



Reprinted
January 31, 2012

HOUSE BILL No. 1270

DIGEST OF HB 1270 (Updated January 30, 2012 6:15 pm - DI 116)

Citations Affected: IC 4-22; IC 9-13; IC 9-14; IC 9-27; IC 20-20; IC 21-7; IC 21-9; IC 21-11; IC 21-12; IC 21-13; IC 21-14; IC 21-16; IC 21-17; IC 21-18; IC 21-18.5; IC 22-4; IC 22-4.1; IC 25-21.8; IC 35-51; noncode.

Synopsis: Commission for higher education. Abolishes the state student assistance commission (SSAC). Abolishes the commission on proprietary education (COPE). Requires the commission for higher education (commission) to administer the functions formerly administered by SSAC. Establishes the commission on postsecondary proprietary education. Provides that the commission on postsecondary proprietary education is responsible for accrediting a postsecondary credit bearing proprietary educational institution. Provides that the commission is responsible for providing staff and office space for the commission on postsecondary proprietary education. Provides that the state workforce innovation council is responsible for accrediting postsecondary proprietary educational institutions that are non credit bearing. Provides that, on or before July 1, 2014, the commission on postsecondary proprietary education may make a report to the
(Continued next page)

Effective: Upon passage; July 1, 2012.

Clere, Behning

January 9, 2012, read first time and referred to Committee on Education.
January 25, 2012, amended, reported — Do Pass.
January 30, 2012, read second time, amended, ordered engrossed.

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Digest Continued

legislative council regarding the transition of responsibilities from the Indiana commission of proprietary education to the commission on postsecondary proprietary education and may make recommendations. Provides that the market research of a postsecondary credit bearing proprietary educational institution may not be considered or required by the commission on postsecondary proprietary education as a condition for accrediting or renewing the accreditation of or for approval of the programs of a postsecondary credit bearing proprietary educational institution. Repeals: (1) provisions relating to establishment and administration of SSAC; (2) provisions relating to establishment and administration of COPE; (3) certain provisions requiring the commission for higher education to provide SSAC information to implement the minority teacher or nursing scholarship program; and (4) definitions relating to SSAC or COPE. Adds transitional provisions. Makes conforming and technical amendments.

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HB 1270—LS 6985/DI 116+



Reprinted
January 31, 2012

Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

HOUSE BILL No. 1270

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 4-22-2-37.1, AS AMENDED BY P.L.229-2011,
2 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking
4 action resulting in any of the following rules:
5 (1) An order adopted by the commissioner of the Indiana
6 department of transportation under IC 9-20-1-3(d) or
7 IC 9-21-4-7(a) and designated by the commissioner as an
8 emergency rule.
9 (2) An action taken by the director of the department of natural
10 resources under IC 14-22-2-6(d) or IC 14-22-6-13.
11 (3) An emergency temporary standard adopted by the
12 occupational safety standards commission under
13 IC 22-8-1.1-16.1.
14 (4) An emergency rule adopted by the solid waste management
15 board under IC 13-22-2-3 and classifying a waste as hazardous.
16 (5) A rule, other than a rule described in subdivision (6), adopted
17 by the department of financial institutions under IC 24-4.5-6-107

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- 1 and declared necessary to meet an emergency.
- 2 (6) A rule required under IC 24-4.5-1-106 that is adopted by the
- 3 department of financial institutions and declared necessary to
- 4 meet an emergency under IC 24-4.5-6-107.
- 5 (7) A rule adopted by the Indiana utility regulatory commission to
- 6 address an emergency under IC 8-1-2-113.
- 7 (8) An emergency rule adopted by the state lottery commission
- 8 under IC 4-30-3-9.
- 9 (9) A rule adopted under IC 16-19-3-5 or IC 16-41-2-1 that the
- 10 executive board of the state department of health declares is
- 11 necessary to meet an emergency.
- 12 (10) An emergency rule adopted by the Indiana finance authority
- 13 under IC 8-21-12.
- 14 (11) An emergency rule adopted by the insurance commissioner
- 15 under IC 27-1-23-7 or IC 27-1-12.1.
- 16 (12) An emergency rule adopted by the Indiana horse racing
- 17 commission under IC 4-31-3-9.
- 18 (13) An emergency rule adopted by the air pollution control
- 19 board, the solid waste management board, or the water pollution
- 20 control board under IC 13-15-4-10(4) or to comply with a
- 21 deadline required by or other date provided by federal law,
- 22 provided:
- 23 (A) the variance procedures are included in the rules; and
- 24 (B) permits or licenses granted during the period the
- 25 emergency rule is in effect are reviewed after the emergency
- 26 rule expires.
- 27 (14) An emergency rule adopted by the Indiana election
- 28 commission under IC 3-6-4.1-14.
- 29 (15) An emergency rule adopted by the department of natural
- 30 resources under IC 14-10-2-5.
- 31 (16) An emergency rule adopted by the Indiana gaming
- 32 commission under IC 4-32.2-3-3(b), IC 4-33-4-2, IC 4-33-4-3,
- 33 IC 4-33-4-14, IC 4-33-22-12, or IC 4-35-4-2.
- 34 (17) An emergency rule adopted by the alcohol and tobacco
- 35 commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or
- 36 IC 7.1-3-20-24.4.
- 37 (18) An emergency rule adopted by the department of financial
- 38 institutions under IC 28-15-11.
- 39 (19) An emergency rule adopted by the office of the secretary of
- 40 family and social services under IC 12-8-1-12.
- 41 (20) An emergency rule adopted by the office of the children's
- 42 health insurance program under IC 12-17.6-2-11.

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- 1 (21) An emergency rule adopted by the office of Medicaid policy
2 and planning under IC 12-15-41-15.
- 3 (22) An emergency rule adopted by the Indiana state board of
4 animal health under IC 15-17-10-9.
- 5 (23) An emergency rule adopted by the board of directors of the
6 Indiana education savings authority under IC 21-9-4-7.
- 7 (24) An emergency rule adopted by the Indiana board of tax
8 review under IC 6-1.1-4-34 (repealed).
- 9 (25) An emergency rule adopted by the department of local
10 government finance under IC 6-1.1-4-33 (repealed).
- 11 (26) An emergency rule adopted by the boiler and pressure vessel
12 rules board under IC 22-13-2-8(c).
- 13 (27) An emergency rule adopted by the Indiana board of tax
14 review under IC 6-1.1-4-37(l) (repealed) or an emergency rule
15 adopted by the department of local government finance under
16 IC 6-1.1-4-36(j) (repealed) or IC 6-1.1-22.5-20.
- 17 (28) An emergency rule adopted by the board of the Indiana
18 economic development corporation under IC 5-28-5-8.
- 19 (29) A rule adopted by the department of financial institutions
20 under IC 34-55-10-2.5.
- 21 (30) A rule adopted by the Indiana finance authority:
22 (A) under IC 8-15.5-7 approving user fees (as defined in
23 IC 8-15.5-2-10) provided for in a public-private agreement
24 under IC 8-15.5;
25 (B) under IC 8-15-2-17.2(a)(10):
26 (i) establishing enforcement procedures; and
27 (ii) making assessments for failure to pay required tolls;
28 (C) under IC 8-15-2-14(a)(3) authorizing the use of and
29 establishing procedures for the implementation of the
30 collection of user fees by electronic or other nonmanual
31 means; or
32 (D) to make other changes to existing rules related to a toll
33 road project to accommodate the provisions of a public-private
34 agreement under IC 8-15.5.
- 35 (31) An emergency rule adopted by the board of the Indiana
36 health informatics corporation under IC 5-31-5-8.
- 37 (32) An emergency rule adopted by the department of child
38 services under IC 31-25-2-21, IC 31-27-2-4, IC 31-27-4-2, or
39 IC 31-27-4-3.
- 40 (33) An emergency rule adopted by the Indiana real estate
41 commission under IC 25-34.1-2-5(15).
- 42 (34) A rule adopted by the department of financial institutions

