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# HOUSE BILL No. 1328

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.1-34; IC 21-11-6-2; IC 21-12; IC 21-13; IC 21-18-9-5.

**Synopsis:** SSACI assistance. Allows the state student assistance commission (SSACI) to transfer funds between freedom of choice grants and higher education awards. Allows SSACI recipients to use up to two semesters worth of aid on summer classes beginning July 1, 2013. Provide that assistance programs may be provided only for undergraduate courses and for no more than eight semesters. Requires private universities that accept SSACI funds to submit specified information to the commission on higher education. Beginning July 1, 2013, changes the minority teacher, special education services, and nursing scholarship programs from an up-front grant programs to reimbursement programs using income tax credits, and provides that the tax credits may be claimed after the academic program is completed. Limits the total credits to \$400,000 per state fiscal year. Limits the annual credit amount so that full reimbursement is recouped during the same period as the participant is fulfilling the program's work requirements. Requires individuals participating as students in the minority teacher, special education services, and nursing scholarship tax credit programs after June 30, 2013, to maintain the greater of the grade point average required by their educational institution or 2.5 on a 4.0 scale. Changes the eligibility requirements for the 21st century scholars program for individuals who first enroll in the program after June 30, 2011, to: (1) allow only 7th and 8th graders to enroll in the program; and (2) remove the free and reduced lunch criteria and replace it with the annual family income standard used for the free (not reduced price) lunch program. Requires SSACI to prescribe an application form and approve 21st century scholar applications after June 30, 2011. Beginning in July 2012, requires (Continued next page)

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**Effective:** July 1, 2011; July 1, 2013.

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January 13, 2011, read first time and referred to Committee on Education.

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SSACI to reevaluate the financial need of 21st century scholar program participants when they enter college using the eligibility requirements used when the participants first entered the program. Provides that students who qualified for the program initially and successfully met the program's requirements but no longer meet the financial need standard when entering college are entitled to receive a one-time grant of \$1,000 to be used at the Indiana college of their choice. For individuals applying for the 21st century scholars program after June 30, 2013, requires the student to achieve a high school grade point average of at least 2.5 on a 4.0 scale. Limits the 21st century scholars program award for students whose applications are approved after June 30, 2012, to a limit set by SSACI based on available funds and number of participants, with a cap equal to the difference between the highest in-state tuition plus fees minus the maximum Frank O'Bannon grant. Prohibits SSACI from transferring money into the 21st century program from any other scholarship program. Permits the commission for higher education to approve certificate programs of less than one year.

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Introduced

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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## HOUSE BILL No. 1328

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 6-3.1-34 IS ADDED TO THE INDIANA CODE  
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2011]:

4 **Chapter 34. Higher Education Tuition Tax Credit**

5 **Sec. 1. This chapter applies only to taxable years beginning after**  
6 **December 31, 2013.**

7 **Sec. 2. As used in this chapter, "scholarship tax credit" refers**  
8 **to a scholarship tax credit awarded to an individual under**  
9 **IC 21-13-2 or IC 21-13-3.**

10 **Sec. 3. As used in this chapter, "state tax liability" means the**  
11 **taxpayer's total tax liability that is incurred under IC 6-3-1**  
12 **through IC 6-3-7 (the adjusted gross income tax), as computed**  
13 **after the application of the credits that, under IC 6-3.1-1-2, are to**  
14 **be applied before the credit provided by this chapter.**

15 **Sec. 4. As used in this chapter, "taxpayer" means:**



1 (1) an individual filing a single return; or  
2 (2) a married couple filing a joint return;  
3 that has any state tax liability.

4 Sec. 5. (a) A taxpayer who:

- 5 (1) has attained a postsecondary degree after being awarded  
6 a scholarship tax credit; and  
7 (2) is fulfilling the work requirements for the credit under  
8 IC 21-13-2-4(4), IC 21-13-2-5(3), or IC 21-13-3-5(2) during the  
9 taxable year;

10 is entitled to a credit against the taxpayer's state tax liability for  
11 the taxable year.

12 (b) The amount of the credit for a taxable year is equal to:

- 13 (1) the total amount of scholarship tax credits that an  
14 individual has been awarded; divided by  
15 (2) the number of years the individual has agreed to work in  
16 Indiana as a condition for receiving the scholarship tax credit.

17 Sec. 6. The total amount of credits claimed under this chapter  
18 by a taxpayer may not exceed the total amount of the scholarship  
19 tax credits the taxpayer was awarded. A taxpayer is entitled to a  
20 refund if the credit for a taxable year exceeds the taxpayer's state  
21 tax liability for that taxable year.

