

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 577 be amended to read as follows:

- 1 Page 1, delete lines 1 through 17, begin a new paragraph and insert:
2 "SECTION 1. IC 21-7-13-6, AS ADDED BY P.L.2-2007, SECTION
3 243, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2011]: Sec. 6. (a) "Approved postsecondary educational institution",
5 for purposes of this title (except section 15 of this chapter, IC 21-12-6,
6 IC 21-12-7, and IC 21-13-1-4) means the following:
7 (1) A postsecondary educational institution that operates in
8 Indiana and:
9 (A) provides an organized two (2) year or longer program of
10 collegiate grade directly creditable toward a baccalaureate
11 degree;
12 (B) is either operated by the state or operated nonprofit; and
13 (C) is accredited by a recognized regional accrediting agency,
14 **including:**
15 **(i) Ancilla College;**
16 **(ii) Anderson University;**
17 **(iii) Bethel College;**
18 **(iv) Butler University;**
19 **(v) Calumet College of St. Joseph;**
20 **(vi) DePauw University;**
21 **(vii) Earlham College;**
22 **(viii) Franklin College;**
23 **(ix) Goshen College;**
24 **(x) Grace College and Seminary;**

- 1 **(xi) Hanover College;**
 2 **(xii) Holy Cross College;**
 3 **(xiii) Huntington University;**
 4 **(xiv) Indiana Institute of Technology;**
 5 **(xv) Indiana Wesleyan University;**
 6 **(xvi) Manchester College;**
 7 **(xvii) Marian University;**
 8 **(xviii) Martin University;**
 9 **(xix) Oakland City University;**
 10 **(xx) Rose-Hulman Institute of Technology;**
 11 **(xxi) Saint Joseph's College;**
 12 **(xxii) Saint Mary-of-the-Woods College;**
 13 **(xxiii) Saint Mary's College;**
 14 **(xxiv) Taylor University;**
 15 **(xxv) Trine University;**
 16 **(xxvi) University of Evansville;**
 17 **(xxvii) University of Indianapolis;**
 18 **(xxviii) University of Notre Dame;**
 19 **(xxix) University of Saint Francis;**
 20 **(xxx) Valparaiso University; and**
 21 **(xxxi) Wabash College;**

22 or is accredited by the commission on proprietary education
 23 or an accrediting agency recognized by the United States
 24 Department of Education.

- 25 (2) Ivy Tech Community College.
 26 (3) A hospital that operates a nursing diploma program that is
 27 accredited by the Indiana state board of nursing.
 28 (4) A postsecondary proprietary educational institution that meets
 29 the following requirements:
 30 (A) Is incorporated in Indiana, or is registered as a foreign
 31 corporation doing business in Indiana.
 32 (B) Is fully accredited by and is in good standing with the
 33 commission on proprietary education.
 34 (C) Is accredited by and is in good standing with a regional or
 35 national accrediting agency.
 36 (D) Offers a course of study that is at least eighteen (18)
 37 consecutive months in duration (or an equivalent to be
 38 determined by the commission on proprietary education) and
 39 that leads to an associate or a baccalaureate degree recognized
 40 by the commission on proprietary education.
 41 (E) Is certified to the state student assistance commission by
 42 the commission on proprietary education as meeting the
 43 requirements of this subdivision.

44 (b) "Approved postsecondary educational institution" for purposes
 45 of section 15 of this chapter, IC 21-12-6, IC 21-12-7, and IC 21-13-1-4,
 46 means the following:

- 47 (1) A state educational institution.

- 1 (2) A nonprofit college or university.
 2 (3) A postsecondary proprietary educational institution that is
 3 accredited by an accrediting agency recognized by the United
 4 States Department of Education.

5 SECTION 2. IC 21-12-1.5 IS ADDED TO THE INDIANA CODE
 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]:

8 **Chapter 1.5. Awards for Students With Associate Degrees**

9 **Sec. 1. This chapter applies to an individual who:**

- 10 (1) did not graduate from high school with an academic
 11 honors diploma;
 12 (2) has received an associate degree;
 13 (3) after receiving the associate degree, enrolls in a
 14 baccalaureate degree program; and
 15 (4) otherwise qualifies for an award.

16 **Sec. 2. As used in this chapter, "award" means any monetary
 17 grant made by the commission from:**

- 18 (1) appropriations for higher education awards or freedom of
 19 choice grants;
 20 (2) federal funds; or
 21 (3) other appropriations, grants, gifts, or bequests.

