:

24 (A) was enrolled in the school corporation in the state fiscal year before the immediately
25 preceding state fiscal year; and

26 (B) successfully completed Indiana College Core 30 (IC 21-42-3).

27 The amount of a school corporation's grant based on a student under this subdivision is equal to one
28 thousand five hundred dollars (\$1,500).

29 (3) Each student who:

30 (A) was enrolled in the school corporation in the state fiscal year before the immediately
31 preceding state fiscal year; and

32 (B) successfully completed requirements for an associate degree, including those earned through
33 transfer as a junior pathways.

34 The amount of a school corporation's grant based on a student under this subdivision is equal to two
35 thousand five hundred dollars (\$2,500).

36 (4) Each student who:

37 (A) was enrolled in the school corporation in the state fiscal year before the immediately
38 preceding state fiscal year; and

39 (B) successfully completed requirements for a bachelor's degree, including those earned
40 through transfer as a junior pathways.

41 The amount of a school corporation's grant based on a student under this subdivision is equal
42 to four thousand dollars (\$4,000).

43 (b) To be eligible to be counted under subsection (a)(1), a credit completed must be accepted as part
44 of the Indiana core transfer library under IC 21-42-5-1.

45 SECTION 83. IC 20-43-13-4, AS AMENDED BY P.L.201-2023, SECTION 213, IS AMENDED TO
46 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 4. (a) Except as provided in subsections (c)
47 and (d), the complexity index is the percentage of the school corporation's students who were receiving



1 Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families
2 (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:
3 (1) ~~2023~~; **2025**; or
4 (2) the first year of operation of the school corporation.
5 (b) For a conversion charter school, the percentage determined under this section is the percentage of
6 the sponsor school corporation.
7 (c) Except as provided in subsection (d), the complexity index for a school corporation that has entered
8 into an agreement with one (1) or more charter schools to participate as an innovation network charter
9 school under IC 20-25.7-5 for a state fiscal year is equal to the result using the following formula:
10 STEP ONE: Determine:
11 (A) the school corporation's enrollment; minus
12 (B) the enrollment of each participating innovation network charter school.
13 STEP TWO: Determine the number of students in the school corporation who were receiving
14 Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy
15 Families (TANF) benefits, or foster care services as of October 1 in the school year ending in ~~2023~~;
16 **2025**, not including students enrolled in each participating innovation network charter school.
17 STEP THREE: Divide the result of STEP TWO by the result of STEP ONE.
18 STEP FOUR: Determine the enrollment of each participating innovation network charter school.
19 STEP FIVE: Determine the number of students in each participating innovation network charter
20 school who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary
21 Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school
22 year ending in the later of:
23 (A) ~~2023~~; **2025**; or
24 (B) the first year of operation of the participating innovation network charter school.
25 STEP SIX: Divide the result of STEP FIVE by the result of STEP FOUR.
26 STEP SEVEN: For each participating innovation network charter school, determine the greater of:
27 (A) the result of STEP THREE; or
28 (B) the result of STEP SIX.
29 STEP EIGHT: For each participating innovation network charter school, multiply the result of STEP
30 SEVEN by the result of STEP FOUR.
31 STEP NINE: Determine the sum of:
32 (A) the result of STEP TWO; plus
33 (B) the results of STEP EIGHT, for each participating innovation network charter school.
34 STEP TEN: Determine the sum of:
35 (A) the result of STEP ONE; plus
36 (B) the results of STEP FOUR for each participating innovation network charter school.
37 STEP ELEVEN: Divide the STEP NINE result by the STEP TEN result.
38 (d) If the complexity index of a participating innovation network charter school that was established
39 before January 1, 2016, is, for the current school year, greater than the complexity index for the school
40 corporation with which the innovation network charter school has contracted, the complexity index of the
41 participating innovation network charter school is determined as described in IC 20-25.7-5-2(e).
42 SECTION 84. IC 20-51-1-4.3, AS AMENDED BY P.L.201-2023, SECTION 215, IS AMENDED TO
43 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.3. "Eligible choice scholarship student"
44 refers to an individual who:
45 (1) has legal settlement in Indiana; **and**
46 (2) is at least five (5) years of age and less than twenty-two (22) years of age on October 1 of the
47 applicable school year. ~~and~~



1 ~~(3)~~ is a member of a household with an annual income of not more than four hundred percent
2 ~~(400%)~~ of the amount required for the individual to qualify for the federal free or reduced price
3 lunch program.

4 SECTION 85. IC 20-51-1-5, AS AMENDED BY P.L.162-2024, SECTION 27, IS AMENDED TO
5 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. "Eligible student" refers to an individual
6 who:

- 7 (1) has legal settlement in Indiana;
8 (2) is at least four (4) years of age and less than twenty-two (22) years of age on October 1 of the
9 applicable school year; **and**
10 (3) either has been or is currently enrolled in a participating school. **and**
11 ~~(4)~~ is a member of a household with an annual income of not more than four hundred percent
12 ~~(400%)~~ of the amount required for the individual to qualify for the federal free or reduced price
13 lunch program.

14 SECTION 86. IC 20-51-4-10, AS AMENDED BY P.L.165-2021, SECTION 179, IS AMENDED TO
15 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. The department shall distribute choice
16 scholarships at least ~~once~~ **twice** each semester, or at equivalent intervals. The department may distribute
17 the choice scholarship to the eligible choice scholarship student (or the parent of the eligible choice
18 scholarship student) for the purpose of paying the educational costs described in section 4(a)(1)(A) of this
19 chapter. For the distribution to be valid, the eligible choice scholarship student (or the parent of the
20 eligible choice scholarship student) and the eligible school providing educational services to the eligible
21 choice scholarship student must annually sign a form, prescribed by the department to endorse
22 distributions for the particular school year. If:

- 23 (1) an eligible choice scholarship student who is receiving a choice scholarship for a school year
24 changes schools during the school year after signing the form to endorse distributions for that school
25 year; and
26 (2) the eligible choice scholarship student enrolls in a different eligible school that has not signed
27 the form to endorse distributions for that school year;

28 the eligible choice scholarship student (or the parent of the eligible choice scholarship student) and the
29 eligible school must sign the form prescribed by the department to endorse distributions for the particular
30 school year.