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- 1 under IC 24-4.4-1-101 and determined necessary to meet an
 2 emergency.
- 3 (35) An emergency rule adopted by the state board of pharmacy
 4 regarding returning unused medication under IC 25-26-23.
- 5 (36) An emergency rule adopted by the department of local
 6 government finance under IC 6-1.1-12.6 or IC 6-1.1-12.8.
- 7 (37) An emergency rule adopted by the office of the secretary of
 8 family and social services or the office of Medicaid policy and
 9 planning concerning the following:
- 10 (A) Federal Medicaid waiver program provisions.
- 11 (B) Federal programs administered by the office of the
 12 secretary.
- 13 **(38) An emergency rule adopted by the commission on**
 14 **postsecondary propriety education.**
- 15 (b) The following do not apply to rules described in subsection (a):
- 16 (1) Sections 24 through 36 of this chapter.
- 17 (2) IC 13-14-9.
- 18 (c) After a rule described in subsection (a) has been adopted by the
 19 agency, the agency shall submit the rule to the publisher for the
 20 assignment of a document control number. The agency shall submit the
 21 rule in the form required by section 20 of this chapter and with the
 22 documents required by section 21 of this chapter. The publisher shall
 23 determine the format of the rule and other documents to be submitted
 24 under this subsection.
- 25 (d) After the document control number has been assigned, the
 26 agency shall submit the rule to the publisher for filing. The agency
 27 shall submit the rule in the form required by section 20 of this chapter
 28 and with the documents required by section 21 of this chapter. The
 29 publisher shall determine the format of the rule and other documents
 30 to be submitted under this subsection.
- 31 (e) Subject to section 39 of this chapter, the publisher shall:
- 32 (1) accept the rule for filing; and
- 33 (2) electronically record the date and time that the rule is
 34 accepted.
- 35 (f) A rule described in subsection (a) takes effect on the latest of the
 36 following dates:
- 37 (1) The effective date of the statute delegating authority to the
 38 agency to adopt the rule.
- 39 (2) The date and time that the rule is accepted for filing under
 40 subsection (e).
- 41 (3) The effective date stated by the adopting agency in the rule.
- 42 (4) The date of compliance with every requirement established by

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1 law as a prerequisite to the adoption or effectiveness of the rule.
 2 (g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6,
 3 IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in
 4 subsections (j), (k), and (l), a rule adopted under this section expires
 5 not later than ninety (90) days after the rule is accepted for filing under
 6 subsection (e). Except for a rule adopted under subsection (a)(13),
 7 (a)(24), (a)(25), or (a)(27), the rule may be extended by adopting
 8 another rule under this section, but only for one (1) extension period.
 9 The extension period for a rule adopted under subsection (a)(28) may
 10 not exceed the period for which the original rule was in effect. A rule
 11 adopted under subsection (a)(13) may be extended for two (2)
 12 extension periods. Subject to subsection (j), a rule adopted under
 13 subsection (a)(24), (a)(25), or (a)(27) may be extended for an unlimited
 14 number of extension periods. Except for a rule adopted under
 15 subsection (a)(13), for a rule adopted under this section to be effective
 16 after one (1) extension period, the rule must be adopted under:

- 17 (1) sections 24 through 36 of this chapter; or
 18 (2) IC 13-14-9;
 19 as applicable.
 20 (h) A rule described in subsection (a)(8), (a)(12), (a)(19), (a)(20),
 21 (a)(21), (a)(29), or (a)(37) expires on the earlier of the following dates:
 22 (1) The expiration date stated by the adopting agency in the rule.
 23 (2) The date that the rule is amended or repealed by a later rule
 24 adopted under sections 24 through 36 of this chapter or this
 25 section.
 26 (i) This section may not be used to readopt a rule under IC 4-22-2.5.
 27 (j) A rule described in subsection (a)(24) or (a)(25) expires not later
 28 than January 1, 2006.
 29 (k) A rule described in subsection (a)(28) expires on the expiration
 30 date stated by the board of the Indiana economic development
 31 corporation in the rule.

32 (l) A rule described in subsection (a)(30) expires on the expiration
 33 date stated by the Indiana finance authority in the rule.
 34 (m) A rule described in subsection (a)(5) or (a)(6) expires on the
 35 date the department is next required to issue a rule under the statute
 36 authorizing or requiring the rule.

37 SECTION 2. IC 9-13-2-188.5, AS AMENDED BY P.L.145-2011,
 38 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2012]: Sec. 188.5. (a) ~~This subsection expires December 31,~~
 40 ~~2011. "Truck driver training school" means a postsecondary proprietary~~
 41 ~~educational institution (as defined in IC 21-17-1-13) located in Indiana~~
 42 ~~and accredited by the Indiana commission on proprietary education or~~

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1 a state educational institution subject to rules adopted by the bureau
2 under IC 9-24-6-5.5 that:

3 (1) educates or trains a person; or

4 (2) prepares a person for an examination or a validation given by
5 the bureau;

6 to operate a truck as a vocation:

7 (b) This subsection applies after December 31, 2011. "Truck driver
8 training school" means a postsecondary proprietary educational
9 institution (as defined in ~~IC 21-17-1-13~~) **IC 22-4.1-21-9**) or a
10 **postsecondary credit bearing proprietary educational institution**
11 **(as defined in IC 21-18.5-2-12)** that:

12 (1) is located in Indiana or is a state educational institution;

13 (2) is subject to rules adopted by the bureau under IC 9-24-6-5.5;
14 and

15 (3) either:

16 (A) educates or trains a person; or

17 (B) prepares a person for an examination or a validation given
18 by the bureau;

19 to operate a truck as a vocation.

20 SECTION 3. IC 9-14-2-2, AS AMENDED BY P.L.145-2011,
21 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2012]: Sec. 2. (a) The bureau may adopt and enforce rules
23 under IC 4-22-2 that are necessary to carry out this title.

24 (b) The rules adopted under IC 4-22-2 by the ~~Indiana commission~~
25 ~~on proprietary education established by IC 21-17-2-1~~ **state workforce**
26 **innovation council or the commission on postsecondary**
27 **proprietary education** concerning truck driver training schools are
28 considered, after December 31, 2011, rules of the bureau.

29 (c) The rules adopted under IC 4-22-2 by the Indiana criminal
30 justice institute established by IC 5-2-6-3 concerning commercial
31 driver training schools are considered, after December 31, 2011, rules
32 of the bureau.

33 (d) The rules adopted under IC 4-22-2 by the department of state
34 revenue established by IC 6-8.1-2-1 concerning a student of a truck
35 driver training school and a truck driver training school are considered,
36 after December 31, 2011, rules of the bureau.

37 (e) The rules adopted under IC 4-22-2 by the Indiana state board of
38 education established by IC 20-19-2-2 concerning driver education are
39 considered, after December 31, 2011, rules of the bureau.

