

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WITHDRAWN	Noes _____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~~ **a member of a household with an annual**
- 15 **income of not more than the amount required for the**
- 16 **individual to qualify for** free or reduced priced lunches under
- 17 the national school lunch program, **as determined for the**
- 18 **immediately preceding taxable year for the household.**
- 19 (4) Agree, in writing, together with the student's custodial parents
- 20 or guardian, that the student will:
- 21 (A) graduate from a secondary school located in Indiana that
- 22 meets the admission criteria of an eligible institution;
- 23 (B) not illegally use controlled substances (as defined in
- 24 IC 35-48-1-9);
- 25 (C) not commit a crime or an infraction described in
- 26 IC 9-30-5;
- 27 (D) not commit any other crime or delinquent act (as described
- 28 in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or
- 29 IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their
- 30 repeal));
- 31 (E) timely apply, when the eligible student is a senior in high
- 32 school:
- 33 (i) for admission to an eligible institution; and
- 34 (ii) for any federal and state student financial assistance
- 35 available to the eligible student to attend an eligible
- 36 institution; ~~and~~
- 37 (F) achieve a cumulative grade point average upon graduation
- 38 of:
- 39 (i) at least 2.0, **if the student graduates from high school**
- 40 **before July 1, 2014; and**
- 41 (ii) at least 2.5, **if the student graduates from high school**
- 42 **after June 30, 2014;**
- 43 on a 4.0 grading scale (or its equivalent if another grading
- 44 scale is used) for courses taken during grades 9, 10, 11, and
- 45 12; **and**
- 46 (G) **participate in an academic success program required**

1 **under the rules adopted by the commission and the**
 2 **commission for higher education, if the student initially**
 3 **enrolls in the program after June 30, 2011.**

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

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

9 (A) a foster family home;

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

11 (C) a child caring institution; or

12 (D) a group home;

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

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

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

21 SECTION 7. IC 21-12-6-6, AS ADDED BY P.L.2-2007, SECTION
 22 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
 23 1, 2011]: Sec. 6. **(a)** A student may apply to the commission for a
 24 scholarship. To qualify for a scholarship, the student must meet the
 25 following requirements:

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

28 (2) Be a resident of Indiana.

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

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

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

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

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

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

42 (B) not illegally consumed alcoholic beverages;

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

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

1 **(c) A tuition scholarship under this section may be used under**
 2 **the terms prescribed by the commission only for the purposes for**
 3 **which a tuition scholarship granted under section 6 or 7 of this**
 4 **chapter may be used.**

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

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

14 (1) Submit to the commission a renewal application that contains
 15 all the information and evidence required by the commission to
 16 determine eligibility for the scholarship renewal.

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

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

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

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

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

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

43 ~~(5)~~ **(5) Continue to meet any other minimum criteria established**
 44 **by the commission.**

45 **(b) After the first semester or its equivalent at the eligible**
 46 **institution that a person does not achieve the requisite cumulative**
 47 **grade point average specified in subsection (a)(4), the person is**

1 **considered to be on probation and must achieve the requisite**
 2 **cumulative grade point average by the next semester or its**
 3 **equivalent at the eligible institution in order to continue to receive**
 4 **benefits under this chapter.**

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

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

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

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

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

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

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

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

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

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

35 (i) the full tuition scholarship amounts of Ivy Tech
 36 Community College; or

37 (ii) the actual tuition and regularly assessed fees of the
 38 eligible institution; or

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

43 SECTION 11. IC 21-12-6-10.3 IS ADDED TO THE INDIANA
 44 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 45 [EFFECTIVE JULY 1, 2011]: **Sec. 10.3. (a) This section applies to a**
 46 **student who qualifies for a scholarship under section 6 or 7 of this**

1 chapter, if the student initially enrolls in the program after June
2 30, 2011.

3 (b) A scholarship applicant shall be awarded the following
4 amount as adjusted under subsections (c) and (d):

5 (1) If the scholarship applicant attends an approved
6 postsecondary educational institution that is a state
7 educational institution, the full educational costs that the
8 scholarship applicant would otherwise be required to pay at
9 the eligible institution.

10 (2) If the scholarship applicant attends an approved
11 postsecondary educational institution that is private, the
12 lesser of the educational costs that the scholarship applicant
13 would otherwise be required to pay at the private eligible
14 institution, or the average of the educational costs of all state
15 educational institutions, not including Ivy Tech Community
16 College.

17 (3) If the scholarship applicant attends an approved
18 postsecondary educational institution that is a postsecondary
19 proprietary educational institution, the lesser of the
20 educational costs that the scholarship applicant would
21 otherwise be required to pay at the postsecondary proprietary
22 educational institution or the educational costs of Ivy Tech
23 Community College.

24 (c) The amount of an award under subsection (b) shall be
25 reduced by:

26 (1) the amount of the Frank O'Bannon grant awarded to the
27 scholarship applicant; plus

28 (2) an additional amount based on the expected family
29 contribution, if necessary, as determined by the commission,
30 to provide scholarships within the available appropriation.

31 (d) The total of all tuition scholarships awarded under this
32 section in a state fiscal year may not exceed the amount available
33 for distribution from the fund for scholarships under this chapter.
34 If the total amount to be distributed from the fund in a state fiscal
35 year exceeds the amount available for distribution, the amount to
36 be distributed to each eligible applicant shall be proportionately
37 reduced so that the total reductions equal the amount of the excess
38 based on the relative financial need of each eligible applicant.