31 SECTION 87. IC 20-51.4-2-4, AS AMENDED BY P.L.127-2024, SECTION 3, AND AS AMENDED
32 BY P.L.162-2024, SECTION 28, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
33 OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE UPON PASSAGE]: Sec. 4. "Eligible student" refers to an individual who:

- 35 (1) has legal settlement in Indiana;
36 (2) is at least five (5) years of age and less than twenty-two (22) years of age *on the date in the*
37 *school year specified in IC 20-33-2-7; on October 1 of the applicable school year; and*
38 (3) is a student:

39 (A) with a disability at the time the account is established who requires special education and for
40 whom:

- 41 ~~(A)~~ (i) an individualized education program;
42 ~~(B)~~ (ii) a service plan developed under 511 IAC 7-34; or
43 ~~(C)~~ (iii) a choice special education plan developed under 511 IAC 7-49;

44 has been developed; **and** or

45 (B) who is a sibling of a student described in clause (A) who has had an ESA account established
46 in the student's name under IC 20-51.4-4-1. **and**

47 ~~(4)~~ meets the annual income qualification requirement for a choice scholarship student under



1 ~~IC 20-51-1.~~

2 SECTION 88. IC 21-18-6-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
3 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 9.5. (a) As used in this section, "physical**
4 **facilities" refers to space assigned to departments and organizational units of a state educational**
5 **institution, including space assigned to departments and organizational units that have functions**
6 **related to instruction, research, public service, academic support, student services, institutional**
7 **support, operation and maintenance of physical facilities, auxiliary enterprises, independent**
8 **operations or noninstitutional activities, hospitals, and residential activities.**

9 **(b) Not later than July 1, 2026, and not later than each July 1 thereafter, the commission shall**
10 **prepare and submit to the legislative council and to the budget committee a report that examines**
11 **the utilization of physical facilities primarily used for instruction at each state educational**
12 **institution. The report must include at least the:**

13 **(1) number of classroom instructional spaces, instructional laboratory spaces, and combined**
14 **classroom and instructional laboratory spaces in each physical facility; and**

15 **(2) utilization of classroom instructional spaces, instructional laboratory spaces, and combined**
16 **classroom and instructional laboratory spaces in each physical facility;**

17 **as defined by the commission.**

18 **(c) In compiling the information for the report required by this section, the commission shall**
19 **consider:**

20 **(1) characteristics of the student body of a state educational institution, such as serving**
21 **part-time students, commuter students, and working adults;**

22 **(2) the types of programs provided, and associated necessary instructional space, by a state**
23 **educational institution; and**

24 **(3) information about physical facilities that is collected by the commission in support of the**
25 **commission's recommendations concerning capital as described in IC 21-18-9-1.**

26 **(d) A state educational institution shall provide any information required by the commission that**
27 **is necessary to complete the report required by this section in the form and manner required by the**
28 **commission.**

29 **(e) A report submitted to the legislative council under this section must be in an electronic**
30 **format under IC 5-14-6.**

31 SECTION 89. IC 36-7-31.3-10, AS AMENDED BY P.L.183-2023, SECTION 3, IS AMENDED TO
32 READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10. (a) A tax area must be established by**
33 **resolution. A resolution establishing a tax area must provide for the allocation of covered taxes**
34 **attributable to a taxable event or covered taxes earned in the tax area to the professional sports and**
35 **convention development area fund established for the city or county. The allocation provision must apply**
36 **to the entire tax area. The following apply to Allen County:**

37 **(1) The fund required by this subsection is the coliseum professional sports and convention**
38 **development area fund. This fund shall be administered by the Allen County Memorial Coliseum**
39 **board of trustees.**

40 **(2) The allocation each year must be as follows:**

41 **(A) The following for state fiscal years ending before July 1, 2021:**

42 **(i) The first two million six hundred thousand dollars (\$2,600,000) shall be transferred to the**
43 **county treasurer for deposit in the coliseum professional sports and convention development**
44 **area fund.**

45 **(ii) The remaining amount shall be transferred to the treasurer of the joint county-city capital**
46 **improvement board in the county.**

47 **(B) The following for state fiscal years beginning after June 30, 2021:**

HB 1001—LS 7763/DI 125



1 (i) The first two million six hundred thousand dollars (\$2,600,000) shall be transferred to the
2 county treasurer for deposit in the coliseum professional sports and convention development
3 area fund.
4 (ii) After the allocation under item (i), the next four hundred thousand dollars (\$400,000) shall
5 be transferred to the joint county-city capital improvement board in the county for the Grand
6 Wayne Center.
7 (iii) After the allocations under items (i) and (ii), any remaining amount shall be transferred
8 to the joint county-city capital improvement board in the county to be split evenly between the
9 Allen County War Memorial Coliseum and the Grand Wayne Center.
10 A tax area located in Allen County terminates not later than December 31, 2038. Any bonds that were
11 issued before January 1, 2015, to finance the facility or proposed facility must have a maturity of less than
12 twenty-five (25) years.
13 (b) In addition to subsection (a), all of the salary, wages, bonuses, and other compensation that are:
14 (1) paid during a taxable year to a professional athlete for professional athletic services;
15 (2) taxable in Indiana; and
16 (3) earned in the tax area;
17 shall be allocated to the tax area if the professional athlete is a member of a team that plays the majority
18 of the professional athletic events that the team plays in Indiana in the tax area.
19 (c) ~~Except as provided in subsection (d), for a tax area that is:~~
20 ~~(1) not located in Allen County;~~
21 ~~(2) not located in the city of Fishers; and~~
22 ~~(3) not located in the city of South Bend;~~
23 **This subsection applies to a tax area established in the city of Evansville. The following apply:**
24 (1) The total amount of state revenue captured by the tax area **during a state fiscal year** may not
25 exceed:
26 (A) **before July 1, 2025**, ten dollars (\$10) per resident of the city or county per year;
27 (B) **after June 30, 2025, and before July 1, 2030, five million dollars (\$5,000,000) per year;**
28 (C) **after June 30, 2030, and before July 1, 2035, the sum of:**
29 (i) **four million dollars (\$4,000,000); plus**
30 (ii) **fifty percent (50%) of any amount generated that exceeds four million dollars**
31 **(\$4,000,000);**
32 **per year, however, the total may not exceed six million dollars (\$6,000,000); and**
33 (D) **after June 30, 2035, and before July 1, 2041, the sum of:**
34 (i) **three million dollars (\$3,000,000); plus**
35 (ii) **fifty percent (50%) of any amount generated that exceeds three million dollars**
36 **(\$3,000,000);**
37 **per year, however, the total may not exceed seven million dollars (\$7,000,000).**
38 ~~for twenty (20) consecutive years.~~
39 (2) **For state fiscal years after June 30, 2025, the tax revenue captured in the tax area each year**
40 **shall be transferred to the city of Evansville to be used for purposes consistent with section 19**
41 **of this chapter.**
42 (d) This subsection applies to a tax area established in the city of Evansville that expired before July
43 1, 2021. The tax area described in this subsection is renewed beginning after June 30, 2021, for an
44 additional twenty (20) consecutive years, and shall include:
45 (1) the boundaries of the tax area before its expiration; plus
46 (2) the additional tax area added under section 8(e) of this chapter.
47 The provisions in sections 11 and 12 of this chapter are not applicable to the renewal of the tax area