22 **Sec. 3. As used in this chapter, "eligible student" refers to an
 23 individual described in section 1 of this chapter.**

24 **Sec. 4. An eligible student is eligible for the same maximum
 25 award as a similarly situated individual who graduates from high
 26 school with an academic honors diploma.**

27 **Sec. 5. 585 IAC 1-9-9 is void to the extent that it conflicts with
 28 section 4 of this chapter.**

29 SECTION 3. IC 21-12-3-9, AS AMENDED BY P.L.125-2008,
 30 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2011]: Sec. 9. (a) A higher education award for a student in
 32 a program leading to a baccalaureate degree may be renewed for a total
 33 of three (3) **undergraduate** academic years following the academic
 34 year of the first award or until an earlier time as the student receives a
 35 degree normally obtained in four (4) **undergraduate** academic years.
 36 A higher education award for a student in a program leading to a
 37 technical certificate or an **undergraduate** associate degree may be
 38 renewed for the number of academic years normally required to obtain
 39 a certificate or degree in the student's program. The commission may
 40 grant a renewal only upon application and only upon its finding that:

- 41 (1) the applicant has successfully completed the work of a
 42 preceding year;
 43 (2) the applicant remains domiciled in Indiana;
 44 (3) the recipient's financial situation continues to warrant an
 45 award, based on the financial requirements set forth in section
 46 ~~†(3)~~ **(1)(a)(3)** of this chapter; ~~and~~

1 (4) the applicant is eligible under section 2 of this chapter; **and**
 2 **(5) subject to subsection (b), if the student initially enrolls in**
 3 **an eligible institution for a semester (or its equivalent)**
 4 **beginning after June 30, 2012, the student maintains at least**
 5 **the following cumulative grade point average:**

6 (A) For credit hours applicable to the equivalent of the
 7 applicant's freshman academic year, a cumulative grade
 8 point average that the eligible institution determines is
 9 satisfactory academic progress.

10 (B) For credit hours applicable to the equivalent of the
 11 applicant's sophomore academic year, a cumulative grade
 12 point average of 2.25 on a 4.0 grading scale or its
 13 equivalent as established by the eligible institution.

14 (C) For credit hours applicable to the equivalent of the
 15 applicant's junior or senior academic year, a cumulative
 16 grade point average of 2.5 on a 4.0 grading scale or its
 17 equivalent as established by the eligible institution.

18 (b) After the first semester or its equivalent at the eligible
 19 institution that a person does not achieve the requisite cumulative
 20 grade point average specified in subsection (a)(5), the person is
 21 considered to be on probation and must achieve the requisite
 22 cumulative grade point average by the next semester or its
 23 equivalent at the eligible institution in order to continue to receive
 24 benefits under this chapter.

25 SECTION 4. IC 21-12-3-10, AS AMENDED BY P.L.125-2008,
 26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2011]: Sec. 10. Out of funds available after commitments
 28 have been met under sections 8 and 9 of this chapter, awards shall be
 29 issued to persons who have successfully completed at least one (1)
 30 **academic year** but not more than three (3) academic years in approved
 31 postsecondary educational institutions if they meet the eligibility
 32 requirements of:

33 (1) sections 1, ~~and 2~~, **and (if applicable) 9(a)(5)** of this chapter;

34 or

35 (2) sections 4, ~~and 5~~, **and (if applicable) 9(a)(5)** of this chapter.

36 The awards shall be handled on the same basis as renewals under
 37 section 9 of this chapter.

38 SECTION 5. IC 21-12-5-6, AS ADDED BY P.L.2-2007, SECTION
 39 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
 40 1, 2011]: Sec. 6. The auditor of state shall create a separate and
 41 segregated Hoosier scholar award fund. ~~distinct from the higher~~
 42 ~~education award fund and the freedom of choice grant fund.~~

43 SECTION 6. IC 21-12-6-5, AS AMENDED BY P.L.3-2008,
 44 SECTION 131, IS AMENDED TO READ AS FOLLOWS
 45 [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) To qualify to participate in
 46 the program, a student must meet the following requirements:

- 1 (1) Be a resident of Indiana.
- 2 (2) Be:
- 3 (A) enrolled in grade 7 or 8 for the 2007-2008 school year, and
- 4 grade 6, 7, or 8 for the 2008-2009, school year, and for
- 5 subsequent school years; at a:
- 6 (i) public school; or
- 7 (ii) nonpublic school that is accredited either by the state
- 8 board of education or by a national or regional accrediting
- 9 agency whose accreditation is accepted as a school
- 10 improvement plan under IC 20-31-4-2; or
- 11 (B) otherwise qualified under the rules of the commission that
- 12 are adopted under IC 21-11-9-4 to include students who are in
- 13 grades other than grade 8 as eligible students.
- 14 (3) Be eligible for free or reduced priced lunches under the
- 15 national school lunch program.
- 16 (4) Agree, in writing, together with the student's custodial parents
- 17 or guardian, that the student will:
- 18 (A) graduate from a secondary school located in Indiana that
- 19 meets the admission criteria of an eligible institution;
- 20 (B) not illegally use controlled substances (as defined in
- 21 IC 35-48-1-9);
- 22 (C) not commit a crime or an infraction described in
- 23 IC 9-30-5;
- 24 (D) not commit any other crime or delinquent act (as described
- 25 in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or
- 26 IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their
- 27 repeal));
- 28 (E) timely apply, when the eligible student is a senior in high
- 29 school:
- 30 (i) for admission to an eligible institution; and
- 31 (ii) for any federal and state student financial assistance
- 32 available to the eligible student to attend an eligible
- 33 institution; ~~and~~
- 34 (F) achieve a cumulative grade point average upon graduation
- 35 of:
- 36 (i) at least 2.0, if the student graduates from high school
- 37 before July 1, 2014; and
- 38 (ii) at least 2.5, if the student graduates from high school
- 39 after June 30, 2014;
- 40 on a 4.0 grading scale (or its equivalent if another grading
- 41 scale is used) for courses taken during grades 9, 10, 11, and
- 42 12; and
- 43 (G) participate in an academic success program required
- 44 under the rules adopted by the commission and the
- 45 commission for higher education, if the student initially
- 46 enrolls in the program after June 30, 2011.

1 (b) A student is **also** qualified to participate in the program if the
2 student:

3 (1) before or during grade 7 or grade 8, is placed by or with the
4 consent of the department of child services, by a court order, or by
5 a child placing agency in:

6 (A) a foster family home;

7 (B) the home of a relative or other unlicensed caretaker;

8 (C) a child caring institution; or

9 (D) a group home;

10 (2) agrees in writing, together with the student's caseworker (as
11 defined in IC 31-9-2-11), to the conditions set forth in subsection
12 (a)(4); and

13 (3) except as provided in subdivision (2), otherwise meets the
14 requirements of subsection (a).

15 (c) **The commission may require that an applicant apply**
16 **electronically to participate in the program using an online**
17 **Internet application on the commission's web site.**

18 SECTION 7. IC 21-12-6-6, AS ADDED BY P.L.2-2007, SECTION
19 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
20 1, 2011]: Sec. 6. (a) A student may apply to the commission for a
21 scholarship. To qualify for a scholarship, the student must meet the
22 following requirements:

23 (1) Be an eligible student who qualified to participate in the
24 program under section 5 of this chapter.

25 (2) Be a resident of Indiana.

26 (3) Be a graduate from a secondary school located in Indiana that
27 meets the admission criteria of an eligible institution **and have**
28 **achieved a cumulative grade point average in high school of:**

29 (A) **at least 2.0 on a 4.0 grading scale, if the student is**
30 **expected to graduate from high school before July 1, 2014;**

31 **and**

32 (B) **at least 2.5 on a 4.0 grading scale, if the student is**
33 **expected to graduate from high school after June 30, 2014.**

34 (4) Have applied to attend and be accepted to attend as a full-time
35 student an eligible institution.

36 (5) Certify in writing that the student has:

37 (A) not illegally used controlled substances (as defined in
38 IC 35-48-1-9);

39 (B) not illegally consumed alcoholic beverages;

40 (C) not committed any other crime or a delinquent act (as
41 described in IC 31-37-1-2 or IC 31-37-2-2 through
42 IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5)
43 before their repeal)); ~~and~~

44 (D) timely filed an application for other types of financial
45 assistance available to the student from the state or federal
46 government; **and**