40 SECTION 4. IC 9-27-6-4, AS ADDED BY P.L.145-2011,
41 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2012]: Sec. 4. As used in this chapter, "instructor" means the

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1 following:

- 2 (1) An individual, whether acting as the operator of a commercial
 3 driver training school or on behalf of a commercial driver training
 4 school, who for compensation teaches, conducts classes for, gives
 5 demonstrations to, or supervises the practice of individuals
 6 learning to operate or drive motor vehicles or preparing to take an
 7 examination for a driver's license.
 8 (2) An individual who supervises the work of an instructor.
 9 (3) An individual licensed under IC 20-28-5-1.
 10 (4) An individual under the authority of a postsecondary
 11 proprietary educational institution (as defined in ~~IC 21-17-1-13~~)
 12 **IC 22-4.1-21-9) or a postsecondary credit bearing proprietary**
 13 **educational institution (as defined in IC 21-18.5-2-12)** who is
 14 teaching, conducting classes for, giving demonstrations to, or
 15 supervising the practice of individuals learning to operate or drive
 16 motor vehicles or preparing to take an examination for a driver's
 17 license.
 18 (5) An individual under the authority of a state educational
 19 institution (as defined in IC 21-7-13-32) who is teaching,
 20 conducting classes for, giving demonstrations to, or supervising
 21 the practice of individuals learning to operate or drive motor
 22 vehicles or preparing to take an examination for a driver's license.
 23 SECTION 5. IC 9-27-6-7, AS ADDED BY P.L.145-2011,
 24 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2012]: Sec. 7. (a) To establish or operate a driver education
 26 program under the authority of a:
 27 (1) school corporation (as defined in IC 36-1-2-17);
 28 (2) nonpublic secondary school that voluntarily becomes
 29 accredited under IC 20-19-2-8;
 30 (3) nonpublic secondary school recognized under IC 20-19-2-10;
 31 (4) postsecondary proprietary educational institution (as defined
 32 in ~~IC 21-17-1-13~~); **IC 22-4.1-21-9**);
 33 **(5) postsecondary credit bearing proprietary educational**
 34 **institution (as defined in IC 21-18.5-2-12)**);
 35 ~~(6)~~ (6) state educational institution (as defined in IC 21-7-13-32);
 36 or
 37 ~~(6)~~ (7) nonaccredited nonpublic school;
 38 the entity providing the training must obtain a school license from the
 39 bureau in the manner and form prescribed by the bureau.
 40 (b) Subject to subsection (c), the bureau shall adopt rules under
 41 IC 4-22-2 that state the requirements for obtaining a school license.
 42 The rules adopted must be substantially equivalent to rules adopted



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1 under section 6(b) of this chapter.

2 (c) The rules adopted under subsection (b) must provide that the
3 classroom training part of driver education instruction may not be
4 provided to a child less than fifteen (15) years of age.

5 SECTION 6. IC 20-20-38-4, AS ADDED BY P.L.7-2011,
6 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2012]: Sec. 4. (a) The state board shall develop and
8 implement a long range state plan for a comprehensive secondary level
9 career and technical education program in Indiana.

10 (b) The plan developed under this section must be updated as
11 changes occur. The state board shall make the plan and any revisions
12 made to the plan available to:

- 13 (1) the governor;
- 14 (2) the general assembly;
- 15 (3) the department of workforce development;
- 16 (4) the commission for higher education;
- 17 (5) the council;
- 18 (6) the ~~Indiana commission on proprietary education~~; **state**
19 **workforce innovation council**; and
- 20 (7) any other appropriate state or federal agency.

21 A plan or revised plan submitted under this section to the general
22 assembly must be in an electronic format under IC 5-14-6.

23 (c) The plan developed under this section must set forth specific
24 goals for secondary level public career and technical education and
25 must include the following:

- 26 (1) The preparation of each graduate for both employment and
27 further education.
- 28 (2) Accessibility of career and technical education to individuals
29 of all ages who desire to explore and learn for economic and
30 personal growth.
- 31 (3) Projected employment opportunities in various career and
32 technical education fields.
- 33 (4) A study of the supply of and the demand for a labor force
34 skilled in particular career and technical education areas.
- 35 (5) A study of technological and economic change affecting
36 Indiana.
- 37 (6) An analysis of the private career and education sector in
38 Indiana.
- 39 (7) Recommendations for improvement in the state career and
40 technical education program.
- 41 (8) The educational levels expected of career and technical
42 education programs proposed to meet the projected employment

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- 1 needs.
- 2 SECTION 7. IC 20-20-38-6, AS ADDED BY P.L.7-2011,
 3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2012]: Sec. 6. The state board shall do the following:
- 5 (1) Make recommendations to the general assembly concerning
 6 the development, duplication, and accessibility of employment
 7 training and career and technical education on a regional and
 8 statewide basis.
- 9 (2) Consult with any state agency, commission, or organization
 10 that supervises or administers programs of career and technical
 11 education concerning the coordination of career and technical
 12 education, including the following:
- 13 (A) The Indiana economic development corporation.
 14 (B) The council.
 15 (C) A private industry council (as defined in 29 U.S.C. 1501
 16 et seq.).
 17 (D) The department of labor.
 18 ~~(E) The Indiana commission on proprietary education.~~
 19 ~~(F)~~ (E) The commission for higher education.
 20 ~~(G)~~ (F) The department of workforce development.
 21 **(G) The state workforce innovation council.**
- 22 (3) Review and make recommendations concerning plans
 23 submitted by the commission for higher education and the
 24 council. The state board may request the resubmission of plans or
 25 parts of plans that:
- 26 (A) are not consistent with the long range state plan of the
 27 state board;
 28 (B) are incompatible with other plans within the system; or
 29 (C) duplicate existing services.
- 30 (4) Report to the general assembly on the state board's
 31 conclusions and recommendations concerning interagency
 32 cooperation, coordination, and articulation of career and technical
 33 education and employment training. A report under this
 34 subdivision must be in an electronic format under IC 5-14-6.
- 35 (5) Study and develop a plan concerning the transition between
 36 secondary level career and technical education and postsecondary
 37 level career and technical education.
- 38 (6) Enter into agreements with the federal government that may
 39 be required as a condition of receiving federal funds under the
 40 Carl D. Perkins Vocational and Applied Technology Act (20
 41 U.S.C. 2301 et seq.). An agreement entered into under this
 42 subdivision is subject to the approval of the budget agency.

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1 SECTION 8. IC 21-7-13-6, AS AMENDED BY P.L.169-2011,
 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2012]: Sec. 6. (a) "Approved postsecondary educational
 4 institution", for purposes of this title (except section 15 of this chapter,
 5 IC 21-12-6, IC 21-12-7, and IC 21-13-1-4) means the following:

6 (1) A postsecondary educational institution that operates in
 7 Indiana and:

8 (A) provides an organized two (2) year or longer program of
 9 collegiate grade directly creditable toward a baccalaureate
 10 degree;

11 (B) is either operated by the state or operated nonprofit; and

12 (C) is accredited by a recognized regional accrediting agency,
 13 including:

14 (i) Ancilla College;

15 (ii) Anderson University;

16 (iii) Bethel College;

17 (iv) Butler University;

18 (v) Calumet College of St. Joseph;

19 (vi) DePauw University;

20 (vii) Earlham College;

21 (viii) Franklin College;

22 (ix) Goshen College;

23 (x) Grace College and Seminary;

24 (xi) Hanover College;

25 (xii) Holy Cross College;

26 (xiii) Huntington University;

27 (xiv) Indiana Institute of Technology;

28 (xv) Indiana Wesleyan University;

29 (xvi) Manchester College;

30 (xvii) Marian University;

31 (xviii) Martin University;

32 (xix) Oakland City University;

33 (xx) Rose-Hulman Institute of Technology;

34 (xxi) Saint Joseph's College;

35 (xxii) Saint Mary-of-the-Woods College;

36 (xxiii) Saint Mary's College;

37 (xxiv) Taylor University;

38 (xxv) Trine University;

39 (xxvi) University of Evansville;

40 (xxvii) University of Indianapolis;

41 (xxviii) University of Notre Dame;

42 (xxix) University of Saint Francis;