22 Sec. 7. A taxpayer may not sell, assign, convey, or otherwise  
23 transfer the tax credit provided by this chapter.

24 Sec. 8. To receive the credit provided by this chapter, a taxpayer  
25 must claim the credit on the taxpayer's annual state tax return or  
26 returns in the manner prescribed by the department. The taxpayer  
27 shall submit to the department all information that the department  
28 determines to be necessary for the calculation of the credit  
29 provided by this chapter.

30 SECTION 2. IC 21-11-6-2 IS ADDED TO THE INDIANA CODE  
31 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
32 1, 2011]: Sec. 2. The commission may provide assistance to an  
33 applicant:

- 34 (1) only for postsecondary undergraduate courses; and  
35 (2) for not more than eight (8) semesters (or the equivalent)  
36 which, after June 30, 2013, may include up to the equivalent  
37 of two (2) regular semesters of courses taken during a  
38 summer semester.

39 SECTION 3. IC 21-12-3-21, AS ADDED BY P.L.2-2007,  
40 SECTION 253, IS AMENDED TO READ AS FOLLOWS  
41 [EFFECTIVE JULY 1, 2011]: Sec. 21. After the commitments for the  
42 higher education award fund have been fully met for any academic year

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1 ~~under this chapter,~~ The commission may order the auditor of state to  
2 transfer:

- 3 (1) to the freedom of choice grant fund any money remaining in  
4 the higher education award fund; **or**  
5 (2) to the higher education award fund any money remaining  
6 in the freedom of choice grant fund.

7 The auditor of state shall make the transfer ordered by the commission  
8 with the approval of the budget director and the governor.

9 SECTION 4. IC 21-12-4-9 IS ADDED TO THE INDIANA CODE  
10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
11 1, 2011]: **Sec. 9. If a student who receives a freedom of choice grant  
12 is enrolled in an approved postsecondary educational institution,  
13 the institution shall provide current student information system  
14 data to the commission as required by the commission.**

15 SECTION 5. IC 21-12-6-2, AS ADDED BY P.L.234-2007,  
16 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2011]: Sec. 2. (a) The twenty-first century scholars fund is  
18 established to provide the financial resources necessary to award the  
19 scholarships authorized under the program.

20 (b) The commission shall administer the fund.

21 (c) The expenses of administering the fund shall be paid from  
22 money in the fund.

23 (d) The treasurer of state shall invest the money in the fund not  
24 currently needed to meet the obligations of the fund in the same  
25 manner as other public funds may be invested.

26 (e) Money in the fund at the end of a state fiscal year does not revert  
27 to the state general fund but remains available to be used for providing  
28 money for twenty-first century scholarships under this chapter.

29 **(f) Money may not be transferred to the fund.**

30 SECTION 6. IC 21-12-6-5, AS AMENDED BY P.L.3-2008,  
31 SECTION 131, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) **After June 30, 2011,** to  
33 qualify to participate in the program, a student must meet the following  
34 requirements:

35 (1) Be a resident of Indiana.

36 (2) Be:

37 (A) enrolled in grade 7 or 8, for the 2007-2008 school year,  
38 ~~and~~ grade 6, 7, or 8, for the 2008-2009, **2009-2010, or**  
39 **2010-2011** school year, **or grade 7 or 8 for the 2011-2012**  
40 **school year** and for subsequent school years, at a:

41 (i) public school; or

42 (ii) nonpublic school that is accredited either by the state

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- 1 board of education or by a national or regional accrediting  
 2 agency whose accreditation is accepted as a school  
 3 improvement plan under IC 20-31-4-2; or  
 4 (B) otherwise qualified under the rules of the commission that  
 5 are adopted under IC 21-11-9-4 to include students who are in  
 6 grades other than grade 8 as eligible students.
- 7 **(3) ~~Be~~ Satisfy the annual family income requirements to be**  
 8 **eligible for free ~~or reduced priced~~ lunches under the national**  
 9 **school lunch program, as determined by the commission.**
- 10 **(4) Agree, in writing, together with the student's custodial parents**  
 11 **or guardian, that the student will:**
- 12 (A) graduate from a secondary school located in Indiana that  
 13 meets the admission criteria of an eligible institution;  
 14 (B) not illegally use controlled substances (as defined in  
 15 IC 35-48-1-9);  
 16 (C) not commit a crime or an infraction described in  
 17 IC 9-30-5;  
 18 (D) not commit any other crime or delinquent act (as described  
 19 in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or  
 20 IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their  
 21 repeal));  
 22 (E) timely apply, when the eligible student is a senior in high  
 23 school:  
 24 (i) for admission to an eligible institution; and  
 25 (ii) for any federal and state student financial assistance  
 26 available to the eligible student to attend an eligible  
 27 institution; and  
 28 (F) achieve a cumulative grade point average upon graduation  
 29 of:  
 30 **(i) before July 1, 2013, at least 2.0; or**  
 31 **(ii) after June 30, 2013, at least 2.5;**  
 32 on a 4.0 grading scale (or its equivalent if another grading  
 33 scale is used) for courses taken during grades 9, 10, 11, and  
 34 12.
- 35 **(5) Complete an application in the form prescribed by the**  
 36 **commission.**
- 37 **(6) Receive the approval of the commission to participate in**  
 38 **the program.**
- 39 (b) A student is **also** qualified to participate in the program if the  
 40 student:  
 41 (1) before or during grade 7 or grade 8, is placed by or with the  
 42 consent of the department of child services, by a court order, or by