1 described in this subsection.

2 (e) This subsection applies to a tax area established in the city of South Bend that expired before July
3 1, 2021. The following apply:

4 (1) The tax area described in this subsection is renewed beginning after June 30, 2021, and shall
5 include:

6 (A) the boundaries of the tax area before its expiration; plus

7 (B) the additional tax areas added under section 8(f) of this chapter.

8 The provisions in sections 11 and 12 of this chapter are not applicable to the renewal of the tax area
9 described in this subsection.

10 (2) The maximum amount of covered taxes that may be captured in the tax area under this
11 subsection is:

12 (A) before July 1, 2023, two million dollars (\$2,000,000) per year; and

13 (B) after June 30, 2023, five million dollars (\$5,000,000) per year.

14 (3) For state fiscal years beginning after June 30, 2023, the first two million five hundred thousand
15 dollars (\$2,500,000) captured in the tax area each year shall be transferred to the city of South Bend
16 to be used for a capital improvement that will construct or equip a facility owned by the city and
17 used by a professional sports franchise for practice or competitive sporting events.

18 (4) After the allocations under subdivision (3), any remaining amount shall be transferred to the city
19 of South Bend to be used consistent with section 19(1) of this chapter.

20 The tax area renewed in the city of South Bend under this subsection terminates not later than June 30,
21 2044.

22 (f) This subsection applies to a tax area established in the city of Fishers. The following apply:

23 (1) The maximum amount of covered taxes that may be captured in the tax area is two million
24 dollars (\$2,000,000) per year.

25 (2) The tax revenue captured in the tax area each year shall be transferred to the city of Fishers to
26 be used for a capital improvement that will construct or equip a facility owned by the city and used
27 by a professional sports franchise for practice or competitive sporting events.

28 The tax area located in the city of Fishers terminates not later than June 30, 2044.

29 (g) The resolution establishing the tax area must designate the facility or proposed facility and the
30 facility site for which the tax area is established.

31 (h) The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered
32 taxes to a tax area.

33 SECTION 90. IC 36-7-32.5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
34 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 0.5. The**
35 **amendments made to this chapter by HEA 1001-2025:**

36 **(1) apply only to an innovation development district designated after December 31, 2024; and**

37 **(2) do not apply to an innovation development district designated before January 1, 2025.**

38 SECTION 91. IC 36-7-32.5-9, AS AMENDED BY P.L.123-2024, SECTION 17, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 9. (a) Before the
40 corporation may designate territory within the jurisdiction of a city, town, or county, or within the
41 jurisdiction of more than one (1) city, town, or county, as an innovation development district under this
42 section, the board of the corporation established under IC 5-28-4 shall establish uniform policies and
43 guidelines that the corporation must follow when notifying and collaborating with an executive, or, if
44 applicable, executives, to designate territory within the jurisdiction of a city, town, or county as an
45 innovation development district under this section. The corporation shall publish the uniform policies and
46 procedures established under this subsection on the corporation's website.

47 (b) Subject to subsection (c), ~~and section 12(a) of this chapter~~, after:



1 (1) budget committee review; and
2 (2) notifying and collaborating with the executive, or, if an innovation development district will
3 include territory within the jurisdiction of more than one (1) city, town, or county, with the
4 executives of each city, town, or county, in the manner provided under the policies and guidelines
5 established under subsection (a);

6 the corporation may designate territory within the jurisdiction of a city, town, or county, or territory within
7 the jurisdiction of more than one (1) city, town, or county, as an innovation development district if the
8 corporation determines that the designation will support economic growth.

9 (c) Notwithstanding section 10(b) of this chapter, but subject to section 12(c) of this chapter, the
10 corporation may designate territory that is located in an existing allocation area described in section 10(b)
11 of this chapter as an innovation development district after:

12 (1) budget committee review; and
13 (2) obtaining consent from the executive, executives, or the board of any military base reuse
14 authority, in the manner provided under the policies and guidelines established under subsection (a).

15 (d) The requirements in ~~subsection~~ **subsections (b) and (c)** apply to all innovation development
16 districts established under this chapter regardless of the total costs and benefits of the proposed
17 investment of an innovation development district.

18 SECTION 92. IC 36-7-32.5-11, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO
19 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 11. ~~(a) Except as~~
20 ~~provided in subsection (b);~~ The term of an area's designation as an innovation development district may
21 not exceed thirty (30) years.