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- 1 (xxx) Valparaiso University; and
- 2 (xxxi) Wabash College;
- 3 or is accredited by the ~~commission on proprietary education~~
- 4 **commission on postsecondary proprietary education under**
- 5 **IC 21-18.5-6** or an accrediting agency recognized by the
- 6 United States Department of Education.
- 7 (2) Ivy Tech Community College.
- 8 (3) A hospital that operates a nursing diploma program that is
- 9 accredited by the Indiana state board of nursing.
- 10 (4) A postsecondary **credit bearing** proprietary educational
- 11 institution that meets the following requirements:
- 12 (A) Is incorporated in Indiana, or is registered as a foreign
- 13 corporation doing business in Indiana.
- 14 (B) Is fully accredited by and is in good standing with the
- 15 ~~commission on proprietary education.~~ **commission on**
- 16 **postsecondary proprietary education under IC 21-18.5-6.**
- 17 (C) Is accredited by and is in good standing with a regional or
- 18 national accrediting agency.
- 19 (D) Offers a course of study that is at least eighteen (18)
- 20 consecutive months in duration (or an equivalent to be
- 21 determined by the ~~commission on proprietary education~~)
- 22 **commission on postsecondary proprietary education under**
- 23 **IC 21-18.5-6)** and that leads to an associate or a baccalaureate
- 24 degree recognized by the ~~commission on proprietary~~
- 25 ~~education.~~ **commission on postsecondary proprietary**
- 26 **education under IC 21-18.5-6.**
- 27 (E) Is certified to the state student assistance ~~commission~~ by
- 28 the ~~commission on proprietary education~~ **commission on**
- 29 **postsecondary proprietary education** as meeting the
- 30 requirements of this subdivision.
- 31 (b) "Approved postsecondary educational institution" for purposes
- 32 of section 15 of this chapter, IC 21-12-6, IC 21-12-7, and IC 21-13-1-4,
- 33 means the following:
- 34 (1) A state educational institution.
- 35 (2) A nonprofit college or university.
- 36 (3) A postsecondary **credit bearing** proprietary educational
- 37 institution that is accredited by an accrediting agency recognized
- 38 by the United States Department of Education.
- 39 SECTION 9. IC 21-7-13-12 IS REPEALED [EFFECTIVE JULY 1,
- 40 2012]. Sec. 12. "~~Commission on proprietary education~~" refers to the
- 41 ~~Indiana commission on proprietary education established by~~
- 42 ~~IC 21-17-2-1.~~

COPY



1 SECTION 10. IC 21-7-13-15, AS ADDED BY P.L.2-2007,
 2 SECTION 243, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2012]: Sec. 15. "Educational support costs"
 4 refers to costs incurred by scholarship recipients in purchasing:

- 5 (1) required textbooks, supplies, or equipment;
 6 (2) any other material required by the approved postsecondary
 7 educational institution in order for a scholarship recipient to
 8 participate in a particular class, seminar, laboratory, or other type
 9 of instruction; or
 10 (3) other items or services approved by the ~~state student~~
 11 ~~assistance~~ **commission for higher education** under rules adopted
 12 by the ~~state student assistance~~ **commission for higher education**
 13 **under IC 21-18.5-4;**

14 that are not included in educational costs.

15 SECTION 11. IC 21-7-13-26, AS ADDED BY P.L.2-2007,
 16 SECTION 243, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2012]: Sec. 26. "Postsecondary proprietary
 18 **credit bearing** educational institution" has the meaning set forth in
 19 ~~IC 21-17-1-13. IC 21-18.5-2-12.~~

20 SECTION 12. IC 21-7-13-33 IS REPEALED [EFFECTIVE JULY
 21 1, 2012]. ~~Sec. 33. "State student assistance commission" refers to the~~
 22 ~~commission established by IC 21-11-2-1.~~

23 SECTION 13. IC 21-9-7-2, AS AMENDED BY P.L.2-2007,
 24 SECTION 250, IS AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2012]: Sec. 2. The amount of money available
 26 in an account and the proposed use of money in an account on behalf
 27 of an account beneficiary may not be considered by the ~~state student~~
 28 ~~assistance~~ **commission for higher education** under IC 21-12-3,
 29 IC 21-12-4, IC 21-12-5, or IC 21-13-2 when determining award
 30 amounts under a ~~another~~ **program** administered by the ~~state student~~
 31 ~~assistance~~ **commission for higher education.**

32 SECTION 14. IC 21-11 IS REPEALED [EFFECTIVE JULY 1,
 33 2012]. (State Student Assistance Commission).

34 SECTION 15. IC 21-12-1-6, AS ADDED BY P.L.2-2007,
 35 SECTION 253, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2012]: Sec. 6. "Commission" refers to the ~~state~~
 37 ~~student assistance~~ **commission for higher education.**

38 SECTION 16. IC 21-12-1-8, AS ADDED BY P.L.2-2007,
 39 SECTION 253, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2012]: Sec. 8. "Eligible institution", for the
 41 purposes of:

- 42 (1) IC 21-12-6, refers to a postsecondary educational institution

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1 that qualifies as an eligible institution under IC 21-12-6-4; and
 2 (2) IC 21-12-8, refers to a postsecondary educational institution
 3 that:

4 (A) operates in Indiana;

5 (B) is either operated by the state or operated nonprofit;

6 (C) operates an organized program of postsecondary education
 7 leading to a technical certificate, nursing diploma, or associate
 8 or baccalaureate degree; and

9 (D) is accredited by:

10 (i) a recognized regional accrediting agency;

11 (ii) ~~the Indiana commission on proprietary education;~~
 12 **commission on postsecondary proprietary education**
 13 **under IC 21-18.5-6; or**

14 (iii) the Indiana state board of nursing; **or**

15 (iv) **the state workforce innovation council under**
 16 **IC 22-4.1-21.**

17 SECTION 17. IC 21-12-3-1, AS AMENDED BY P.L.7-2011,
 18 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2012]: Sec. 1. (a) An applicant is eligible for a first year
 20 higher education award under this chapter if the student meets the
 21 following requirements:

22 (1) The applicant is a resident of Indiana, as defined by the
 23 commission.

24 (2) The applicant:

25 (A) has successfully completed the program of instruction at
 26 an approved secondary school;

27 (B) has been granted a:

28 (i) high school equivalency certificate before July 1, 1995;
 29 or

30 (ii) state of Indiana general educational development (GED)
 31 diploma under IC 20-10.1-12.1 (before its repeal),
 32 IC 20-20-6 (before its repeal), or IC 22-4.1-18; or

33 (C) is a student in good standing at an approved secondary
 34 school and is engaged in a program that in due course will be
 35 completed by the end of the current academic year.

36 (3) The financial resources reasonably available to the applicant,
 37 as defined by the commission, are such that, in the absence of a
 38 higher education award under this chapter, the applicant would be
 39 deterred from completing the applicant's education at the
 40 approved postsecondary educational institution that the applicant
 41 has selected and that has accepted the applicant. In determining
 42 the financial resources reasonably available to an applicant to

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- 1 whom ~~IC 21-11-7~~ **IC 21-18.5-4-8** applies, the commission must
- 2 consider the financial resources of the applicant's legal parent.
- 3 (4) The applicant will use the award initially at that approved
- 4 postsecondary educational institution.
- 5 (5) If the student is already enrolled in an approved postsecondary
- 6 educational institution, the applicant must be a full-time student
- 7 and be making satisfactory progress, as determined by the
- 8 commission, toward a first baccalaureate degree.
- 9 (6) The student declares, in writing, a specific educational
- 10 objective or course of study and enrolls in:
- 11 (A) courses that apply toward the requirements for completion
- 12 of that objective or course of study; or
- 13 (B) courses designed to help the student develop the basic
- 14 skills that the student needs to successfully achieve that
- 15 objective or continue in that course of study.
- 16 (b) This subsection applies to an individual who:
- 17 (1) meets the requirements set forth in subsection (a); and
- 18 (2) before the date that eligibility is determined by the
- 19 commission, has been placed by or with the consent of the
- 20 department of child services, by a court order, or by a licensed
- 21 child placing agency in:
- 22 (A) a foster family home;
- 23 (B) the home of a relative or other unlicensed caretaker;
- 24 (C) a child caring institution; or
- 25 (D) a group home.

26 The commission shall consider an individual to whom this subsection
 27 applies as a full-need student under the commission's rules when
 28 determining the eligibility of the individual to receive financial aid
 29 administered by the commission under this chapter.