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- 1 a child placing agency in:
- 2 (A) a foster family home;
- 3 (B) the home of a relative or other unlicensed caretaker;
- 4 (C) a child caring institution; or
- 5 (D) a group home;
- 6 (2) agrees in writing, together with the student's caseworker (as
- 7 defined in IC 31-9-2-11), to the conditions set forth in subsection
- 8 (a)(4); and
- 9 (3) except as provided in subdivision (2), otherwise meets the
- 10 requirements of subsection (a).

11 SECTION 7. IC 21-12-6-6, AS ADDED BY P.L.2-2007, SECTION  
 12 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY  
 13 1, 2011]: Sec. 6. A student may apply to the commission for a  
 14 scholarship. To qualify for a scholarship, the student must meet the  
 15 following requirements:

- 16 (1) Be an eligible student who qualified to participate in the
- 17 program under section 5 of this chapter.
- 18 (2) Be a resident of Indiana.
- 19 (3) Be a graduate from a secondary school located in Indiana that
- 20 meets the admission criteria of an eligible institution.
- 21 (4) Have applied to attend and be accepted to attend as a full-time
- 22 student an eligible institution.
- 23 (5) Certify in writing that the student has:
- 24 (A) not illegally used controlled substances (as defined in
- 25 IC 35-48-1-9);
- 26 (B) not illegally consumed alcoholic beverages;
- 27 (C) not committed any other crime or a delinquent act (as
- 28 described in IC 31-37-1-2 or IC 31-37-2-2 through
- 29 IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5)
- 30 before their repeal)); and
- 31 (D) timely filed an application for other types of financial
- 32 assistance available to the student from the state or federal
- 33 government.
- 34 (6) Submit to the commission all the information and evidence
- 35 required by the commission to determine eligibility as a
- 36 scholarship applicant.
- 37 **(7) Satisfy the annual family income requirements to be**
- 38 **eligible for free lunches under the national school lunch**
- 39 **program, as determined by the commission, at the time of**
- 40 **applying for the scholarship, if the application to participate**
- 41 **in the program is approved after June 30, 2011.**
- 42 ~~(7)~~ **(8)** Meet any other minimum criteria established by the

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commission.  
SECTION 8. IC 21-12-6-7, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. A scholarship may be renewed. To qualify for a scholarship renewal, a scholarship recipient must do the following:

- (1) Submit to the commission a renewal application that contains all the information and evidence required by the commission to determine eligibility for the scholarship renewal.
- (2) Continue to be enrolled as a full-time student in good standing at an eligible institution.
- (3) Satisfy the annual family income requirements to be eligible for free lunches under the national school lunch program, as determined by the commission, at the time of applying for the scholarship, if the application to participate in the program is approved after June 30, 2011.**
- ~~(3)~~ (4) Continue to meet any other minimum criteria established by the commission.

SECTION 9. IC 21-12-6-10, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. **(a) This subsection applies to a student whose application to receive a scholarship under section 6 of this chapter is approved before July 1, 2012.** The amount of a scholarship is equal to the lowest of the following amounts:

- (1) If the scholarship applicant attends an eligible institution that is a state educational institution and:
  - (A) receives no other financial assistance specifically designated for educational costs, a full tuition scholarship to the state educational institution; or
  - (B) receives other financial assistance specifically designated for educational costs, the balance required to attend the state educational institution, not to exceed the amount described in clause (A).
- (2) If the scholarship applicant attends an eligible institution that is private and:
  - (A) receives no other financial assistance specifically designated for educational costs, an average of the full tuition scholarship amounts of all state educational institutions not including Ivy Tech Community College; or
  - (B) receives other financial assistance specifically designated for educational costs, the balance required to attend the college or university not to exceed the amount described in clause (A).
- (3) If the scholarship applicant attends an eligible institution that

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1 is a postsecondary proprietary educational institution and:

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

4 (i) the full tuition scholarship amounts of Ivy Tech  
5 Community College; or

6 (ii) the actual tuition and regularly assessed fees of the  
7 eligible institution; or

8 (B) receives other financial assistance specifically designated  
9 for educational costs, the balance required to attend the  
10 eligible institution, not to exceed the amount described in  
11 clause (A).