22 ~~(b) The term of an area's designation as an innovation development district may be extended beyond~~
23 ~~the thirty (30) year term under subsection (a) after budget committee review.~~

24 SECTION 93. IC 36-7-32.5-12, AS AMENDED BY P.L.123-2024, SECTION 20, IS AMENDED TO
25 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 12. (a) If the total
26 costs and benefits of the proposed investment of an innovation development district are expected to be
27 an amount less than two billion dollars (\$2,000,000,000); **corporation designates a territory within the**
28 **jurisdiction of a city, town, or county, or within the jurisdiction of more than one (1) city, town, or**
29 **county, as an innovation development district under section 9(b) or 9(c) of this chapter,** the following
30 apply:

31 (1) The executive, or, if applicable, the executives, and the corporation shall enter into an agreement
32 establishing the terms and conditions governing the innovation development district in accordance
33 with this section.

34 (2) If the executive, or, if applicable, the executives, and the corporation cannot enter into an
35 agreement under subdivision (1), the designation of territory under section 9 of this chapter is no
36 longer effective and the innovation development district may not be designated or otherwise
37 established under this chapter.

38 (b) The agreement must include the following provisions:

39 (1) A description of the area, including a list of all parcels to be included within the innovation
40 development district.

41 (2) Covenants and restrictions, if any, upon all or a part of the properties contained within the
42 innovation development district and terms of enforcement of any covenants or restrictions.

43 (3) The due diligence and financial commitments of any party to the agreement and of any owner
44 or developer of property within the innovation development district.

45 (4) The financial projections of the innovation development district.

46 (5) The proposed use of the:

47 (A) net increment; and



1 (B) incremental property tax amount described in section ~~14(e)~~ **14(d)** of this chapter;
2 that is captured within the innovation development district, **including the amount of any funds**
3 **expected to be allocated to the business or businesses that are locating within the innovation**
4 **development district as economic development incentives.**

5 (6) The aggregate percentage of annual incremental property tax revenue that will be transferred to
6 the city, town, county, or school corporation, or, if applicable, the cities, towns, counties, or school
7 corporations, under section 19(e) of this chapter. The aggregate percentage transferred may not be
8 less than twelve percent (12%) of the annual amount of incremental property tax revenue deposited
9 in the local innovation development district fund established by section 19 of this chapter.

10 (7) Subject to the limitations of this chapter, the duration of the designation of an area as an
11 innovation development district.

12 (8) The terms of enforcement of the agreement, which may include the definition of events of
13 default, cure periods, legal and equitable remedies and rights, and penalties and damages, actual or
14 liquidated, upon the occurrence of an event of default.

15 (9) The public facilities to be developed for the innovation development district and the estimated
16 costs of those public facilities.

17 (c) If an innovation development district will include territory located in an existing allocation area
18 described in section 10(b) of this chapter, the executive, or, if applicable, the executives, and the
19 corporation shall enter into an agreement establishing the terms and conditions governing the innovation
20 development district in accordance with this section. The agreement must include the following
21 provisions:

22 (1) The provisions listed in subsection (b)(1) through (b)(9).

23 (2) A provision prohibiting the city, county, town, or other entity that established the applicable
24 existing allocation area described in section 10(b) of this chapter from incurring any additional
25 obligations that require a pledge of future incremental property tax revenue to be paid from the
26 applicable existing allocation area described in section 10(b) of this chapter without first obtaining
27 the consent of the corporation.

28 (3) A provision requiring the maintenance of all applicable property tax records for the parcel or
29 parcels located within the innovation development district during the term of the innovation
30 development district.

31 If the executive, or, if applicable, the executives, and the corporation cannot enter into an agreement under
32 this subsection, the designation of territory under section 9 of this chapter is no longer effective and the
33 innovation development district may not be designated or otherwise established under this chapter.

34 (d) An executive may discuss the terms of an agreement described in this section and hold a meeting
35 as an executive session under IC 5-14-1.5-6.1 with:

36 (1) in the case of a city other than a consolidated city, the common council;

37 (2) in the case of a consolidated city, or a county having a consolidated city, the city-county council;

38 (3) in the case of a town, the town council; and

39 (4) in the case of a county that does not have a consolidated city, the board of county commissioners.

40 (e) Within fifteen (15) days of entering into an agreement under subsection (a), the corporation shall:

41 (1) submit a written report on the agreement to the budget committee; **and**

42 (2) **provide notification of the designation to the department of state revenue and the**
43 **department of local government finance.**

44 (f) Neither an executive nor the corporation may exercise the power of eminent domain within an
45 innovation development district.

46 SECTION 94. IC 36-7-32.5-13, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO
47 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 13. If an innovation



1 development district is designated, ~~under section 9 of this chapter or described under section 12 of this~~
2 ~~chapter~~, each executive shall designate the innovation development district as an allocation area for
3 purposes of the allocation and distribution of property taxes. **Not later than August 1 of the calendar**
4 **year immediately following the designation**, each executive shall:

5 (1) **set the base assessed value of the allocation area; and**

6 (2) provide notice of the designation **and notice of the base assessed value;**

7 to the county auditor, **the department of local government finance**, and to each taxing unit that has
8 authority to levy property taxes in the geographic area where the innovation development district is
9 located. The notice must state the general boundaries of the innovation development district and include
10 a ~~list~~ **the mailing address** of all parcels to be included within the innovation development district.

11 SECTION 95. IC 36-7-32.5-14, AS AMENDED BY P.L.123-2024, SECTION 21, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 14. (a) An allocation
13 area designated under section 13 of this chapter must:

14 (1) apply to the entire innovation development district; and

15 (2) require that any property tax assessed on taxable real and personal property used for commercial
16 or industrial purposes subsequently levied by or for the benefit of any public body entitled to a
17 distribution of property taxes in the innovation development district be allocated and distributed as
18 provided in subsections ~~(b) and (c)~~: **(c) and (d)**.

