



January 26, 2007

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## HOUSE BILL No. 1208

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DIGEST OF HB 1208 (Updated January 24, 2007 5:53 pm - DI 92)

**Citations Affected:** IC 20-12.

**Synopsis:** Education programs for veterans. Exempts certain veterans from all tuition and fees at state educational institutions. Provides that veterans and children of veterans who qualify for tuition exemptions at state universities but will attend private institutions of higher learning are entitled to freedom of choice grants. Provides that a student who: (1) is eligible for National Guard tuition assistance; and (2) serves at least one tour of active duty while a member of the National Guard; is entitled to have the student's eligibility for tuition assistance continue for an amount of time equal to the amount of the time the student spent on active duty after the student ceases to be a member of the National Guard.

**Effective:** July 1, 2007.

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### Micon, Avery, Reske

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January 11, 2007, read first time and referred to Committee on Ways and Means.  
January 26, 2007, amended, reported — Do Pass.

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HB 1208—LS 7021/DI 103+



January 26, 2007

First Regular Session 115th General Assembly (2007)

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 2006 Regular Session of the General Assembly.

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## HOUSE BILL No. 1208

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A BILL FOR AN ACT to amend the Indiana Code concerning education.

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

1 SECTION 1. IC 20-12-19.9 IS ADDED TO THE INDIANA CODE  
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2007]:

4 **Chapter 19.9. Tuition Exemption for Veterans**

5 **Sec. 1. As used in this section, "active duty" means full-time**  
6 **service by an individual in the armed forces of the United States**  
7 **for the least of the following periods:**

- 8 (1) **Twenty-four (24) consecutive months.**  
9 (2) **The entire period during which deployment orders are in**  
10 **effect for the individual.**  
11 (3) **Any period of service from which the individual is released**  
12 **due to a service connected disability.**

13 **Sec. 2. As used in this section "armed forces of the United**  
14 **States" has the meaning set forth in IC 5-9-4-3.**

15 **Sec. 3. As used in this chapter, "department" refers to the**  
16 **Indiana department of veterans' affairs established by**  
17 **IC 10-17-1-2.**

HB 1208—LS 7021/DI 103+



1           **Sec. 4. As used in this chapter, "National Guard" has the**  
2 **meaning set forth in IC 5-9-4-4.**

3           **Sec. 5. As used in this chapter, "state educational institution"**  
4 **has the meaning set forth in IC 20-12-0.5-1.**

5           **Sec. 6. (a) An individual who:**  
6               **(1) lists Indiana as the individual's state of residence when the**  
7 **individual enlists in the armed forces of the United States or**  
8 **the National Guard;**

9               **(2) suffers while serving on active duty a service connected**  
10 **disability as determined by the United States Department of**  
11 **Veterans Affairs or the United States Department of Defense;**

12               **(3) serves any part of the individual's service on active duty:**  
13                       **(A) after September 10, 2001; and**  
14                       **(B) before a date to be set by presidential proclamation**  
15 **or federal law as the conclusion of the war on terror**  
16 **described in the presidential address to a joint session of**  
17 **Congress on September 20, 2001;**

18               **(4) receives any discharge or separation from the armed**  
19 **forces of the United States or the National Guard other than**  
20 **a dishonorable discharge;**

21               **(5) is eligible to pay the resident tuition rate (as determined by**  
22 **the institution) at the state educational institution the person**  
23 **will attend; and**

24               **(6) possesses the requisite academic qualifications for**  
25 **enrollment in the state educational institution the person will**  
26 **attend;**

27 **is exempt from the payment of tuition and mandatory fees for one**  
28 **hundred twenty-four (124) semester credit hours at the state**  
29 **educational institution in which the individual is enrolled or will**  
30 **enroll.**

31           **(b) For purposes of this section, the commission for higher**  
32 **education established by IC 20-12-0.5-2 shall define the mandatory**  
33 **fees in consultation with the state student assistance commission**  
34 **established by IC 20-12-21-4.**

35           **Sec. 7. If an individual who qualifies for or is receiving the**  
36 **tuition exemption under section 6 of this chapter receives financial**  
37 **assistance from:**

38               **(1) a program under federal law;**

39               **(2) other tuition exemptions under IC 20-12-19 through**  
40 **IC 20-12-19.7;**

41               **(3) the National Guard tuition supplement program under**  
42 **IC 20-12-74; or**

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1 (4) any other source, including private sources;  
2 that is specifically designated for tuition and mandatory fees at the  
3 state educational institution, the state educational institution shall  
4 deduct the amount of the financial assistance specifically  
5 designated for tuition and mandatory fees from the amount of the  
6 individual's tuition exemption under section 6 of this chapter.