30 SECTION 18. IC 21-12-3-4, AS AMENDED BY P.L.125-2008,
 31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2012]: Sec. 4. A student who:

- 33 (1) participates in:
- 34 (A) a nursing diploma program that is accredited by the
- 35 Indiana state board of nursing and operated by a hospital;
- 36 (B) a technical certificate or associate degree program at Ivy
- 37 Tech Community College; or
- 38 (C) an associate degree program at a postsecondary **credit**
- 39 **bearing** proprietary educational institution that qualifies as an
- 40 approved postsecondary educational institution; and
- 41 (2) meets the requirements in sections 1 and 2 of this chapter for
- 42 a first year higher education award except the requirement of

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1 satisfactory progress toward a first baccalaureate degree;
 2 is eligible to receive a state higher education award under this chapter.
 3 However, the student must make satisfactory progress toward obtaining
 4 the diploma, technical certificate, or associate degree to remain eligible
 5 for the award.

6 SECTION 19. IC 21-12-3-5, AS ADDED BY P.L.2-2007,
 7 SECTION 253, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2012]: Sec. 5. (a) This section applies to the
 9 maximum grant that may be offered to an eligible student for an
 10 associate degree program at a postsecondary **credit bearing**
 11 proprietary educational institution that qualifies as an approved
 12 postsecondary educational institution.

13 (b) The maximum amount of a grant that may be offered to an
 14 eligible student in a program at a postsecondary **credit bearing**
 15 proprietary educational institution is equal to the maximum amount of
 16 an award the student could receive under this chapter if the student
 17 were enrolled at Ivy Tech Community College.

18 SECTION 20. IC 21-12-4-2, AS ADDED BY P.L.2-2007,
 19 SECTION 253, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2012]: Sec. 2. A person is eligible for a freedom
 21 of choice grant if:

22 (1) the person is qualified for a higher education award under the
 23 terms of IC 21-12-3-1, IC 21-12-3-2, and IC 21-12-3-3 or
 24 IC 21-12-3-4 and IC 21-12-3-5, even if lack of funds prevents the
 25 award or grant;

26 (2) the person has a financial need that exceeds the award, as
 27 determined in accordance with:

28 (A) this chapter, ~~IC 21-11~~, **IC 21-18.5-4**, IC 21-12-2, and
 29 IC 21-12-3; and

30 (B) the rules of the commission; and

31 (3) the person will attend an approved postsecondary educational
 32 institution that:

33 (A) either:

34 (i) operates in Indiana, provides an organized two (2) year or
 35 longer program of collegiate grade directly creditable toward
 36 a baccalaureate degree, is operated by a nonprofit entity, and
 37 is accredited by a recognized regional accrediting agency or
 38 the commission on proprietary education on **postsecondary**
 39 **proprietary education under IC 21-18.5-6**; or

40 (ii) is a hospital that operates a nursing diploma program
 41 that is accredited by the Indiana state board of nursing; and

42 (B) is operated privately and not administered or controlled by

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- 1 any state agency or entity.
- 2 SECTION 21. IC 21-12-5-8, AS ADDED BY P.L.2-2007,
3 SECTION 253, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2012]: Sec. 8. All money disbursed from the
5 Hoosier scholar award fund shall be in accordance with this chapter
6 and ~~IC 21-11-9-4~~ **IC 21-18.5-4**.
- 7 SECTION 22. IC 21-12-6-4, AS ADDED BY P.L.2-2007,
8 SECTION 253, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2012]: Sec. 4. A scholarship recipient may
10 apply a scholarship under this chapter to the educational costs of a
11 postsecondary educational institution only if the postsecondary
12 educational institution qualifies under this section. For a postsecondary
13 educational institution to qualify under this section, the postsecondary
14 educational institution must satisfy the following requirements:
- 15 (1) Be an approved postsecondary educational institution.
 - 16 (2) Be accredited by an agency that is recognized by the Secretary
17 of the United States Department of Education.
 - 18 (3) Operate an organized program of postsecondary education
19 leading to an associate or a baccalaureate degree on a campus
20 located in Indiana.
 - 21 (4) Be approved by the commission:
 - 22 (A) under rules adopted under IC 4-22-2; and
 - 23 (B) in consultation with the commission on **postsecondary**
24 **proprietary education established by IC 21-18.5-5-1**, if
25 appropriate.
- 26 SECTION 23. IC 21-12-6-5, AS AMENDED BY P.L.169-2011,
27 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2012]: Sec. 5. (a) To qualify to participate in the program, a
29 student must meet the following requirements:
- 30 (1) Be a resident of Indiana.
 - 31 (2) Be:
 - 32 (A) enrolled in grade 7 or 8 at a:
 - 33 (i) public school; or
 - 34 (ii) nonpublic school that is accredited either by the state
35 board of education or by a national or regional accrediting
36 agency whose accreditation is accepted as a school
37 improvement plan under IC 20-31-4-2; or
 - 38 (B) otherwise qualified under the rules of the commission that
39 are adopted under ~~IC 21-11-9-4~~ **IC 21-18.5-4-9(2)** to include
40 students who are in grades other than grade 8 as eligible
41 students.
 - 42 (3) Be a member of a household with an annual income of not

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1 more than the amount required for the individual to qualify for
 2 free or reduced priced lunches under the national school lunch
 3 program, as determined for the immediately preceding taxable
 4 year for the household.

5 (4) Agree, in writing, together with the student's custodial parents
 6 or guardian, that the student will:

7 (A) graduate from a secondary school located in Indiana that
 8 meets the admission criteria of an eligible institution;

9 (B) not illegally use controlled substances (as defined in
 10 IC 35-48-1-9);

11 (C) not commit a crime or an infraction described in
 12 IC 9-30-5;

13 (D) not commit any other crime or delinquent act (as described
 14 in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or
 15 IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their
 16 repeal));

17 (E) timely apply, when the eligible student is a senior in high
 18 school:

19 (i) for admission to an eligible institution; and

20 (ii) for any federal and state student financial assistance
 21 available to the eligible student to attend an eligible
 22 institution;

23 (F) achieve a cumulative grade point average upon graduation
 24 of:

25 (i) at least 2.0, if the student graduates from high school
 26 before July 1, 2014; and

27 (ii) at least 2.5, if the student graduates from high school
 28 after June 30, 2014;

29 on a 4.0 grading scale (or its equivalent if another grading
 30 scale is used) for courses taken during grades 9, 10, 11, and
 31 12; and

32 (G) participate in an academic success program required under
 33 the rules adopted by the commission, ~~and the commission for~~
 34 ~~higher education~~, if the student initially enrolls in the program
 35 after June 30, 2011.

36 (b) A student is also qualified to participate in the program if the
 37 student:

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

41 (A) a foster family home;

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



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- 1 (C) a child caring institution; or
- 2 (D) a group home;
- 3 (2) agrees in writing, together with the student's caseworker (as
- 4 defined in IC 31-9-2-11), to the conditions set forth in subsection
- 5 (a)(4); and
- 6 (3) except as provided in subdivision (2), otherwise meets the
- 7 requirements of subsection (a).
- 8 (c) The commission may require that an applicant apply
- 9 electronically to participate in the program using an online Internet
- 10 application on the commission's web site.
- 11 SECTION 24. IC 21-12-6-6, AS AMENDED BY P.L.229-2011,
- 12 SECTION 228, IS AMENDED TO READ AS FOLLOWS
- 13 [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) A student may apply to the
- 14 commission for a scholarship. To qualify for a scholarship, the student
- 15 must meet the 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 and have
- 21 achieved a cumulative grade point average in high school of:
- 22 (A) at least 2.0 on a 4.0 grading scale, if the student is
- 23 expected to graduate from high school before July 1, 2014; and
- 24 (B) at least 2.5 on a 4.0 grading scale, if the student is
- 25 expected to graduate from high school after June 30, 2014.
- 26 (4) Have applied to attend and be accepted to attend as a full-time
- 27 student an eligible institution.
- 28 (5) Certify in writing that the student has:
- 29 (A) not illegally used controlled substances (as defined in
- 30 IC 35-48-1-9);
- 31 (B) not illegally consumed alcoholic beverages;
- 32 (C) not committed any other crime or a delinquent act (as
- 33 described in IC 31-37-1-2 or IC 31-37-2-2 through
- 34 IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5)
- 35 before their repeal));
- 36 (D) timely filed an application for other types of financial
- 37 assistance available to the student from the state or federal
- 38 government; and
- 39 (E) ~~participate participated~~ in an academic success program
- 40 required under the rules adopted by the commission. ~~and the~~
- 41 ~~commission for higher education.~~
- 42 (6) Submit to the commission all the information and evidence