19 **(b) Property tax proceeds may not be allocated under this section before January 1 of the**
20 **calendar year immediately following the calendar year in which the base assessed value of the**
21 **allocation area is determined under section 13 of this chapter.**

22 ~~(b)~~ **(c)** Except as otherwise provided in this section:

23 (1) the proceeds of the taxes attributable to the lesser of:

24 (A) the assessed value of the taxable real and personal property for the assessment date with
25 respect to which the allocation and distribution is made; or

26 (B) the base assessed value;

27 shall be allocated and, when collected, paid into the funds of the respective taxing units; and

28 (2) the excess of the proceeds of the property taxes imposed for the assessment date with respect to
29 which the allocation and distribution is made that are attributable to taxes imposed after being
30 approved by the voters in a referendum or local public question conducted after April 30, 2010, not
31 otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds
32 of the taxing unit for which the referendum or local public question was conducted.

33 ~~(c)~~ **(d)** Except as provided in subsections ~~(d) and (e)~~: **(e) and (f)**, all the property tax proceeds that:

34 (1) exceed those described in subsection ~~(b)~~: **(c)**; and

35 (2) are attributable to the assessed value of taxable real and personal property used for commercial
36 or industrial purposes;

37 shall be paid into the appropriate local innovation development district fund established by section 19 of
38 this chapter by the county auditor at the same time that the county auditor distributes property taxes to
39 other local units of government under IC 6-1.1-27. Any remaining property tax proceeds that exceed those
40 described in subsection ~~(b)~~ **(c)** that are not described in subdivision (2) shall be allocated and, when
41 collected, paid into the funds of the respective taxing units.

42 ~~(d)~~ **(e)** Notwithstanding any provision to the contrary in this section, if an innovation development
43 district that is designated as an allocation area under section 13 of this chapter includes territory located
44 in an existing allocation area described in section 10(b) of this chapter, the county auditor shall continue
45 to allocate to the existing allocation area described in section 10(b) of this chapter any incremental
46 property tax revenues that would otherwise be allocated to the existing allocation area described in section
47 10(b) of this chapter as if the innovation development district had not been designated under this chapter,



1 until the existing allocation area described in section 10(b) of this chapter expires.

2 ~~(e)~~ **(f)** Notwithstanding any other law, each assessor shall, upon petition of an executive or the
3 corporation, reassess the taxable real and personal property situated upon or in, or added to, the
4 innovation development district effective on the next assessment date after the petition.

5 ~~(f)~~ **(g)** Notwithstanding any other law, the assessed value of all taxable real and personal property in
6 the innovation development district, for purposes of tax limitation, property tax replacement, and
7 formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is
8 located is the lesser of:

9 (1) the assessed value of the taxable real and personal property as valued without regard to this
10 section; or

11 (2) the base assessed value.

12 SECTION 96. IC 36-7-32.5-17, AS AMENDED BY P.L.201-2023, SECTION 277, IS AMENDED
13 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 17. (a) **Except**
14 **as provided in subsection (b)**, if an innovation development district is designated under section 9 of this
15 chapter, the corporation shall, **not later than August 1 of the calendar year immediately following the**
16 **designation date**, send to the department of state revenue:

17 (1) a certified copy of the designation of the innovation development district under section 9 of this
18 chapter, **including the date of the designation;**

19 (2) if an agreement is entered into under section 12 of this chapter, a certified copy of the agreement;
20 and

21 (3) a complete list of the employers and businesses that are paying for the services of individuals
22 who are not employees in the innovation development district and ~~the street names and the range~~
23 ~~of street numbers of each street in the innovation development district.~~ **each mailing address on**
24 **each street in the innovation development district.**

25 The corporation shall update the list provided under subdivision (3) before July 1 of each year.

26 **The corporation shall provide, within ten (10) days of a request, any additional information**
27 **requested by the department of state revenue concerning any information described subdivisions**
28 **(1) through (3).**

29 ~~(b)~~ Not later than sixty ~~(60)~~ days after receiving a copy of the designation of the innovation
30 development district, the department of state revenue shall determine the gross retail base period amount
31 and the income tax base period amount.

32 **(b) The corporation shall update and send the list described in subsection (a)(3) to the**
33 **department of state revenue before July 1 of each year.**

34 SECTION 97. IC 36-7-32.5-18, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 18. (a) **Not later than**
36 **October 1 of the calendar year immediately following the designation date of an innovation**
37 **development district, the department of state revenue shall set the gross retail base period amount**
38 **and the income tax base period amount. The department of state revenue may request any**
39 **information necessary from the corporation and executive, or executives, to determine the gross**
40 **retail base period amount and the income tax base period amount. Not later than ten (10) days after**
41 **a request from the department of state revenue, the corporation and executive, or executives, shall**
42 **provide the necessary information.**

43 **(b) Revenue collected under the state adjusted gross income taxes and state gross retail and use**
44 **taxes may not be allocated under this section before January 1 of the year immediately following**
45 **the year in which the gross retail base period amount and the income tax base period amount are**
46 **determined under subsection (a).**

47 **(c) Before the first business day in October of each year, the department of state revenue shall calculate**



1 the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal
2 year for each innovation development district designated under this chapter.

3 ~~(b)~~ **(d)** Taxpayers operating in an innovation development district shall report annually, in the manner
4 and form prescribed by the department of state revenue, information that the department of state revenue
5 determines necessary to calculate the net increment.

6 ~~(c)~~ **(e)** A taxpayer operating in an innovation development district that files a consolidated tax return
7 with the department of state revenue shall also file annually an informational return with the department
8 of state revenue for each business location of the taxpayer within the innovation development district.

9 ~~(d)~~ **(f)** If a taxpayer fails to report the information required by this section or file an informational
10 return required by this section, the department of state revenue shall use the best information available
11 in calculating the income tax incremental amount and gross retail incremental amount.

12 ~~(e)~~ **(g)** The department of state revenue shall transfer the amount calculated as provided in subsection
13 ~~(a)~~ **(c)** to the applicable local innovation development district fund established for the innovation
14 development district under section 19 of this chapter by November 1 of each year.

15 SECTION 98. IC 36-7-32.5-19, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO
16 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 19. (a) The
17 corporation shall establish a local innovation development district fund for each innovation development
18 district designated under section 9 of this chapter.

19 (b) Each fund consists of:

- 20 (1) deposits of incremental property tax revenue from the county auditor as provided in section ~~14~~**(c)**
21 **14(d)** of this chapter; and
22 (2) transfers from the department of state revenue under section 18 of this chapter.