- 1 **(E) participate in an academic success program required**
 2 **under the rules adopted by the commission and the**
 3 **commission for higher education.**
- 4 (6) Submit to the commission all the information and evidence
 5 required by the commission to determine eligibility as a
 6 scholarship applicant.
- 7 **(7) Have a lack of financial resources reasonably available to**
 8 **the applicant, as defined by the commission, that, in the**
 9 **absence of an award under this chapter, would deter the**
 10 **scholarship applicant from completing the applicant's**
 11 **education at the approved postsecondary educational**
 12 **institution that the applicant has selected and that has**
 13 **accepted the applicant, if the student initially enrolls in the**
 14 **program after June 30, 2011.**
- 15 ~~(7)~~ **(8) Meet any other minimum criteria established by the**
 16 **commission.**
- 17 **(b) This section applies to an individual who graduates from**
 18 **high school after December 31, 2010. To be eligible for a**
 19 **scholarship under this section, a student must initially attend the**
 20 **eligible institution described in subdivision (a)(4) not later than the**
 21 **fall semester (or its equivalent, as determine by the commission) in**
 22 **the year immediately following the year in which the student**
 23 **graduates from high school.**
- 24 SECTION 9. IC 21-12-6-6.5 IS ADDED TO THE INDIANA CODE
 25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 26 1, 2011]: **Sec. 6.5. (a) This section applies to a student who:**
- 27 **(1) initially enrolls in the program after June 30, 2011;**
 28 **(2) has not previously received a scholarship under this**
 29 **chapter; and**
 30 **(3) does not qualify for a scholarship under section 6 of this**
 31 **chapter solely because the student does not meet the**
 32 **requirements of section 6(a)(7) of this chapter.**
- 33 **(b) The commission shall establish a program to award a**
 34 **one-time tuition scholarship to students who are ineligible for a**
 35 **scholarship under section 6 of this chapter solely because the**
 36 **student fails to meet the financial assistance requirements imposed**
 37 **by section 6(a)(7) of this chapter. The amount of the tuition**
 38 **scholarship shall be determined by the commission. The tuition**
 39 **scholarship may not exceed two thousand five hundred dollars**
 40 **(\$2,500). The total of all tuition scholarships awarded under this**
 41 **section in a state fiscal year may not exceed the amount available**
 42 **for distribution from the fund for scholarships under this chapter**
 43 **after awarding scholarships to all students who qualify under**
 44 **section 6 or 7 of this chapter for a scholarship.**
- 45 **(c) A tuition scholarship under this section may be used under**
 46 **the terms prescribed by the commission only for the purposes for**
 47 **which a tuition scholarship granted under section 6 or 7 of this**

1 **chapter may be used.**

2 **(d) A student who meets the criteria described in subsection (a)**
 3 **in any year is not eligible for a scholarship under section 6 or 7 of**
 4 **this chapter in any subsequent year.**

5 SECTION 9. IC 21-12-6-7, AS ADDED BY P.L.2-2007, SECTION
 6 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
 7 1, 2011]: Sec. 7. **(a) Subject to IC 21-12-13-2, a scholarship awarded**
 8 **under section 6 of this chapter or this section** may be renewed. To
 9 qualify for a scholarship renewal, a scholarship recipient must do the
 10 following:

11 (1) Submit to the commission a renewal application that contains
 12 all the information and evidence required by the commission to
 13 determine eligibility for the scholarship renewal.

14 (2) Continue to be enrolled as a full-time student in good standing
 15 at an eligible institution.

16 **(3) Continue to have a lack of financial resources reasonably**
 17 **available to the applicant, as defined by the commission, that,**
 18 **in the absence of an award under this chapter, would deter**
 19 **the scholarship applicant from completing the applicant's**
 20 **education at the approved postsecondary educational**
 21 **institution that the applicant has selected and that has**
 22 **accepted the applicant, if the student initially enrolls in the**
 23 **program after June 30, 2011.**

24 **(4) Subject to subsection (b), if the student initially enrolls in**
 25 **an eligible institution for a semester (or its equivalent)**
 26 **beginning after June 30, 2012, maintain at least the following**
 27 **cumulative grade point average:**

28 **(A) For credit hours applicable to the equivalent of the**
 29 **applicant's freshman academic year, a cumulative grade**
 30 **point average that the eligible institution determines is**
 31 **satisfactory academic progress.**

32 **(B) For credit hours applicable to the equivalent of the**
 33 **applicant's sophomore academic year, a cumulative grade**
 34 **point average of 2.25 on a 4.0 grading scale or its**
 35 **equivalent as established by the eligible institution.**

36 **(C) For credit hours applicable to the equivalent of the**
 37 **applicant's junior or senior academic year, a cumulative**
 38 **grade point average of 2.5 on a 4.0 grading scale or its**
 39 **equivalent as established by the eligible institution.**

40 ~~(5)~~ **(5) Continue to meet any other minimum criteria established**
 41 **by the commission.**

42 **(b) After the first semester or its equivalent at the eligible**
 43 **institution that a person does not achieve the requisite cumulative**
 44 **grade point average specified in subsection (a)(4), the person is**
 45 **considered to be on probation and must achieve the requisite**
 46 **cumulative grade point average by the next semester or its**
 47 **equivalent at the eligible institution in order to continue to receive**

1 **benefits under this chapter.**

2 SECTION 10. IC 21-12-6-10, AS ADDED BY P.L.2-2007,
3 SECTION 253, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2011]: Sec. 10. **(a) This section applies to a**
5 **student who qualifies for a scholarship under section 6 or 7 of this**
6 **chapter, if the student initially enrolls in the program before July**
7 **1, 2011.**

8 **(b)** The amount of a scholarship is equal to the lowest of the
9 following amounts:

10 (1) If the scholarship applicant attends an eligible institution that
11 is a state educational institution and:

12 (A) receives no other financial assistance specifically
13 designated for educational costs, a full tuition scholarship to
14 the state educational institution; or

15 (B) receives other financial assistance specifically designated
16 for educational costs, the balance required to attend the state
17 educational institution, not to exceed the amount described in
18 clause (A).