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1 required by the commission to determine eligibility as a
 2 scholarship applicant.
 3 (7) This subdivision applies only to applicants who initially enroll
 4 in the program under section 5 of this chapter or IC 21-12-6.5-2
 5 after June 30, 2011. For purposes of this chapter, applicants who
 6 are enrolled in the program before July 1, 2011, will not have an
 7 income or financial resources test applied to them when they
 8 subsequently apply for a scholarship. Have a lack of financial
 9 resources reasonably available to the applicant, as defined by the
 10 commission, that, in the absence of an award under this chapter,
 11 would deter the scholarship applicant from completing the
 12 applicant's education at the approved postsecondary educational
 13 institution that the applicant has selected and that has accepted
 14 the applicant.
 15 (8) Meet any other minimum criteria established by the
 16 commission.
 17 (b) This section applies to an individual who graduates from high
 18 school after December 31, 2011. To be eligible for a scholarship under
 19 this section, a student must initially attend the eligible institution
 20 described in ~~subdivision~~ **subsection** (a)(4) not later than the fall
 21 semester (or its equivalent, as ~~determine~~ **determined** by the
 22 commission) in the year immediately following the year in which the
 23 student graduates from high school.
 24 SECTION 25. IC 21-12-6-10, AS AMENDED BY P.L.169-2011,
 25 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2012]: Sec. 10. (a) This section applies to a student who
 27 qualifies for a scholarship under section 6 or 7 of this chapter, if the
 28 student initially enrolls in the program before July 1, 2011.
 29 (b) The amount of a scholarship is equal to the lowest of the
 30 following amounts:
 31 (1) If the scholarship applicant attends an eligible institution that
 32 is a state educational institution and:
 33 (A) receives no other financial assistance specifically
 34 designated for educational costs, a full tuition scholarship to
 35 the state educational institution; or
 36 (B) receives other financial assistance specifically designated
 37 for educational costs, the balance required to attend the state
 38 educational institution, not to exceed the amount described in
 39 clause (A).
 40 (2) If the scholarship applicant attends an eligible institution that
 41 is private and:
 42 (A) receives no other financial assistance specifically

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1 designated for educational costs, an average of the full tuition
 2 scholarship amounts of all state educational institutions not
 3 including Ivy Tech Community College; or
 4 (B) receives other financial assistance specifically designated
 5 for educational costs, the balance required to attend the college
 6 or university not to exceed the amount described in clause (A).
 7 (3) If the scholarship applicant attends an eligible institution that
 8 is a postsecondary **credit bearing** proprietary educational
 9 institution and:
 10 (A) receives no other financial assistance specifically
 11 designated for educational costs, the lesser of:
 12 (i) the full tuition scholarship amounts of Ivy Tech
 13 Community College; or
 14 (ii) the actual tuition and regularly assessed fees of the
 15 eligible institution; or
 16 (B) receives other financial assistance specifically designated
 17 for educational costs, the balance required to attend the
 18 eligible institution, not to exceed the amount described in
 19 clause (A).
 20 SECTION 26. IC 21-12-6-10.3, AS ADDED BY P.L.229-2011,
 21 SECTION 230, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2012]: Sec. 10.3. (a) This section applies to a
 23 student who qualifies for a scholarship under section 6 or 7 of this
 24 chapter, if the student initially enrolls in the program after June 30,
 25 2011. Applicants who are enrolled in the program before July 1, 2011,
 26 will not have an income or financial resources test applied to them
 27 under this section when they subsequently apply for a scholarship or
 28 apply to renew a scholarship.
 29 (b) A scholarship applicant shall be awarded the following amount
 30 as adjusted under subsections (c) and (d):
 31 (1) If the scholarship applicant attends an approved postsecondary
 32 educational institution that is a state educational institution, the
 33 full educational costs that the scholarship applicant would
 34 otherwise be required to pay at the eligible institution.
 35 (2) If the scholarship applicant attends an approved postsecondary
 36 educational institution that is private, the lesser of the educational
 37 costs that the scholarship applicant would otherwise be required
 38 to pay at the private eligible institution, or the average of the
 39 educational costs of all state educational institutions, not
 40 including Ivy Tech Community College.
 41 (3) If the scholarship applicant attends an approved postsecondary
 42 educational institution that is a postsecondary **credit bearing**

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1 proprietary educational institution, the lesser of the educational
2 costs that the scholarship applicant would otherwise be required
3 to pay at the postsecondary **credit bearing** proprietary
4 educational institution or the educational costs of Ivy Tech
5 Community College.

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

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

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

13 (d) The total of all tuition scholarships awarded under this section
14 in a state fiscal year may not exceed the amount available for
15 distribution from the fund for scholarships under this chapter. If the
16 total amount to be distributed from the fund in a state fiscal year
17 exceeds the amount available for distribution, the amount to be
18 distributed to each eligible applicant shall be proportionately reduced
19 so that the total reductions equal the amount of the excess based on the
20 relative financial need of each eligible applicant.

21 SECTION 27. IC 21-12-6-11, AS ADDED BY P.L.2-2007,
22 SECTION 253, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2012]: Sec. 11. (a) The Indiana college
24 placement and assessment center shall maintain the following:

25 (1) The agreements under section 5 of this chapter.

26 (2) The certifications under section 6 of this chapter.

27 (3) A comprehensive list of all eligible students.

28 (b) The commission shall have access to the information maintained
29 under this section.

30 (c) The commission, the Indiana college placement and assessment
31 center, ~~the commission for higher education~~, the department of
32 education, and each approved secondary school shall work together in
33 implementing the program.

34 SECTION 28. IC 21-12-6-14, AS AMENDED BY P.L.39-2010,
35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JULY 1, 2012]: Sec. 14. (a) This section applies to a student described
37 in section 5(b) of this chapter.

38 (b) A caseworker (as defined in IC 31-9-2-11) shall provide each
39 student to whom the caseworker is assigned information concerning the
40 program at the appropriate time for the student to receive the
41 information, shall explain the program to the student, and shall provide
42 the student with information concerning:

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- 1 (1) Pell grants;
- 2 (2) Chafee grants;
- 3 (3) federal supplemental grants;
- 4 (4) the Free Application for Federal Student Aid;
- 5 (5) individual development accounts (as described under
- 6 IC 4-4-28); and
- 7 (6) the ~~state student assistance~~ **commission for higher**
- 8 **education's programs under IC 21-18.5-3-1.**

9 (c) A student who receives information under this section shall sign
10 a written acknowledgment that the student received the information.
11 The written acknowledgment must be placed in the student's case file.

12 SECTION 29. IC 21-12-6.5-1, AS ADDED BY P.L.100-2009,
13 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2012]: Sec. 1. This chapter applies to an individual who:

- 15 (1) is receiving foster care;
- 16 (2) is in grades 9 through 12; and
- 17 (3) is a resident of Indiana as determined under ~~IC 21-11-7;~~
- 18 **IC 21-18.5-4-8;**

19 at the time the individual applies for the twenty-first century scholars
20 program under IC 21-12-6.