23 (c) The corporation shall administer each local innovation development district fund established under
24 this section. The expenses of administering each fund shall be paid from money in that fund.

25 (d) The corporation may use money in each fund as follows:

26 ~~(1) If an agreement described in section 12 of this chapter has been entered into between the~~
27 ~~corporation and the executive; or, if applicable, the executives; for any purpose authorized in the~~
28 ~~agreement.~~

29 ~~(2) If an agreement described in section 12 of this chapter has not been entered into between the~~
30 ~~corporation and the executive; or, if applicable, the executives; for the following purposes:~~

31 ~~(A) (1) The acquisition, improvement, preparation, demolition, disposal, construction,~~
32 ~~reconstruction, remediation, rehabilitation, restoration, preservation, maintenance, repair, furnishing,~~
33 ~~and equipping of public facilities, including but not limited to utilities and transportation~~
34 ~~infrastructure.~~

35 ~~(B) (2) The operation of public facilities.~~

36 ~~(C) (3) The acquisition of land within the innovation development district.~~

37 ~~(D) (4) The recruitment of new businesses and new employees to the innovation development~~
38 ~~district.~~

39 ~~(E) (5) The training of individuals employed in the innovation development district.~~

40 **(6) The payment of economic development incentives granted by the corporation to businesses**
41 **located within the boundaries of the innovation development district.**

42 (e) Not later than August 1 of each year, the corporation shall transfer

43 ~~(1) if an agreement described in section 12 of this chapter has been entered into between the~~
44 ~~corporation and the executive; or if applicable, the executives; the amount of incremental property~~
45 ~~tax revenues determined in the agreement; and~~

46 ~~(2) if an agreement described in section 12 of this chapter has not been entered into between the~~
47 ~~corporation and the executive; or if applicable, the executives; an amount of incremental property~~



1 tax revenues that may not be less than twelve percent (12%) of the annual amount of incremental
2 property tax revenue deposited under subsection (b)(1)
3 to the general fund of each city, town, county, or school corporation with territory located within the
4 innovation development district. If the corporation is required to transfer funds to more than one (1) city,
5 town, county, or school corporation under this subsection, the amount transferred to each city, town,
6 county, and school corporation must be allocated among each city, town, county, and school corporation
7 proportionately based on each city's, town's, county's, and school corporation's property tax levy applied
8 to property located within the innovation development district. A transfer under this subsection does not
9 reduce the actual or maximum permissible levy of a city, town, county, or school corporation and may
10 not be considered in determining a city's, town's, county's, or school corporation's maximum permissible
11 ad valorem property tax levy limit under IC 6-1.1-18.5.

12 (f) Each state fiscal year, the corporation ~~may~~, **shall**, after:

13 (1) making the transfer required under subsection (e);

14 (2) **paying all obligations and expenses of the innovation development district in accordance**
15 **with an agreement entered into under section 12 of this chapter, including payment of any**
16 **economic development incentives for businesses located within the boundaries of the**
17 **innovation development district;** and

18 (3) satisfying all debt service obligations due and payable during the state fiscal year for bonds
19 issued under IC 5-1.2-4-4(a)(2);

20 transfer from each local innovation development district fund to the ~~statewide innovation development~~
21 ~~district fund~~ **economic development reserve account** established by section ~~20~~ **20.5** of this chapter an
22 amount not to exceed one hundred percent (100%) of the net incremental revenue derived from state
23 income taxes and gross retail taxes deposited into each fund during the immediately preceding state fiscal
24 year.

25 (g) Money in each local innovation development district fund at the end of a state fiscal year does not
26 revert to the state general fund.

27 (h) Money in each local innovation development district fund is continuously appropriated for the
28 purposes specified in this section.

29 SECTION 99. IC 36-7-32.5-20 IS REPEALED [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)].:

30 Sec. 20: (a) The statewide innovation development district fund is established within the state treasury
31 to ~~provide grants or loans to support the development or expansion of industry in Indiana.~~

32 (b) ~~The fund consists of the following:~~

33 (1) ~~Transfers from a local innovation development district fund under section 19(f) of this chapter.~~

34 (2) ~~Appropriations from the general assembly.~~

35 (3) ~~Loan repayments, including earnings from loans under subsection (d).~~

36 (c) ~~The corporation shall administer the fund. The following may be paid from money in the fund:~~

37 (1) ~~The expenses of administering the fund.~~

38 (2) ~~Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.~~

39 (d) ~~Earnings from loans made under this chapter shall be deposited in the fund.~~

40 (e) ~~The corporation may make grants, loans, or investments from the fund for the following purposes:~~

41 (1) ~~For the purposes identified in section 19(d) of this chapter.~~

42 (2) ~~For the acquisition and improvement of land or other property.~~

43 (3) ~~For costs associated with creating new innovation development districts.~~

44 (4) ~~For the development of partnerships, including grants and loans, between the state, advanced~~
45 ~~industry, and higher educational institutions focused on development, expansion, or retention in the~~
46 ~~state.~~

47 (5) ~~For the stimulation of investments in entrepreneurial or high growth potential companies in the~~



1 state.