19 (2) If the scholarship applicant attends an eligible institution that
20 is private and:

21 (A) receives no other financial assistance specifically
22 designated for educational costs, an average of the full tuition
23 scholarship amounts of all state educational institutions not
24 including Ivy Tech Community College; or

25 (B) receives other financial assistance specifically designated
26 for educational costs, the balance required to attend the college
27 or university not to exceed the amount described in clause (A).

28 (3) If the scholarship applicant attends an eligible institution that
29 is a postsecondary proprietary educational institution and:

30 (A) receives no other financial assistance specifically
31 designated for educational costs, the lesser of:

32 (i) the full tuition scholarship amounts of Ivy Tech
33 Community College; or

34 (ii) the actual tuition and regularly assessed fees of the
35 eligible institution; or

36 (B) receives other financial assistance specifically designated
37 for educational costs, the balance required to attend the
38 eligible institution, not to exceed the amount described in
39 clause (A).

40 SECTION 11. IC 21-12-6-10.3 IS ADDED TO THE INDIANA
41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
42 [EFFECTIVE JULY 1, 2011]: **Sec. 10.3. (a) This section applies to a**
43 **student who qualifies for a scholarship under section 6 or 7 of this**
44 **chapter, if the student initially enrolls in the program after June**
45 **30, 2011.**

46 **(b) A scholarship applicant shall be awarded the following**

- 1 amount as adjusted under subsections (c) and (d):
- 2 (1) If the scholarship applicant attends an approved
- 3 postsecondary educational institution that is a state
- 4 educational institution, the full educational costs that the
- 5 scholarship applicant would otherwise be required to pay at
- 6 the eligible institution.
- 7 (2) If the scholarship applicant attends an approved
- 8 postsecondary educational institution that is private, the
- 9 lesser of the educational costs that the scholarship applicant
- 10 would otherwise be required to pay at the private eligible
- 11 institution, or the average of the educational costs of all state
- 12 educational institutions, not including Ivy Tech Community
- 13 College.
- 14 (3) If the scholarship applicant attends an approved
- 15 postsecondary educational institution that is a postsecondary
- 16 proprietary educational institution, the lesser of the
- 17 educational costs that the scholarship applicant would
- 18 otherwise be required to pay at the postsecondary proprietary
- 19 educational institution or the educational costs of Ivy Tech
- 20 Community College.
- 21 (c) The amount of an award under subsection (b) shall be
- 22 reduced by:
- 23 (1) the amount of the Frank O'Bannon grant awarded to the
- 24 scholarship applicant; plus
- 25 (2) an additional amount based on the expected family
- 26 contribution, if necessary, as determined by the commission,
- 27 to provide scholarships within the available appropriation.
- 28 (d) The total of all tuition scholarships awarded under this
- 29 section in a state fiscal year may not exceed the amount available
- 30 for distribution from the fund for scholarships under this chapter.
- 31 If the total amount to be distributed from the fund in a state fiscal
- 32 year exceeds the amount available for distribution, the amount to
- 33 be distributed to each eligible applicant shall be proportionately
- 34 reduced so that the total reductions equal the amount of the excess
- 35 based on the relative financial need of each eligible applicant.
- 36 SECTION 12. IC 21-12-11 IS ADDED TO THE INDIANA CODE
- 37 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 38 JULY 1, 2011]:
- 39 **Chapter 11. Frank O'Bannon Grant Award Fund**
- 40 **Sec. 1. (a) The auditor of state shall create a Frank O'Bannon**
- 41 **grant award fund. The fund consists of the following:**
- 42 (1) Appropriations made by the general assembly.
- 43 (2) Gifts, grants, devises, or bequests made to the state to
- 44 achieve the purposes of the fund.
- 45 (b) The commission shall administer the fund.
- 46 (c) The treasurer of state shall invest the money in the fund not
- 47 currently needed to meet the obligations of the fund in the same

1 manner as other public funds are invested.

2 (d) Money appropriated from the fund must be used for
3 providing Frank O'Bannon grants and other awards and
4 scholarships administered by the commission. All money disbursed
5 from the fund must be in accordance with this chapter.

6 (e) Money remaining in the fund at the end of any fiscal year
7 does not revert to the state general fund but remains available for
8 appropriation from the fund for making Frank O'Bannon grants
9 and other awards and scholarships administered by the
10 commission.