21 SECTION 30. IC 21-12-9-1, AS ADDED BY P.L.173-2007,
22 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2012]: Sec. 1. As used in this chapter, "commission" refers to
24 the ~~state student assistance~~ **commission for higher education**
25 established by ~~IC 21-11-2-1.~~ **IC 21-18-2-1.**

26 SECTION 31. IC 21-12-9-8, AS ADDED BY P.L.173-2007,
27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2012]: Sec. 8. ~~(a) The commission for higher education shall~~
29 ~~provide the commission with the most recent information concerning~~
30 ~~the number of insurance students at each state educational institution.~~

31 ~~(b)~~ **(a)** The commission shall allocate the available money from the
32 fund to each state educational institution that has:

- 33 (1) an insurance program; or
- 34 (2) a business program with an emphasis on insurance;

35 in proportion to the number of insurance students enrolled at each state
36 educational institution. ~~based upon the information received by the~~
37 ~~commission under subsection (a):~~

38 ~~(c)~~ **(b)** Each state educational institution shall determine which of
39 the state educational institution's insurance students who apply qualify
40 under section 9 of this chapter. In addition, the state educational
41 institution shall consider the need of the applicant when awarding
42 scholarships under this chapter.

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1 ~~(d)~~ (c) The state educational institution may not grant a scholarship
2 renewal to an insurance student for an academic year that ends later
3 than six (6) years after the date on which the insurance student received
4 the insurance student's initial scholarship under this chapter.

5 ~~(e)~~ (d) Any funds that:

6 (1) are allocated to a state educational institution under ~~section~~
7 ~~8(b) of this chapter subsection (a);~~ and

8 (2) are not used for scholarships under this chapter;

9 shall be returned to the commission for reallocation by the commission
10 to any other eligible state educational institution in need of additional
11 funds.

12 SECTION 32. IC 21-12-12-1, AS ADDED BY P.L.169-2011,
13 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2012]: Sec. 1. (a) Before the commission distributes grants
15 under this article to an approved postsecondary education institution
16 for the academic year beginning July 1, 2012, and before each
17 academic year thereafter, the approved postsecondary education
18 institution shall timely provide to the commission ~~for higher education~~
19 the appropriate current and past student unit record data that is
20 necessary to adequately administer and evaluate the effectiveness of
21 the award and scholarship programs provided under this article. The
22 commission shall use the data for its student information system.

23 (b) Before the academic year beginning July 1, 2012, and before
24 each academic year thereafter, the commission, ~~for higher education;~~
25 in consultation with Independent Colleges of Indiana, shall collect
26 other appropriate student data on all students attending public, private,
27 and proprietary institutions to allow the commission ~~for higher~~
28 ~~education~~ to develop, update, and implement a long range plan for
29 postsecondary education.

30 SECTION 33. IC 21-13-1-2, AS ADDED BY P.L.2-2007,
31 SECTION 254, IS AMENDED TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 2012]: Sec. 2. "Commission" refers to the ~~state~~
33 ~~student assistance~~ commission **for higher education.**

34 SECTION 34. IC 21-13-2-10 IS REPEALED [EFFECTIVE JULY
35 1, 2012]. ~~Sec. 10: The commission for higher education shall provide~~
36 ~~the commission with the most recent information concerning:~~

37 ~~(1) the number of minority students enrolled at each eligible~~
38 ~~institution; and~~

39 ~~(2) the number of individuals who are:~~

40 ~~(A) enrolled at each eligible institution; and~~

41 ~~(B) pursuing a course of study that would enable the student;~~
42 ~~upon graduation; to be:~~

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1 (i) licensed to teach special education in an accredited
 2 school; or
 3 (ii) licensed to practice occupational therapy or licensed to
 4 practice physical therapy in an accredited school, in a
 5 vocational rehabilitation center under IC 12-12-1-4.1(a)(1);
 6 or in a community mental retardation or other
 7 developmental disabilities center under IC 12-29 as part of
 8 the special education program.

9 SECTION 35. IC 21-13-2-11, AS ADDED BY P.L.2-2007,
 10 SECTION 254, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2012]: Sec. 11. The commission shall allocate
 12 the available money from the fund to each eligible institution in
 13 proportion to the number of minority students enrolled at each eligible
 14 institution based upon the **most recent** information received from the
 15 ~~commission for higher education.~~ **concerning:**

16 **(1) the number of minority students enrolled at each eligible**
 17 **institution; and**

18 **(2) the number of individuals who are:**

19 **(A) enrolled at each eligible institution; and**

20 **(B) pursuing a course of study that would enable the**
 21 **student, upon graduation, to be:**

22 **(i) licensed to teach special education in an accredited**
 23 **school; or**

24 **(ii) licensed to practice occupational therapy or physical**
 25 **therapy in an accredited school, in a vocational**
 26 **rehabilitation center under IC 12-12-1-4.1(a)(1), or in a**
 27 **community mental retardation or other developmental**
 28 **disabilities center under IC 12-29 as part of the special**
 29 **education program.**

30 SECTION 36. IC 21-13-3-9 IS REPEALED [EFFECTIVE JULY 1,
 31 2012]. ~~Sec. 9: The commission for higher education shall provide the~~
 32 ~~commission with the most recent information concerning the number~~
 33 ~~of nursing students enrolled at each approved postsecondary~~
 34 ~~educational institution.~~

35 SECTION 37. IC 21-13-3-10, AS ADDED BY P.L.2-2007,
 36 SECTION 254, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2012]: Sec. 10. The commission shall allocate
 38 the available money from the fund to each approved postsecondary
 39 educational institution that has a nursing program in proportion to the
 40 number of nursing students enrolled at each approved postsecondary
 41 educational institution based upon the **most recent** information.
 42 ~~received from the commission for higher education.~~



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1 SECTION 38. IC 21-14-1-3, AS ADDED BY P.L.2-2007,
2 SECTION 255, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2012]: Sec. 3. "Commission" refers to the ~~state~~
4 ~~student assistance~~ **commission for higher education established**
5 **under IC 21-18-2-1.**

6 SECTION 39. IC 21-14-2-8, AS AMENDED BY P.L.229-2011,
7 SECTION 233, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2012]: Sec. 8. A state educational institution
9 shall hold a public hearing before adopting a proposed tuition and fee
10 rate increase. The state educational institution shall give public notice
11 of the hearing at least ten (10) days before the hearing. The public
12 notice must include the specific proposal for the tuition and fee rate
13 increase and the expected uses of the revenue to be raised by the
14 proposed increase. The hearing must be held not later than thirty (30)
15 days after the commission for higher education has established the
16 recommended tuition and mandatory fee increase targets for each state
17 educational institution under section 12.5 of this chapter.

18 SECTION 40. IC 21-14-2-12.5, AS AMENDED BY P.L.229-2011,
19 SECTION 234, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2012]: Sec. 12.5. (a) This section applies to
21 tuition and mandatory fees that a board of trustees of a state
22 educational institution votes to increase under section 7 of this chapter.

23 (b) Not later than thirty (30) days after the enactment of a state
24 budget, the commission for higher education shall recommend
25 nonbinding tuition and mandatory fee increase targets for each state
26 educational institution.

27 (c) The state educational institution shall submit a report to the state
28 budget committee concerning the financial and budgetary factors
29 considered by the board of trustees in determining the amount of the
30 increase.

31 (d) The state budget committee shall review the targets
32 recommended under subsection (b) and reports received under
33 subsection (c) and may request that a state educational institution
34 appear at a public meeting of the state budget committee concerning
35 the report.

36 SECTION 41. IC 21-14-4-3, AS ADDED BY P.L.2-2007,
37 SECTION 255, IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JULY 1, 2012]: Sec. 3. For purposes of this chapter, the
39 commission for higher education shall define mandatory fees that
40 qualify as educational costs in consultation with the commission.

41 SECTION 42. IC 21-14-5-6, AS ADDED BY P.L.2-2007,
42 SECTION 255, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) In addition, not later than
 2 thirty (30) days after the end of each semester (or its equivalent if the
 3 state educational institution does not conduct its academic year on a
 4 semester basis), each state educational institution shall provide the
 5 commission ~~and the commission for higher education~~ with a
 6 comprehensive report detailing the extent to which the institution
 7 participated in the senior citizen tuition exemption under this chapter.