12 **(b) This subsection applies to a student whose application to**  
13 **receive a scholarship under section 6 of this chapter is approved**  
14 **after June 30, 2012. The amount of a scholarship is equal to the**  
15 **lowest of the following amounts:**

16 **(1) If the scholarship applicant attends an eligible institution**  
17 **that is a state educational institution or a private institution,**  
18 **the following amounts:**

19 **(A) If the scholarship applicant receives no other financial**  
20 **assistance specifically designated for educational costs, an**  
21 **amount determined by the commission based on**  
22 **appropriations and eligible scholars, but not to exceed the**  
23 **difference between:**

24 **(i) the highest in-state tuition plus fees for a student**  
25 **among all state educational institutions; minus**

26 **(ii) the maximum Frank O'Bannon grant for a student**  
27 **among all state educational institutions with a four (4)**  
28 **year degree program.**

29 **(B) If the scholarship applicant receives other financial**  
30 **assistance specifically designated for educational costs, the**  
31 **balance required to attend the state educational institution,**  
32 **not to exceed the amount described in clause (A).**

33 **(2) If the scholarship applicant attends an eligible institution**  
34 **that is a postsecondary proprietary educational institution,**  
35 **the following amounts:**

36 **(A) If the scholarship applicant receives no other financial**  
37 **assistance specifically designated for educational costs, an**  
38 **amount determined by the commission based on**  
39 **appropriations and eligible scholars, but not to exceed the**  
40 **lesser of:**

41 **(i) the difference between the in-state tuition at Ivy Tech**  
42 **Community College plus fees for a student, minus the**

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**maximum Frank O'Bannon grant for a student at Ivy Tech Community College; or**  
**(ii) the actual tuition and regularly assessed fees of the eligible institution.**

**(B) If the scholarship applicant receives other financial assistance specifically designated for educational costs, the balance required to attend the eligible institution, not to exceed the amount described in clause (A).**

**(3) If the scholarship applicant does not qualify for the scholarship at the time the applicant first applies for the scholarship because the student does not satisfy the annual family income requirements to be eligible for free lunches under the national school lunch program, as determined by the commission, the scholarship amount is one thousand dollars (\$1,000). The scholarship is a one-time grant that may be used at any postsecondary educational institution that operates in Indiana.**

SECTION 10. IC 21-13-2-1, AS ADDED BY P.L.2-2007, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 1. The minority teacher or special education services scholarship ~~fund~~ **tax credit** is established:

- (1) to encourage and promote qualified minority individuals to pursue a career in teaching in accredited schools in Indiana;
- (2) to enhance the number of individuals who may serve as role models for the minority students in Indiana; and
- (3) to rectify the shortage of minority teachers teaching in accredited schools in Indiana;
- (4) to encourage and promote qualified individuals to pursue a career in:
  - (A) teaching special education in accredited schools in Indiana; or
  - (B) practicing occupational or physical therapy in accredited schools in Indiana, in vocational rehabilitation centers under IC 12-12-1-4.1(a)(1), or in community mental retardation or other developmental disabilities centers under IC 12-29 (except IC 12-29-3-6) as part of the special education program; and
- (5) to rectify the shortage of individuals who:
  - (A) teach special education; or
  - (B) provide certain other special education services in accredited schools in Indiana.

SECTION 11. IC 21-13-2-2, AS ADDED BY P.L.2-2007,

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1 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2013]: Sec. 2. (a) The commission shall  
3 administer the ~~fund~~:

4 (b) ~~The expenses of administering the fund shall be paid from~~  
5 ~~money in the fund:~~

6 (c) ~~The treasurer of state shall invest the money in the fund not~~  
7 ~~currently needed to meet the obligations of the fund in the same~~  
8 ~~manner as other public funds may be invested.~~ **scholarship tax credit**  
9 **program. The total amount of scholarship tax credits that may be**  
10 **awarded under this chapter is four hundred thousand dollars**  
11 **(\$400,000) during each state fiscal year.**

12 SECTION 12. IC 21-13-2-3, AS ADDED BY P.L.2-2007,  
13 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
14 [EFFECTIVE JULY 1, 2013]: Sec. 3. ~~Money in the fund~~ **Scholarship**  
15 **tax credits** shall be used to provide annual ~~scholarships~~ **tax credits** to  
16 individuals who qualify for a ~~scholarship~~ under:

- 17 (1) section 4 of this chapter; or
- 18 (2) section 5 of this chapter.