7 Sec. 8. If an individual who qualifies for or is receiving the  
8 tuition exemption under section 6 of this chapter earns or is  
9 awarded a cash scholarship from any source that is paid or payable  
10 to the state educational institution in which the individual is  
11 enrolled or will enroll, the state educational institution shall credit  
12 the amount of the cash scholarship to the individual for the  
13 payment of incidental expenses incurred by the individual in  
14 attending the state educational institution, with the balance, if any,  
15 of the award, if the terms of the scholarship permit, paid to the  
16 individual.

17 Sec. 9. (a) The department shall determine whether an  
18 individual is eligible for the tuition exemption under section 6 of  
19 this chapter.

20 (b) An applicant for the tuition exemption shall make a written  
21 request to the director of the department for a determination of the  
22 individual's eligibility.

23 (c) The director of the department shall make a written  
24 determination of an applicant's eligibility in response to a request  
25 under subsection (b).

26 (d) An applicant may appeal in writing an adverse  
27 determination under subsection (c) to the veterans' affairs  
28 commission established by IC 10-17-1-3 not more than fifteen (15)  
29 business days after the date the applicant receives the  
30 determination.

31 (e) The veterans' affairs commission shall issue a final order not  
32 more than fifteen (15) business days after the veterans' affairs  
33 commission receives a written appeal under subsection (d).

34 Sec. 10. A person who knowingly or intentionally submits a false  
35 or misleading application or other document under this chapter  
36 commits a Class A misdemeanor.

37 SECTION 2. IC 20-12-21-15 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) The commission  
39 shall administer the ~~hereby created~~ freedom of choice grant program.

40 (b) A person shall be:  
41 (1) eligible for a grant under this program if:  
42 (a) (A) the person is qualified for a higher education award

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- 1 under the terms of sections 6 or 6.1 of this chapter, even
- 2 though lack of funds prevents the actual award or grant;
- 3 ~~(b)~~ **(B)** the person has a financial need as determined pursuant
- 4 to this chapter, and the rules and regulations of the
- 5 commission in excess of such award; and
- 6 ~~(c)~~ **(C)** the person will attend an approved institution of higher
- 7 learning as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of
- 8 this chapter, which is operated privately and not administered
- 9 or controlled by any state agency or entity; **or**
- 10 **(2) entitled to a grant under this program if the person:**
- 11 **(A) qualifies for a tuition exemption under IC 20-12-19 or**
- 12 **IC 20-12-19.9; and**
- 13 **(B) will attend an approved institution of higher learning,**
- 14 **as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this**
- 15 **chapter, that is operated privately and not administered or**
- 16 **controlled by any state agency or entity.**

17 SECTION 3. IC 20-12-21-16 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. Freedom of choice  
 19 grant renewals shall be governed by the same conditions as are set forth  
 20 in section 7(b) of this chapter. **However, the condition described in**  
 21 **section 7(b)(3) of this chapter does not apply to the renewal of a**  
 22 **grant awarded under section 15(b)(2) of this chapter.**

23 SECTION 4. IC 20-12-21-17 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. **(a) For freedom**  
 25 **of choice grants awarded under section 15(b)(1) of this chapter,** the  
 26 amount of a ~~freedom of choice~~ **the grant to be made pursuant to this**  
 27 **program** shall not exceed the difference between the amount of the total  
 28 financial need of the student, as determined pursuant to the  
 29 commission's rules and regulations, and the higher education award  
 30 made under section 6 or 6.1 of this chapter, or the sum necessary to pay  
 31 tuition and regularly assessed fees at the institution, whichever is  
 32 smaller.