11 **Sec. 2.** An appropriation made for Frank O'Bannon grants may
12 be transferred to provide other scholarships administered by the
13 commission, subject to the prior approval of the budget agency.

14 **Sec. 3.** The commission shall maintain the same proportionality
15 between the maximum award permitted under IC 21-12-3 and the
16 maximum award permitted under IC 21-12-4 that existed for
17 grants in the state fiscal year beginning July 1, 2010, and ending
18 June 30, 2011.

19 **Sec. 4.** For each academic year, beginning with the 2011-2012
20 academic year, the commission shall, after the commission has
21 made its determinations for the annual maximum base award for
22 each Frank O'Bannon grant and made any adjustments necessary
23 to stay within the appropriation made for each grant, report these
24 determinations and adjustments to the general assembly in an
25 electronic format under IC 5-14-6. The report must clearly and
26 transparently delineate the methods and factors used by the
27 commission in setting the maximum base awards for each Frank
28 O'Bannon grant, including any necessary adjustments necessary
29 to stay within the appropriations made for Frank O'Bannon
30 grants.

31 SECTION 13. IC 21-12-12 IS ADDED TO THE INDIANA CODE
32 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2011]:

34 **Chapter 12. Postsecondary Award and Scholarship Program**
35 **Data**

36 **Sec. 1. (a)** Before Frank O'Bannon grants are distributed for the
37 2011-12 academic year, the commission for higher education, in
38 consultation with the commission and the Independent Colleges of
39 Indiana, shall collect from all participating public, private
40 nonprofit, and proprietary institutions:

41 (1) the appropriate current and past student and unit record
42 data that are necessary to adequately administer and evaluate
43 the effectiveness of the award and scholarship programs
44 administered by the commission; and

45 (2) other appropriate student data on all students attending
46 these institutions to allow the commission for higher
47 education to develop, update, and implement a long range

1 **plan for postsecondary education.**

2 **(b) For each academic year, beginning with the 2011-2012**
 3 **academic year, each postsecondary educational institution that has**
 4 **a student enrolled who will receive a Frank O'Bannon grant in the**
 5 **academic year shall timely provide to the commission the data**
 6 **referred to in subsection (a). The commission shall use these data**
 7 **for its student information system.**

8 **Sec. 2. This section applies to any student data that are**
 9 **confidential under any law, including the federal Family**
 10 **Educational Rights and Privacy Act (20 U.S.C. 1232(g)). An**
 11 **approved postsecondary educational institution or an association**
 12 **acting on behalf of an approved postsecondary educational**
 13 **institution that provides student data requested under this chapter**
 14 **is not liable for any breach of confidentiality of the information if**
 15 **the breach resulted from the action of the commission or the**
 16 **commission's staff and not from the transmission of the data before**
 17 **the data reached the commission.**

18 SECTION 14. IC 21-12-13 IS ADDED TO THE INDIANA CODE
 19 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2011]:

21 **Chapter 13. Renewal of Scholarships**

22 **Sec. 1. (a) This section applies to the following scholarships and**
 23 **tuition and fee remission statutes:**

- 24 (1) IC 10-12-2-6.
 25 (2) IC 10-12-2-11.
 26 (3) IC 10-17-7.
 27 (4) IC 21-14-4.
 28 (5) IC 21-14-6-3.
 29 (6) IC 21-14-7.
 30 (7) IC 21-14-10.

31 **(b) Except as provided in sections 3 and 4 of this chapter, a**
 32 **grant or reduction in tuition or fees, including all renewals and**
 33 **extensions, under any of the laws listed in subsection (a) may not**
 34 **exceed one hundred twenty-four (124) undergraduate credit hours**
 35 **or its equivalent, as determined by the commission and must be**
 36 **used within eight (8) years after the date the individual first applies**
 37 **and becomes eligible for benefits under the applicable law.**

38 **Sec. 2. (a) This section applies to the following scholarship and**
 39 **fee remission statutes:**

- 40 (1) IC 21-12-3.
 41 (2) IC 21-12-4.
 42 (3) IC 21-12-6.
 43 (4) IC 21-12-8.
 44 (5) IC 21-12-9.
 45 (6) IC 21-13-2.
 46 (7) IC 21-13-3.
 47 (8) IC 21-13-4.