19 SECTION 13. IC 21-13-2-4, AS ADDED BY P.L.2-2007,  
20 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
21 [EFFECTIVE JULY 1, 2013]: Sec. 4. An individual qualifies for an  
22 initial scholarship ~~from the fund~~ **tax credit** if the individual:

- 23 (1) is a minority student;
- 24 (2) is admitted to an eligible institution as a full-time student or  
25 already attends an eligible institution as a full-time student;
- 26 (3) either:
  - 27 (A) intends to pursue; or
  - 28 (B) in the case of a student who is already attending an eligible  
29 institution, pursues;  
30 a course of study that would enable the student, upon graduation,  
31 to teach in an accredited school in Indiana;
- 32 (4) agrees, in writing, to teach in an accredited school in Indiana  
33 for at least three (3) years of the first five (5) years following that  
34 student's certification as a teacher; and
- 35 (5) meets any other minimum criteria established by the  
36 commission.

37 SECTION 14. IC 21-13-2-5, AS ADDED BY P.L.197-2007,  
38 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2013]: Sec. 5. An individual qualifies for an initial scholarship  
40 ~~from the fund~~ **tax credit** if the individual:

- 41 (1) is admitted to an eligible institution as a full-time student or  
42 is attending an eligible institution as a full-time student;

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1 (2) either intends to pursue or, in the case of a student who is  
 2 attending an eligible institution, pursues a course of study that  
 3 would enable the student, upon graduation, to be:

4 (A) licensed to teach special education in an accredited school  
 5 under rules adopted by the Indiana state board of education;

6 (B) licensed to practice occupational therapy:

7 (i) in an accredited school;

8 (ii) in a vocational rehabilitation center under  
 9 IC 12-12-1-4.1(a)(1); or

10 (iii) in a community mental retardation or other  
 11 developmental disabilities center under IC 12-29 except  
 12 IC 12-29-3-6; or

13 (C) licensed to practice physical therapy:

14 (i) in an accredited school;

15 (ii) in a vocational rehabilitation center under  
 16 IC 12-12-1-4.1(a)(1); or

17 (iii) in a community mental retardation or other  
 18 developmental disabilities center under IC 12-29 except  
 19 IC 12-29-3-6;

20 (3) agrees in writing to:

21 (A) teach in an accredited school; or

22 (B) practice occupational therapy or physical therapy,  
 23 whichever applies:

24 (i) in an accredited school in Indiana;

25 (ii) in a vocational rehabilitation center under  
 26 IC 12-12-1-4.1(a)(1); or

27 (iii) in a community mental retardation or other  
 28 developmental disabilities center under IC 12-29 except  
 29 IC 12-29-3-6;

30 for at least three (3) of the first five (5) years following the  
 31 student's licensure as a teacher, licensure as an occupational  
 32 therapist, or licensure as a physical therapist; and

33 (4) meets any other minimum criteria established by the  
 34 commission.

35 SECTION 15. IC 21-13-2-6, AS ADDED BY P.L.2-2007,  
 36 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2013]: Sec. 6. Subject to section 12 of this  
 38 chapter, a scholarship **tax credit** may be renewed under this chapter for  
 39 a total scholarship **tax credit** award that does not exceed eight (8)  
 40 semesters (or its equivalent). However, an eligible institution may not  
 41 grant a scholarship **tax credit** renewal to a student for an academic  
 42 year that ends later than six (6) years after the date the student received

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1 the initial scholarship **tax credit** under this chapter.  
2 SECTION 16. IC 21-13-2-7, AS ADDED BY P.L.2-2007,  
3 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2013]: Sec. 7. (a) To qualify for a scholarship  
5 **tax credit** renewal, ~~from the fund~~; a minority student that qualified for  
6 the initial scholarship **tax credit** under section 4 of this chapter must:

- 7 (1) comply with the criteria in section 4 of this chapter; and
- 8 (2) maintain at least **the greater of** the cumulative grade point  
9 average:

10 (A) that is required by an eligible institution for admission to  
11 the eligible institution's school of education; or

12 (B) ~~of 2.0~~ **2.5** on a 4.0 grading scale or its equivalent as  
13 established by the eligible institution if the eligible institution's  
14 school of education does not require a certain minimum  
15 cumulative grade point average.