33 **(b) For freedom of choice grants awarded under section 15(b)(2)**  
 34 **of this chapter, the amount of the grant may not exceed the**  
 35 **statewide average of educational costs assessed at all state**  
 36 **educational institutions (as defined in IC 20-12-0.5-1), as**  
 37 **determined by the commission.**

38 SECTION 5. IC 20-12-74-2 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. As used in this  
 40 chapter, "eligible student" means a person who:

- 41 (1) is **either:**
- 42 (A) a member of the Indiana National Guard:

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1           ~~(A)~~ (i) in active drilling status; and

2           ~~(B)~~ (ii) who has not been absent without leave within the  
3           twelve (12) months immediately preceding the date the  
4           person applies for a tuition scholarship under this chapter;

5           or

6           **(B) a former member of the Indiana National Guard who**  
7           **was called to active duty (as defined in IC 20-12-21-5.1(f))**  
8           **at least one (1) time while a member of the Indiana**  
9           **National Guard;**

10          (2) does not possess a bachelor's degree from an institution of  
11          higher learning (as defined in IC 20-12-70-4);

12          (3) possesses the requisite academic qualifications;

13          (4) meets the requirements of the state educational institution in  
14          which the person is enrolled or will enroll; and

15          (5) meets all other eligibility requirements as determined by the  
16          commission.

17          SECTION 6. IC 20-12-74-7 IS AMENDED TO READ AS  
18          FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) Money in the  
19          national guard tuition supplement program fund shall be used to  
20          provide annual tuition scholarships to scholarship applicants who  
21          qualify under this chapter in an amount that is equal to one (1) of the  
22          following amounts:

23               (1) If the scholarship applicant does not receive other financial  
24               assistance specifically designated for tuition and mandatory fees,  
25               the amount equal to a full tuition scholarship to attend the state  
26               educational institution.

27               (2) If the scholarship applicant receives other financial assistance  
28               specifically designated for tuition and mandatory fees, the  
29               amount:

30                       (A) equal to the balance required to attend the state  
31                       educational institution; and

32                       (B) not to exceed the amount described in subdivision (1).

33          (b) Each tuition scholarship awarded under this chapter:

34               (1) may be renewed under this chapter for a total scholarship  
35               award that does not exceed the equivalent of ~~eight (8) semesters;~~

36               **one hundred twenty-four (124) semester credit hours;** and

37               (2) that is renewable under this chapter is subject to other  
38               eligibility criteria as established by the commission.

39          **(c) This subsection applies to an eligible student who was called**  
40          **to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time**  
41          **while a member of the Indiana National Guard. After the eligible**  
42          **student ceases to be a member of the Indiana National Guard, the**

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1     **eligible student is entitled to have the eligible student's eligibility**  
2     **for tuition assistance extended for an amount of time equal to the**  
3     **amount of time the eligible student spent on active duty.**

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1208, 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 the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Page 1, line 6, after "service" insert "**by an individual**".

Page 1, line 6, delete "at" and insert "**the**".

Page 1, line 6, delete "thirty" and insert "**of the following periods:**

**(1) Twenty-four (24) consecutive months.**

**(2) The entire period during which deployment orders are in effect for the individual.**

**(3) Any period of service from which the individual is released due to a service connected disability."**

Page 1, delete line 7.

Page 1, line 10, delete "'commission'" and insert "'**department**'".

Page 1, line 10, after "the" insert "**Indiana department of**".

Page 1, line 11, delete "veterans" and insert "veterans".

Page 1, line 11, delete "commission".

Page 1, line 11, delete "IC 10-17-1-3." and insert "**IC 10-17-1-2.**".

Page 1, line 16, after "6." insert "**(a)**".

Page 2, line 3, delete "either:".

Page 2, line 4, delete "(A)".

Page 2, line 4, delete "at any time" and insert "**while serving on active duty**".

Page 2, run in lines 3 through 4.

Page 2, line 6, after "Defense;" delete "or".

Page 2, line 7, beginning with "(B)" begin a new line block indented.

Page 2, line 7, delete "(B)" and insert "**(3)**".

Page 2, line 7, after "serves" insert "**any part of the individual's service**".

Page 2, line 8, beginning with "(i)" begin a new line double block indented.

Page 2, line 8, delete "(i)" and insert "**(A)**".

Page 2, line 9, beginning with "(ii)" begin a new line double block indented.

Page 2, line 9, delete "(ii)" and insert "**(B)**".

Page 2, line 13, delete "(3)" and insert "**(4)**".

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Page 2, line 16, delete "(4)" and insert "(5)".

Page 2, line 19, delete "(5)" and insert "(6)".

Page 2, between lines 25 and 26, begin a new paragraph and insert:

**"(b) For purposes of this section, the commission for higher education established by IC 20-12-0.5-2 shall define the mandatory fees in consultation with the state student assistance commission established by IC 20-12-21-4."**

Page 3, line 8, delete "commission" and insert "**department**".