1 **(9) IC 21-14-5.**

2 **(10) IC 21-14-6-2.**

3 **(b) Except as provided in sections 3 and 4 of this chapter, a**
 4 **grant or reduction in tuition or fees, including all renewals and**
 5 **extensions, under any of the laws listed in subsection (a) may not**
 6 **exceed eight (8) full-time undergraduate semesters or its**
 7 **equivalent, as determined by the commission and must be used**
 8 **within eight (8) years after the date the individual first applies and**
 9 **becomes eligible for benefits under the applicable law.**

10 **Sec. 3. (a) This section applies to a grant or reduction in tuition**
 11 **or fees described in section 1 or 2 of this chapter.**

12 **(b) As used in this section, "professional degree program" refers**
 13 **to a four (4) or five (5) year postsecondary school course of study:**

14 **(1) to which an individual may be admitted without**
 15 **completing an undergraduate degree;**

16 **(2) leads to a degree that is not an undergraduate or graduate**
 17 **degree, as determined by the commission; and**

18 **(3) prepares the holder of the degree for a profession.**

19 **(c) A grant or reduction in tuition or fees described in section 1**
 20 **or 2 of this chapter, including all renewals and extensions, may be**
 21 **used for a professional degree program. The total grant or**
 22 **reduction in tuition or fees under a statute listed in section 1 or 2**
 23 **of this chapter for all:**

24 **(1) undergraduate credits hours or semesters; and**

25 **(2) professional degree program credits hours or semesters;**
 26 **may not exceed the maximum credit hours or semesters permitted**
 27 **under section 1 or 2 of this chapter, as applicable and must be used**
 28 **within eight (8) years after the date the individual first applies and**
 29 **becomes eligible for benefits under the applicable law.**

30 **Sec. 4. (a) This section applies to a grant or reduction in tuition**
 31 **or fees described in section 2 of this chapter.**

32 **(b) A grant or reduction in tuition or fees may include up to the**
 33 **equivalent of two (2) regular semesters of courses taken during a**
 34 **summer semester."**

35 Page 2, delete lines 1 through 26.

36 Page 3, line 4, after "(iv)" insert "either".

37 Page 3, line 5, delete "States;" and insert "States or resided in
 38 **Indiana at least five (5) years before the person first applies for**
 39 **benefits under this chapter;".**

40 Page 3, line 8, strike "and".

41 Page 3, line 9, delete "qualifications." and insert "qualifications;

42 **(D) if the person was adopted by the person's mother or**
 43 **father, was adopted before the person was eighteen (18)**
 44 **years of age; and**

45 **(E) is not more than thirty-two (32) years of age when the**
 46 **person first applies and becomes eligible for benefits under**
 47 **this chapter."**

- 1 Page 3, line 21, after "(iv)" insert "**either**".
- 2 Page 3, line 22, delete "States;" and insert "**States or resided in**
- 3 **Indiana at least five (5) years before the person first applies for**
- 4 **benefits under this chapter;**".
- 5 Page 3, line 25, strike "and".
- 6 Page 3, line 26, delete "qualifications." and insert "qualifications;
- 7 **(D) if the person was adopted by the person's mother or**
- 8 **father, was adopted before the person was eighteen (18)**
- 9 **years of age; and**
- 10 **(E) is not more than thirty-two (32) years of age when the**
- 11 **person first applies and becomes eligible for benefits under**
- 12 **this chapter.**".
- 13 Page 3, line 29, delete "subsections".
- 14 Page 3, line 29, strike "(b),".
- 15 Page 3, line 29, delete "(c)," and insert "**this section and section 2.5**
- 16 **of this chapter,**".
- 17 Page 3, line 30, delete "and (d),".
- 18 Page 3, line 35, delete "institution within eight" and insert
- 19 "institution.".
- 20 Page 3, delete lines 36 through 37.
- 21 Page 3, line 42, delete "Any" and insert "**This subsection applies**
- 22 **to a student who initially enrolls in an eligible institution for a**
- 23 **semester (or its equivalent) beginning after June 30, 2012. Subject**
- 24 **to subsection (d), any**".
- 25 Page 3, line 42, after "may" insert "**not**".
- 26 Page 4, line 1, delete "until one (1) of the following" and insert "**if**
- 27 **the eligible individual fails to maintain at least the following**
- 28 **cumulative grade point average:**
- 29 **(1) For credit hours applicable to the equivalent of the**
- 30 **applicant's freshman academic year, a cumulative grade point**
- 31 **average that the eligible institution determines is satisfactory**
- 32 **academic progress.**
- 33 **(2) For credit hours applicable to the equivalent of the**
- 34 **applicant's sophomore academic year, a cumulative grade**
- 35 **point average of 2.25 on a 4.0 grading scale or its equivalent**
- 36 **as established by the eligible institution.**
- 37 **(3) For credit hours applicable to the equivalent of the**
- 38 **applicant's junior or senior academic year, a cumulative**
- 39 **grade point average of 2.5 on a 4.0 grading scale or its**
- 40 **equivalent as established by the eligible institution.**
- 41 **(d) After the first semester or its equivalent at the eligible**
- 42 **institution that a person does not achieve the requisite cumulative**
- 43 **grade point average specified in subsection (c), the person is**
- 44 **considered to be on probation and must achieve the requisite**
- 45 **cumulative grade point average by the next semester or its**
- 46 **equivalent at the eligible institution in order to continue to receive**