16 (b) To qualify for a scholarship **tax credit** renewal, ~~from the fund~~;  
17 an individual that qualified for the initial scholarship under section 5  
18 of this chapter must:

- 19 (1) comply with the criteria set forth in section 5 of this chapter;  
20 and
- 21 (2) maintain at least **the greater of** the cumulative grade point  
22 average:

23 (A) that is required by an eligible institution for admission to  
24 the eligible institution's school of education; or

25 (B) ~~of 2.0~~ **2.5** on a 4.0 grading scale or its equivalent as  
26 established by the eligible institution if the eligible institution's  
27 school of education does not require a certain minimum  
28 cumulative grade point average.

29 SECTION 17. IC 21-13-2-8, AS ADDED BY P.L.2-2007,  
30 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
31 [EFFECTIVE JULY 1, 2013]: Sec. 8. Except as provided in this  
32 chapter, a scholarship **tax credit** is equal to the lesser of the following  
33 amounts:

- 34 (1) The balance of the student's total cost in attending the eligible  
35 institution for the academic year.
- 36 (2) One thousand dollars (\$1,000).

37 SECTION 18. IC 21-13-2-9, AS ADDED BY P.L.2-2007,  
38 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
39 [EFFECTIVE JULY 1, 2013]: Sec. 9. (a) This section applies if a  
40 minority student:

- 41 (1) initially qualifies for a scholarship **tax credit** under section 4  
42 of this chapter; and

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1 (2) demonstrates to the commission financial need in an amount  
2 greater than described in section 8 of this chapter.

3 (b) The annual scholarship **tax credit** that the minority student may  
4 receive is equal to the lesser of the following amounts:

5 (1) The balance of the student's total cost in attending the eligible  
6 institution for the academic year.

7 (2) Four thousand dollars (\$4,000).

8 SECTION 19. IC 21-13-2-11, AS ADDED BY P.L.2-2007,  
9 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
10 [EFFECTIVE JULY 1, 2013]: Sec. 11. The commission shall allocate  
11 ~~the available money from the fund~~ **scholarship tax credits** to each  
12 eligible institution in proportion to the number of minority students  
13 enrolled at each eligible institution based upon the information  
14 received from the commission for higher education.

15 SECTION 20. IC 21-13-2-12, AS ADDED BY P.L.2-2007,  
16 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
17 [EFFECTIVE JULY 1, 2013]: Sec. 12. Each eligible institution shall  
18 determine the scholarship **tax credit** recipients under this chapter:

19 (1) based upon:

20 (A) the criteria set forth in section 4 or 5 of this chapter; and

21 (B) the rules adopted by the commission; and

22 (2) with a priority on granting ~~scholarships~~ **scholarship tax**  
23 **credits** in the following order:

24 (A) Minority students seeking a renewal scholarship **tax**  
25 **credit**.

26 (B) Newly enrolling minority students.

27 (C) Special education services students seeking a renewal  
28 scholarship **tax credit**.

29 (D) Newly enrolling special education services students.

30 SECTION 21. IC 21-13-2-13, AS ADDED BY P.L.2-2007,  
31 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2013]: Sec. 13. Any ~~funds~~ **scholarship tax**  
33 **credits** that:

34 (1) are allocated to an eligible institution; and

35 (2) are not used for ~~scholarships~~ **scholarship tax credits** under  
36 this chapter;

37 shall be ~~returned to the commission for reallocation~~ **allocated** by the  
38 commission to any other eligible institution in need of additional ~~funds~~:  
39 **scholarship tax credits**.

40 SECTION 22. IC 21-13-2-14, AS ADDED BY P.L.2-2007,  
41 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2013]: Sec. 14. (a) The amount of a scholarship

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1 **tax credit** awarded under this chapter may not be reduced because the  
2 student receives other scholarships or forms of financial aid.

3 (b) Except as otherwise permitted by law, the amount of any other  
4 state financial aid received by a student may not be reduced because  
5 the student receives a scholarship **tax credit** under this chapter.

6 SECTION 23. IC 21-13-3-1, AS ADDED BY P.L.2-2007,  
7 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2013]: Sec. 1. ~~(a)~~ The nursing scholarship ~~fund~~  
9 **tax credit** is established:

10 (1) to encourage and promote qualified individuals to pursue a  
11 career in nursing in Indiana; and

12 (2) to rectify the shortage of nurses in Indiana.