2 ~~(6) For workforce training assistance in the state.~~

3 ~~(f) The corporation may use money in the fund to make a payment in lieu of a growing economy tax~~
4 ~~credit as provided in IC 6-3-5-5.~~

5 SECTION 100. IC 36-7-32.5-20.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
6 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 20.5. (a) The**
7 **economic development reserve account is established within the state general fund to support the**
8 **development and expansion of industry in Indiana. The budget agency shall administer the**
9 **economic development reserve account.**

10 **(b) The economic development reserve account consists of the following:**

11 **(1) Money appropriated to the economic development reserve account by the general**
12 **assembly.**

13 **(2) Money transferred to the economic development reserve account under section 19(f) of this**
14 **chapter.**

15 **(3) Interest earned on the balance of the economic development reserve account.**

16 **(c) The treasurer of state shall invest the money in the economic development reserve account**
17 **not currently needed to meet the obligations of the account in the same manner as other public**
18 **money may be invested. Interest that accrues from these investments shall be deposited in the**
19 **economic development reserve account.**

20 **(d) Money in the economic development reserve account at the end of a state fiscal year does not**
21 **revert to the state general fund.**

22 SECTION 101. IC 36-7-32.5-21 IS REPEALED [EFFECTIVE JANUARY 1, 2025
23 (RETROACTIVE)]: ~~Sec. 21. (a) Except as provided in subsection (b), money in the statewide innovation~~
24 ~~development district fund established by section 20 of this chapter at the end of the state fiscal year does~~
25 ~~not revert to the state general fund.~~

26 ~~(b) Notwithstanding subsection (a), if the unobligated balance of the statewide innovation development~~
27 ~~district fund established by section 20 of this chapter exceeds five hundred million dollars (\$500,000,000)~~
28 ~~at the close of any state fiscal year, the amount of funds in excess of five hundred million dollars~~
29 ~~(\$500,000,000) shall be transferred to the state general fund.~~

30 ~~(c) Money in the fund is continuously appropriated for the purposes of this chapter.~~

31 SECTION 102. IC 36-7-32.5-22, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO
32 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 22. The corporation**
33 **shall provide information on the innovation development district program in its economic incentive and**
34 **compliance report submitted pursuant to IC 5-28-28-5, and to the budget committee, that includes the**
35 **following:**

36 **(1) Metrics established by the corporation to evaluate the effectiveness of the innovation**
37 **development district in promoting economic growth in the state.**

38 **(2) The number and amount of grants or loans from the statewide innovation development district**
39 **fund established by section 20 of this chapter that are contractually awarded by the corporation for**
40 **each innovation development district and in total for all innovation development districts statewide.**

41 **(3) The name of each entity receiving a grant or loan from the statewide innovation development**
42 **district fund established by section 20 of this chapter for each innovation development district and**
43 **for all innovation development districts statewide.**

44 **(4) (2) The amount and name of each entity for which there is a unfunded obligation at the close of**
45 **each state fiscal year.**

46 **(5) (3) A report on each innovation development district designated under this chapter that includes**
47 **a description of:**



- 1 (A) the general boundaries of the innovation development district;
- 2 (B) the total acreage encompassed within the innovation development district;
- 3 (C) the base assessed value of the innovation development district;
- 4 (D) the gross retail base period amount determined for the innovation development district;
- 5 (E) the income tax base period amount determined for the innovation development district;
- 6 (F) the gross assessed value of all tangible real and personal property, without regard to any
- 7 exemption granted by an executive or the corporation under section 15(b) of this chapter, that is:
- 8 (i) located within the innovation development district; and
- 9 (ii) in the case of real property, assessed as commercial or industrial property under the rules
- 10 of the department of local government finance;
- 11 in each calendar year after the calendar year in which the innovation development district was
- 12 designated;
- 13 (G) the amount of incremental property tax revenue deposited into the local innovation
- 14 development district fund established by section 19 of this chapter in each state fiscal year after
- 15 the state fiscal year in which the innovation development district was designated;
- 16 (H) the amount of incremental state gross retail and use tax revenue deposited into the local
- 17 innovation development district fund established by section 19 of this chapter in each state fiscal
- 18 year after the state fiscal year in which the innovation development district was designated;
- 19 (I) the amount of incremental state adjusted gross income tax revenue deposited into the local
- 20 innovation development district fund established by section 19 of this chapter in each state fiscal
- 21 year after the state fiscal year in which the innovation development district was designated;
- 22 (J) the amount of revenue deposited into the local innovation development district fund
- 23 established by section 19 of this chapter that was transferred into the ~~statewide innovation~~
- 24 ~~development district fund~~ **economic development reserve account** established under section
- 25 ~~20~~ **20.5** of this chapter in each state fiscal year after the state fiscal year in which the innovation
- 26 development district was designated;
- 27 (K) the aggregate amount of bonds issued by the Indiana finance authority under
- 28 IC 5-1.2-4-4(a)(2) to pay for projects within the innovation development district;
- 29 (L) the annual amount of debt service payments due on the bonds described in clause (K); and
- 30 (M) a description of all economic development incentives granted by the corporation to
- 31 businesses located within the innovation development district.

32 SECTION 103. P.L.201-2023, SECTION 284, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE UPON PASSAGE]: SECTION 284. (a) Notwithstanding IC 4-13-2-19 or any other law,
 34 the appropriations made in P.L.165-2021, SECTION 26, from the account in the federal economic
 35 stimulus fund created for the American Rescue Plan Act that are unexpended and unencumbered at the
 36 close of the state fiscal year ending on June 30, ~~2023~~, **2025**, do not lapse but instead remain available for
 37 expenditure:

- 38 **(1) during the state fiscal year beginning July 1, 2025, and ending June 30, 2026; and**
- 39 **(2) for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, during the period**
- 40 **of time after June 30, 2026, and before January 1, 2027;**

41 ~~either state fiscal year in a biennium beginning after June 30, 2023, and ending before July 1, 2025,~~ for
 42 the purpose for which the appropriation was originally made.

43 (b) This SECTION expires ~~July 1, 2025~~. **January 1, 2027.**

44 SECTION 104. P.L.201-2023, SECTION 290, IS AMENDED TO READ AS FOLLOWS
 45 [EFFECTIVE JUNE 1, 2025]: SECTION 290. (a) Notwithstanding IC 4-13-2-19 or any other law, any
 46 part of an appropriation made for the legislative council and the legislative services agency, in a state
 47 fiscal year beginning after June 30, 2018, and ending before July 1, ~~2024~~, **2027**, that is unexpended and



1 unencumbered at the close of that state fiscal year does not lapse and is not returned to the state general
2 revenue fund but remains available for expenditure during either state fiscal year in a biennium beginning
3 after June 30, ~~2023~~, **2025**, and ending before July 1, ~~2025~~: **2027**. The unexpended and unencumbered
4 amount may be used to supplement the amounts appropriated in this act for each state fiscal year in the
5 biennium and shall be allotted, as requested by the executive director of the legislative services agency,
6 for the total operating expenses of the legislative council or the legislative services agency, or both.
7 **However, if any part of the appropriations have not been allotted or encumbered before the**
8 **expiration of a state fiscal year, the personnel subcommittee of the legislative council may**
9 **determine that any part of the balance of the appropriations shall be reverted to the state general**
10 **fund.**

11 (b) This SECTION expires July 1, ~~2025~~: **2027**.