1 **benefits under this chapter."**

2 Page 4, delete lines 2 through 12, begin a new paragraph and insert:

3 "SECTION 16. IC 20-14-4-2.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2011]: **Sec. 2.5. (a) This section applies to an
6 individual who qualifies as an eligible applicant under section 1(3)
7 of this chapter because the individual's father or mother:**

8 **(1) enlisted or otherwise initially served in the armed forces of
9 the United States after June 30, 2011; and**

10 **(2) suffered a disability as determined by the United States
11 Department of Veterans Affairs.**

12 **(b) This subsection does not apply to an individual who:**

13 **(1) is an eligible applicant under section 1(3) of this chapter;
14 and**

15 **(2) qualifies as an eligible applicant under section 1(1) or 1(2)
16 of this chapter.**

17 **(c) Subject to subsection (d) and section 2(b) of this chapter, the
18 eligible applicant is entitled to a reduction in the educational costs
19 that would otherwise apply as follows:**

20 **(1) If the individual's father or mother suffered a disability as
21 determined by the United States Department of Veterans
22 Affairs with a rating of eighty percent (80%) or more, the
23 individual is entitled to a one hundred percent (100%)
24 reduction in education costs.**

25 **(2) If the individual's father or mother suffered a disability as
26 determined by the United States Department of Veterans
27 Affairs with a rating of less than eighty percent (80%), the
28 individual is entitled to a reduction in education costs equal to
29 the sum of:**

30 **(A) twenty percent (20%); plus**

31 **(B) the disability rating of the individual's father or
32 mother.**

33 **(d) The latest disability rating determined by the United States
34 Department of Veterans Affairs for an individual's father or
35 mother shall be used to compute the percentage by which
36 education costs are reduced under this section. If the disability
37 rating of the individual's father or mother changes after the
38 beginning of an academic semester, quarter, or other period for
39 which educational costs have been reduced under this section, the
40 change in disability rating shall be applied beginning with the
41 immediately following academic semester, quarter, or other period.**

42 SECTION 17. IC 21-14-4-5, AS ADDED BY P.L.2-2007,
43 SECTION 255, IS AMENDED TO READ AS FOLLOWS
44 [EFFECTIVE JULY 1, 2011]: **Sec. 5. (a) Determination of eligibility
45 for higher education benefits authorized under this chapter is vested
46 exclusively in the Indiana department of veterans' affairs. Any
47 applicant for benefits under this chapter may make a written request for**

1 a determination of eligibility by the Indiana department of veterans'
 2 affairs. The director or deputy director of the Indiana department of
 3 veterans' affairs shall make a written determination of eligibility in
 4 response to each request. In determining the amount of an applicant's
 5 benefit, the commission shall consider other higher education financial
 6 assistance in conformity with this chapter.

7 **(b) The commission shall administer the benefits and ensure**
 8 **compliance with this chapter."**

9 Page 4, between lines 33 and 34, begin a new paragraph and insert:
 10 "SECTION 20. IC 21-18-9-5, AS ADDED BY P.L.2-2007,
 11 SECTION 259, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2011]: Sec. 5. The commission may approve or
 13 disapprove the:

- 14 (1) establishment of any new branches, regional or other
 15 campuses, or extension centers;
 16 (2) establishment of any new college or school; or
 17 (3) offering on any campus of any:
 18 (A) additional associate, baccalaureate, or graduate degree; or
 19 (B) additional program of ~~two (2) semesters or their equivalent~~
 20 ~~in duration~~ leading to a certificate or other indication of
 21 accomplishment.

22 SECTION 21. IC 34-30-2-85.8 IS ADDED TO THE INDIANA
 23 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 24 [EFFECTIVE JULY 1, 2011]: **Sec. 85.8. IC 21-12-12-2 (Concerning**
 25 **the provision of student data).**

26 SECTION 22. THE FOLLOWING ARE REPEALED [EFFECTIVE
 27 JULY 1, 2011]: IC 21-12-3-19; IC 21-12-3-20; IC 21-12-3-21;
 28 IC 21-12-4-5; IC 21-12-4-6; IC 21-12-4-7; IC 21-12-4-8."

29 Renumber all SECTIONS consecutively.

(Reference is to ESB 577 as printed April 5, 2011.)

Representative Dermody