13 ~~(b) The fund consists of the following:~~

14 ~~(1) Appropriations by the general assembly:~~

15 ~~(2) Gifts to the fund:~~

16 SECTION 24. IC 21-13-3-2, AS ADDED BY P.L.234-2007,  
17 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 JULY 1, 2013]: Sec. 2. ~~(a)~~ The commission shall administer the ~~fund~~:

19 ~~(b) The expenses of administering the fund shall be paid from~~  
20 ~~money in the fund:~~

21 ~~(c) The treasurer of state shall invest the money in the fund not~~  
22 ~~currently needed to meet the obligations of the fund in the same~~  
23 ~~manner as other public funds: Interest that accrues from those~~  
24 ~~investments must be deposited in the fund:~~

25 ~~(d) Money in the fund at the end of a fiscal year does not revert to~~  
26 ~~the state general fund but remains available to be used for providing~~  
27 ~~money for nursing scholarships under this chapter: **nursing**~~  
28 ~~**scholarship tax credit program. The total amount of nursing**~~  
29 ~~**scholarship tax credits that may be awarded under this chapter is**~~  
30 ~~**four hundred thousand dollars (\$400,000) during each state fiscal**~~  
31 ~~**year.**~~

32 SECTION 25. IC 21-13-3-3, AS ADDED BY P.L.2-2007,  
33 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
34 [EFFECTIVE JULY 1, 2013]: Sec. 3. ~~The money in the fund~~ **Nursing**

35 **scholarship tax credits** must be used to provide annual ~~scholarships~~  
36 **tax credits** to nursing students who qualify by demonstrating a  
37 financial need and meeting the requirements in this chapter. An annual  
38 **nursing scholarship tax credit** awarded under this subsection is equal  
39 to the lesser of the following amounts:

40 (1) The balance of the student's total cost of tuition or fees in  
41 attending the eligible institution for the academic year.

42 (2) Five thousand dollars (\$5,000).

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1 SECTION 26. IC 21-13-3-4, AS ADDED BY P.L.2-2007,  
 2 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2013]: Sec. 4. A **nursing** scholarship **tax credit**  
 4 awarded under this chapter may be used only for the payment of  
 5 educational costs that are:

6 (1) approved by the approved postsecondary educational  
 7 institution that awards the scholarship; and

8 (2) not otherwise payable under any other scholarship or form of  
 9 financial assistance specifically designated for educational costs.

10 SECTION 27. IC 21-13-3-5, AS AMENDED BY P.L.55-2009,  
 11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2013]: Sec. 5. To initially qualify for a **nursing** scholarship  
 13 ~~from the fund;~~ **tax credit**, a nursing student must:

14 (1) be admitted to an approved postsecondary educational  
 15 institution as a full-time or part-time nursing student in a program  
 16 that will meet the requirements to allow the student to obtain  
 17 licensing as a registered nurse or licensed practical nurse under  
 18 IC 25-23-1;

19 (2) agree, in writing, to work as a registered nurse or licensed  
 20 practical nurse providing direct patient care in:

21 (A) an acute care or specialty hospital;

22 (B) a long term care facility;

23 (C) a rehabilitation care facility;

24 (D) a home health care entity;

25 (E) a hospice program;

26 (F) a mental health facility; or

27 (G) a facility located in a shortage area (as defined in  
 28 IC 16-46-5-6);

29 in Indiana for at least two (2) years following graduation;

30 (3) meet any other minimum criteria established by the  
 31 commission; and

32 (4) demonstrate a financial need for the **nursing** scholarship **tax**  
 33 **credit**.

34 SECTION 28. IC 21-13-3-6, AS ADDED BY P.L.2-2007,  
 35 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 36 [EFFECTIVE JULY 1, 2013]: Sec. 6. To qualify for a **nursing**  
 37 scholarship **tax credit** renewal, ~~from the fund;~~ a nursing student must:

38 (1) comply with the criteria set forth in section 5 of this chapter;

39 (2) maintain at least **the greater of** the cumulative grade point  
 40 average:

41 (A) that is required by an approved postsecondary educational  
 42 institution for admission to the approved postsecondary

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1 educational institution; or  
 2 (B) **that is** equivalent to ~~2.0~~ **2.5** on a 4.0 grading scale, as  
 3 established by the approved postsecondary educational  
 4 institution, if the institution's nursing program does not require  
 5 a certain minimum cumulative grade point average; and  
 6 (3) demonstrate a continuing financial need for the **nursing**  
 7 scholarship **tax credit**.