Page 3, line 12, delete "commission" and insert "**director of the department**".

Page 3, line 14, delete "commission" and insert "**director of the department**".

Page 3, line 17, after "(c)" insert "**to the veterans' affairs commission established by IC 10-17-1-3**".

Page 3, line 20, after "The" insert "**veterans' affairs**".

Page 3, line 21, after "the" insert "**veterans' affairs**".

Page 3, line 24, delete "section" and insert "**chapter**".

Page 3, delete lines 26 through 28, begin a new paragraph and insert:

"SECTION 2. IC 20-12-21-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. **(a)** The commission shall administer the ~~hereby created~~ freedom of choice grant program.

**(b)** A person shall be:

**(1)** eligible for a grant under this program if:

~~(a)~~ **(A)** the person is qualified for a higher education award under the terms of sections 6 or 6.1 of this chapter, even though lack of funds prevents the actual award or grant;

~~(b)~~ **(B)** the person has a financial need as determined pursuant to this chapter, and the rules and regulations of the commission in excess of such award; and

~~(c)~~ **(C)** the person will attend an approved institution of higher learning as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter, which is operated privately and not administered or controlled by any state agency or entity; **or**

**(2)** entitled to a grant under this program if the person:

**(A)** qualifies for a tuition exemption under IC 20-12-19 or IC 20-12-19.9; and

**(B)** will attend an approved institution of higher learning, as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter, that is operated privately and not administered or controlled by any state agency or entity.

SECTION 3. IC 20-12-21-16 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. Freedom of choice grant renewals shall be governed by the same conditions as are set forth in section 7(b) of this chapter. **However, the condition described in section 7(b)(3) of this chapter does not apply to the renewal of a grant awarded under section 15(b)(2) of this chapter.**

SECTION 4. IC 20-12-21-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. **(a) For freedom of choice grants awarded under section 15(b)(1) of this chapter, the amount of a freedom of choice the grant to be made pursuant to this program shall not exceed the difference between the amount of the total financial need of the student, as determined pursuant to the commission's rules and regulations, and the higher education award made under section 6 or 6.1 of this chapter, or the sum necessary to pay tuition and regularly assessed fees at the institution, whichever is smaller.**

**(b) For freedom of choice grants awarded under section 15(b)(2) of this chapter, the amount of the grant may not exceed the statewide average of educational costs assessed at all state educational institutions (as defined in IC 20-12-0.5-1), as determined by the commission.**

SECTION 5. IC 20-12-74-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. As used in this chapter, "eligible student" means a person who:

(1) is **either:**

**(A) a member of the Indiana National Guard:**

~~(A)~~ **(i)** in active drilling status; and

~~(B)~~ **(ii)** who has not been absent without leave within the twelve (12) months immediately preceding the date the person applies for a tuition scholarship under this chapter;

**or**

**(B) a former member of the Indiana National Guard who was called to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time while a member of the Indiana National Guard;**

(2) does not possess a bachelor's degree from an institution of higher learning (as defined in IC 20-12-70-4);

(3) possesses the requisite academic qualifications;

(4) meets the requirements of the state educational institution in which the person is enrolled or will enroll; and

(5) meets all other eligibility requirements as determined by the commission.

SECTION 6. IC 20-12-74-7 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) Money in the national guard tuition supplement program fund shall be used to provide annual tuition scholarships to scholarship applicants who qualify under this chapter in an amount that is equal to one (1) of the following amounts:

(1) If the scholarship applicant does not receive other financial assistance specifically designated for tuition and mandatory fees, the amount equal to a full tuition scholarship to attend the state educational institution.

(2) If the scholarship applicant receives other financial assistance specifically designated for tuition and mandatory fees, the amount:

(A) equal to the balance required to attend the state educational institution; and

(B) not to exceed the amount described in subdivision (1).

(b) Each tuition scholarship awarded under this chapter:

(1) may be renewed under this chapter for a total scholarship award that does not exceed the equivalent of ~~eight (8) semesters;~~ **one hundred twenty-four (124) semester credit hours;** and

(2) that is renewable under this chapter is subject to other eligibility criteria as established by the commission.

**(c) This subsection applies to an eligible student who was called to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time while a member of the Indiana National Guard. After the eligible student ceases to be a member of the Indiana National Guard, the eligible student is entitled to have the eligible student's eligibility for tuition assistance extended for an amount of time equal to the amount of time the eligible student spent on active duty."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1208 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 25, nays 0.

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