12 SECTION 105. P.L.201-2023, SECTION 291 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JUNE 1, 2025]: SECTION 291. (a) The definitions of "vacation leave", "sick leave", and other types of
14 leave used on July 1, 2010, by the department apply to this SECTION.

15 (b) As used in this SECTION, "department" refers to the state personnel department established by
16 IC 4-15-2.2-13.

17 (c) As used in this SECTION, "pilot program" refers to the pilot program reestablished under
18 subsection (d).

19 (d) The personnel committee of the legislative council for the legislative branch of state government
20 or the Indiana supreme court for the judicial branch of state government, or both, may ~~reestablish~~
21 **continue** the pilot program established by P.L.220-2005, SECTION 8 (before its expiration), and
22 P.L.220-2005, SECTION 10 (before its expiration) **and as amended in P.L.201-2023, SECTION 291,**
23 **for either or both the state fiscal year beginning July 1, 2025, and ending June 30, 2026, and the**
24 **state fiscal year beginning July 1, 2026, and ending June 30, 2027**, including provisions adopted by:

25 (1) the deferred compensation committee (established by IC 5-10-1.1-4) to govern the pilot program;

26 (2) the department under LSA Document #06-488(E) (before its expiration), filed with the publisher
27 of the Indiana Register on October 16, 2006, to govern the pilot program; or

28 (3) the ~~auditor of state~~ **comptroller** to administer the pilot program.

29 (e) Subject to the Internal Revenue Code and applicable regulations, the personnel committee of the
30 legislative council or the Indiana supreme court, or both, may adopt procedures to implement and
31 administer the pilot program, including provisions established or reestablished under subsection (d).

32 (f) The ~~auditor of state~~ **comptroller** shall provide for the administration of the pilot program.

33 (g) This SECTION expires June 30, ~~2025~~: **2027**.

34 SECTION 106. [EFFECTIVE JULY 1, 2025] (a) **The director of the budget agency shall make a**
35 **written determination that funds are not appropriated or otherwise available to support**
36 **continuation of the performance of any contract or lease entered into under IC 4-13-12.1-8 (before**
37 **its repeal).**

38 (b) **This SECTION expires July 1, 2028.**

39 SECTION 107. [EFFECTIVE JULY 1, 2025] (a) **On July 1, 2025, the state comptroller shall**
40 **transfer fifteen million dollars (\$15,000,000) from the addiction services fund established by**
41 **IC 12-23-2-2 to the tobacco master settlement agreement fund established by IC 4-12-1-14.3.**

42 (b) **On July 1, 2025, the state comptroller shall transfer twenty-five million dollars (\$25,000,000)**
43 **from the department of insurance fund established by IC 27-1-3-28 to the tobacco master settlement**
44 **agreement fund established by IC 4-12-1-14.3.**

45 (c) **This SECTION expires July 1, 2027.**

46 SECTION 108. [EFFECTIVE UPON PASSAGE] (a) **Any balance on June 30, 2025, in the**
47 **curricular materials fund established by IC 20-40-22-5, shall be transferred to the state general**



1 fund on June 30, 2025.
2 (b) This SECTION expires July 1, 2025.
3 SECTION 109. [EFFECTIVE JULY 1, 2025] (a) IC 6-2.5-5-57, as amended by this act, applies only
4 to retail transactions occurring after June 30, 2025.
5 (b) Except as provided in subsection (c), a retail transaction is considered to have occurred after
6 June 30, 2025, if the property whose transfer constitutes selling at retail is delivered to the
7 purchaser or to the place of delivery designated by the purchaser after June 30, 2025.
8 (c) Notwithstanding the delivery of the property constituting selling at retail after June 30, 2025,
9 a transaction is considered to have occurred before July 1, 2025, to the extent that:
10 (1) the agreement of the parties to the transaction is entered into before July 1, 2025; and
11 (2) payment for the property furnished in the transaction is made before July 1, 2025.
12 (d) This SECTION expires January 1, 2028.
13 SECTION 110. [EFFECTIVE JULY 1, 2025] (a) IC 6-2.5-5-57.5, as added by this act, applies only
14 to retail transactions occurring after June 30, 2025.
15 (b) Except as provided in subsection (c), a retail transaction is considered to have occurred after
16 June 30, 2025, if the property whose transfer constitutes selling at retail is delivered to the
17 purchaser or to the place of delivery designated by the purchaser after June 30, 2025.
18 (c) Notwithstanding the delivery of the property constituting selling at retail after June 30, 2025,
19 a transaction is considered to have occurred before July 1, 2025, to the extent that:
20 (1) the agreement of the parties to the transaction is entered into before July 1, 2025; and
21 (2) payment for the property furnished in the transaction is made before July 1, 2025.
22 (d) This SECTION expires January 1, 2028.
23 SECTION 111. [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)] (a) IC 6-3-1-3.5, as amended
24 by this act, applies to taxable years beginning after December 31, 2024.
25 (b) This SECTION expires July 1, 2027.
26 SECTION 112. [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)] (a) IC 6-3.1-38-4 and
27 IC 6-3.1-38-7, both as amended by this act, apply to taxable years beginning after December 31,
28 2024.
29 (b) This SECTION expires July 1, 2028.
30 SECTION 113. [EFFECTIVE JULY 1, 2025] (a) IC 6-3.1-46, as added by this act, applies to
31 taxable years beginning after December 31, 2025.
32 (b) This SECTION expires July 1, 2028.
33 SECTION 114. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1001, 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:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1001 as introduced.)

THOMPSON

Committee Vote: yeas 14, nays 7.

HB 1001—LS 7763/DI 125