8 SECTION 29. IC 21-13-3-7, AS ADDED BY P.L.2-2007,  
 9 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2013]: Sec. 7. Subject to section 11 of this  
 11 chapter, a **nursing scholarship tax credit** awarded may be renewed  
 12 under section 6 of this chapter for a total number of terms that does not  
 13 exceed:

- 14 (1) eight (8) full-time (or part-time equivalent) semesters; or
- 15 (2) twelve (12) full-time (or part-time equivalent) quarters.

16 SECTION 30. IC 21-13-3-8, AS ADDED BY P.L.2-2007,  
 17 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 2013]: Sec. 8. The approved postsecondary  
 19 educational institution may not grant a **nursing scholarship tax credit**  
 20 renewal to a student for an academic year that ends later than six (6)  
 21 years after the date the student received the initial **nursing scholarship**  
 22 **tax credit** under this chapter.

23 SECTION 31. IC 21-13-3-10, AS ADDED BY P.L.2-2007,  
 24 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 25 [EFFECTIVE JULY 1, 2013]: Sec. 10. The commission shall allocate  
 26 ~~the available money from the fund~~ **nursing scholarship tax credits** to  
 27 each approved postsecondary educational institution that has a nursing  
 28 program in proportion to the number of nursing students enrolled at  
 29 each approved postsecondary educational institution based upon the  
 30 information received from the commission for higher education.

31 SECTION 32. IC 21-13-3-11, AS ADDED BY P.L.2-2007,  
 32 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2013]: Sec. 11. Each approved postsecondary  
 34 educational institution shall determine the **nursing scholarship tax**  
 35 **credit** recipients under this chapter based upon the criteria set forth in  
 36 this chapter and the rules adopted by the commission. In addition, the  
 37 approved postsecondary educational institution shall consider the need  
 38 of the applicant when awarding ~~scholarships~~ **nursing scholarship tax**  
 39 **credits** under this chapter.

40 SECTION 33. IC 21-13-3-12, AS ADDED BY P.L.2-2007,  
 41 SECTION 254, IS AMENDED TO READ AS FOLLOWS  
 42 [EFFECTIVE JULY 1, 2013]: Sec. 12. Any ~~funds~~ **nursing scholarship**

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- 1 **tax credits that:**
- 2 (1) are allocated to an approved postsecondary educational
- 3 institution; and
- 4 (2) are not used for ~~scholarships~~ **nursing scholarship tax credits**
- 5 under this chapter;
- 6 shall be returned to the commission for reallocation by the commission
- 7 to any other eligible institution in need of additional ~~funds~~. **nursing**
- 8 **scholarship tax credits.**
- 9 SECTION 34. IC 21-13-3-13, AS ADDED BY P.L.2-2007,
- 10 SECTION 254, IS AMENDED TO READ AS FOLLOWS
- 11 [EFFECTIVE JULY 1, 2013]: Sec. 13. The commission shall maintain
- 12 complete and accurate records in implementing the program, including
- 13 the following:
- 14 (1) The number of ~~scholarships~~ **nursing scholarship tax credits**
- 15 awarded under this chapter.
- 16 (2) The number of individuals who fulfilled the agreement
- 17 described under section 5 of this chapter.
- 18 (3) The number of individuals who did not fulfill the agreement
- 19 described under section 5 of this chapter.
- 20 SECTION 35. IC 21-13-3-14, AS ADDED BY P.L.2-2007,
- 21 SECTION 254, IS AMENDED TO READ AS FOLLOWS
- 22 [EFFECTIVE JULY 1, 2013]: Sec. 14. Each eligible institution shall
- 23 provide the commission with information concerning the following:
- 24 (1) The awarding of ~~scholarships~~ **nursing scholarship tax**
- 25 **credits** under this chapter.
- 26 (2) The academic progress made by each recipient of a **nursing**
- 27 **scholarship tax credit** under this chapter.
- 28 (3) Other pertinent information requested by the commission.
- 29 SECTION 36. IC 21-18-9-5, AS ADDED BY P.L.2-2007,
- 30 SECTION 259, IS AMENDED TO READ AS FOLLOWS
- 31 [EFFECTIVE JULY 1, 2011]: Sec. 5. The commission may approve or
- 32 disapprove the:
- 33 (1) establishment of any new branches, regional or other
- 34 campuses, or extension centers;
- 35 (2) establishment of any new college or school; or
- 36 (3) offering on any campus of any:
- 37 (A) additional associate, baccalaureate, or graduate degree; or
- 38 (B) additional program of ~~two (2) semesters or their equivalent~~
- 39 ~~in duration~~ leading to a certificate or other indication of
- 40 accomplishment.

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