39 SECTION 12. IC 21-12-11 IS ADDED TO THE INDIANA CODE
40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2011]:

42 **Chapter 11. Frank O'Bannon Grant Award Fund**

43 **Sec. 1. (a) The auditor of state shall create a Frank O'Bannon**
44 **grant award fund. The fund consists of the following:**

45 (1) Appropriations made by the general assembly.

46 (2) Gifts, grants, devises, or bequests made to the state to
47 achieve the purposes of the fund.

- 1 **(b) The commission shall administer the fund.**
- 2 **(c) The treasurer of state shall invest the money in the fund not**
3 **currently needed to meet the obligations of the fund in the same**
4 **manner as other public funds are invested.**
- 5 **(d) Money appropriated from the fund must be used for**
6 **providing Frank O'Bannon grants and other awards and**
7 **scholarships administered by the commission. All money disbursed**
8 **from the fund must be in accordance with this chapter.**
- 9 **(e) Money remaining in the fund at the end of any fiscal year**
10 **does not revert to the state general fund but remains available for**
11 **appropriation from the fund for making Frank O'Bannon grants**
12 **and other awards and scholarships administered by the**
13 **commission.**
- 14 **Sec. 2. An appropriation made for Frank O'Bannon grants may**
15 **be transferred to provide other scholarships administered by the**
16 **commission, subject to the prior approval of the budget agency.**
- 17 **Sec. 3. The commission shall maintain the same proportionality**
18 **between the maximum award permitted under IC 21-12-3 and the**
19 **maximum award permitted under IC 21-12-4 that existed for**
20 **grants in the state fiscal year beginning July 1, 2010, and ending**
21 **June 30, 2011.**
- 22 **Sec. 4. For each academic year, beginning with the 2011-2012**
23 **academic year, the commission shall, after the commission has**
24 **made its determinations for the annual maximum base award for**
25 **each Frank O'Bannon grant and made any adjustments necessary**
26 **to stay within the appropriation made for each grant, report these**
27 **determinations and adjustments to the general assembly in an**
28 **electronic format under IC 5-14-6. The report must clearly and**
29 **transparently delineate the methods and factors used by the**
30 **commission in setting the maximum base awards for each Frank**
31 **O'Bannon grant, including any necessary adjustments necessary**
32 **to stay within the appropriations made for Frank O'Bannon**
33 **grants.**
- 34 **SECTION 13. IC 21-12-12 IS ADDED TO THE INDIANA CODE**
35 **AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE**
36 **JULY 1, 2011]:**
- 37 **Chapter 12. Postsecondary Award and Scholarship Program**
38 **Data**
- 39 **Sec. 1. (a) Before Frank O'Bannon grants are distributed for the**
40 **2011-12 academic year, the commission for higher education, in**
41 **consultation with the commission and the Independent Colleges of**
42 **Indiana, shall collect from all participating public, private**
43 **nonprofit, and proprietary institutions:**
- 44 **(1) the appropriate current and past student and unit record**
45 **data that are necessary to adequately administer and evaluate**
46 **the effectiveness of the award and scholarship programs**
47 **administered by the commission; and**

1 (2) other appropriate student data on all students attending
2 these institutions to allow the commission for higher
3 education to develop, update, and implement a long range
4 plan for postsecondary education.

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

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

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

24 **Chapter 13. Renewal of Scholarships**

25 Sec. 1. (a) This section applies to the following scholarships and
26 tuition and fee remission statutes:

- 27 (1) IC 10-12-2-6.
- 28 (2) IC 10-12-2-11.
- 29 (3) IC 10-17-7.
- 30 (4) IC 21-14-4.
- 31 (5) IC 21-14-6-3.
- 32 (6) IC 21-14-7.
- 33 (7) IC 21-14-10.

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

41 Sec. 2. (a) This section applies to the following scholarship and
42 fee remission statutes:

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

- 1 (6) IC 21-13-2.
 2 (7) IC 21-13-3.
 3 (8) IC 21-13-4.
 4 (9) IC 21-14-5.
 5 (10) IC 21-14-6-2.

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

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

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

- 17 (1) to which an individual may be admitted without
 18 completing an undergraduate degree;
 19 (2) leads to a degree that is not an undergraduate or graduate
 20 degree, as determined by the commission; and
 21 (3) prepares the holder of the degree for a profession.

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

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

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

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

38 Page 2, delete lines 1 through 26.

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

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

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

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

45 (D) if the person was adopted by the person's mother or
 46 father, was adopted before the person was eighteen (18)
 47 years of age; and

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

1 considered to be on probation and must achieve the requisite
 2 cumulative grade point average by the next semester or its
 3 equivalent at the eligible institution in order to continue to receive
 4 benefits under this chapter."

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

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

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

13 (2) suffered a disability as determined by the United States
 14 Department of Veterans Affairs.

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

16 (1) is an eligible applicant under section 1(3) of this chapter;
 17 and

18 (2) qualifies as an eligible applicant under section 1(1) or 1(2)
 19 of this chapter.

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

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

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

33 (A) twenty percent (20%); plus

34 (B) the disability rating of the individual's father or
 35 mother.

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

45 SECTION 17. IC 21-14-4-5, AS ADDED BY P.L.2-2007,
 46 SECTION 255, IS AMENDED TO READ AS FOLLOWS
 47 [EFFECTIVE JULY 1, 2011]: **Sec. 5. (a) Determination of eligibility**

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

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

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

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

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

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

32 Renummer all SECTIONS consecutively.

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

Representative Dermody