8 (b) The report must include the following information:

9 (1) The number of senior citizens who qualified for a tuition
 10 exemption.

11 (2) The courses in which the senior citizens enrolled.

12 (3) The number of semester hours (or its equivalent) taken by
 13 senior citizens under this chapter.

14 (4) Any other pertinent information required by the commission.

15 SECTION 43. IC 21-14-7-5, AS ADDED BY P.L.2-2007,
 16 SECTION 255, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2012]: Sec. 5. The commission ~~for higher~~
 18 ~~education~~ shall define the mandatory fees that are exempt educational
 19 costs. ~~in consultation with the commission.~~

20 SECTION 44. IC 21-14-10-3, AS ADDED BY P.L.141-2008,
 21 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2012]: Sec. 3. For purposes of this chapter, the commission
 23 ~~for higher education; in consultation with the state student assistance~~
 24 ~~commission;~~ shall define mandatory fees that qualify as educational
 25 costs.

26 SECTION 45. IC 21-14-10-5, AS ADDED BY P.L.141-2008,
 27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2012]: Sec. 5. Determination of eligibility for higher
 29 education benefits authorized under this chapter is vested exclusively
 30 in the Indiana department of veterans' affairs. Any applicant for
 31 benefits under this chapter may make a written request for a
 32 determination of eligibility by the Indiana department of veterans'
 33 affairs. The director or deputy director of the Indiana department of
 34 veterans' affairs shall make a written determination of eligibility in
 35 response to each request. In determining the amount of an eligible
 36 applicant's benefit, the ~~state student assistance~~ commission shall
 37 consider other higher education financial assistance in conformity with
 38 this chapter.

39 SECTION 46. IC 21-16-1-3, AS ADDED BY P.L.2-2007,
 40 SECTION 257, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2012]: Sec. 3. "Commission" refers to the ~~state~~
 42 ~~student assistance~~ commission **for higher education established**



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1 **under IC 21-18-2-1.**

2 SECTION 47. IC 21-16-4-7, AS ADDED BY P.L.2-2007,
3 SECTION 257, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2012]: Sec. 7. The commission may remove an
5 eligible institution's qualified status upon finding, after reasonable
6 notice and hearing, that the eligible institution fails to meet the
7 standards established by the commission. The commission may direct
8 the ~~Indiana commission on proprietary education~~ **state workforce**
9 **innovation council or the commission on postsecondary**
10 **proprietary education** to review a school under its jurisdiction, or a
11 comparable school outside Indiana that is an eligible institution under
12 this chapter. The commission may use the results of the review to
13 determine whether to remove an eligible institution's qualified status.

14 SECTION 48. IC 21-17-1-2 IS REPEALED [EFFECTIVE JULY 1,
15 2012]. Sec. 2: "Accreditation" means certification of a status of
16 approval or authorization by the commission to conduct business as a
17 postsecondary proprietary educational institution.

18 SECTION 49. IC 21-17-1-3 IS REPEALED [EFFECTIVE JULY 1,
19 2012]. Sec. 3: "Agent" means a person who:

20 (1) enrolls or seeks to enroll a resident of Indiana through:

- 21 (A) personal contact;
- 22 (B) telephone;
- 23 (C) advertisement;
- 24 (D) letter; or
- 25 (E) publications;

26 in a course offered by a postsecondary proprietary educational
27 institution; or

28 (2) otherwise holds the person out to the residents of Indiana as
29 representing a postsecondary proprietary educational institution.

30 SECTION 50. IC 21-17-1-4 IS REPEALED [EFFECTIVE JULY 1,
31 2012]. Sec. 4: "Agent's permit" means a nontransferable written
32 authorization issued to a person by the commission to solicit a resident
33 of Indiana to enroll in a course offered or maintained by a
34 postsecondary proprietary educational institution.

35 SECTION 51. IC 21-17-1-5 IS REPEALED [EFFECTIVE JULY 1,
36 2012]. Sec. 5: "Application" means a written request for accreditation
37 or an agent's permit on forms supplied by the commission.

38 SECTION 52. IC 21-17-1-6 IS REPEALED [EFFECTIVE JULY 1,
39 2012]. Sec. 6: "Commission" means the Indiana commission on
40 proprietary education.

41 SECTION 53. IC 21-17-1-8 IS REPEALED [EFFECTIVE JULY 1,
42 2012]. Sec. 8: "Fund" refers to the career college student assurance

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1 fund established by IC 21-17-3-8.

2 SECTION 54. IC 21-17-1-11 IS REPEALED [EFFECTIVE JULY
3 1, 2012]. Sec. 11: "Person" means an individual; a partnership; a
4 limited liability company; an association; a corporation; a joint venture;
5 a trust; a receiver; or a trustee in bankruptcy.

6 SECTION 55. IC 21-17-1-13 IS REPEALED [EFFECTIVE JULY
7 1, 2012]. Sec. 13: "Postsecondary proprietary educational institution"
8 means a person doing business in Indiana by offering to the public for
9 a tuition, fee, or charge, instructional or educational services or training
10 in a technical, professional, mechanical, business, or industrial
11 occupation, either in the recipient's home, at a designated location, or
12 by mail. The term does not include the following:

13 (1) A state educational institution or another educational
14 institution established by law and financed in whole or part by
15 public funds:

16 (2) A postsecondary proprietary educational institution approved
17 or regulated by any other state regulatory board, agency, or
18 commission other than the Indiana commission on proprietary
19 education:

20 (3) An elementary or secondary school attended by students in
21 kindergarten or grades 1 through 12; supported in whole or in part
22 by private tuition payments.

23 (4) Any educational institution or educational training that:

24 (A) is maintained or given by an employer or a group of
25 employers; without charge; for employees or for individuals
26 the employer anticipates employing;

27 (B) is maintained or given by a labor organization; without
28 charge; for its members or apprentices;

29 (C) offers exclusively instruction that is clearly
30 self-improvement, motivational, or avocational in intent
31 (including instruction in dance, music, self-defense, and
32 private tutoring); or

33 (D) is a Montessori or nursery school:

34 (5) A privately endowed two (2) or four (4) year degree granting
35 institution; regionally accredited; whose principal campus is
36 located in Indiana.

37 SECTION 56. IC 21-17-2 IS REPEALED [EFFECTIVE JULY 1,
38 2012]. (Indiana Commission on Proprietary Education).

39 SECTION 57. IC 21-17-3 IS REPEALED [EFFECTIVE JULY 1,
40 2012]. (Postsecondary Proprietary Educational Institution
41 Accreditation).

42 SECTION 58. IC 21-18-6-1, AS AMENDED BY P.L.7-2011,



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1 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2012]: Sec. 1. The general purposes of the commission are the
3 following:

4 (1) Plan for and coordinate Indiana's state supported system of
5 postsecondary education.

6 (2) Review appropriation requests of state educational
7 institutions.

8 (3) Make recommendations to the governor, budget agency, or the
9 general assembly concerning postsecondary education.

10 (4) Perform other functions assigned by the governor or the
11 general assembly, except those functions specifically assigned by
12 law to the state workforce innovation council under IC 22-4.1-19.

13 **(5) Administer state financial aid programs under
14 IC 21-18.5-4.**

15 **(6) Provide staff and office space for the commission for
16 postsecondary proprietary education established by
17 IC 21-18.5-5-1.**

18 SECTION 59. IC 21-18.5 IS ADDED TO THE INDIANA CODE
19 AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY
20 1, 2012]:

21 **ARTICLE 18.5. ADMINISTRATION OF HIGHER
22 EDUCATION FINANCIAL AID AND POSTSECONDARY
23 CREDIT BEARING PROPRIETARY EDUCATIONAL
24 INSTITUTION ACCREDITATION**

25 **Chapter 1. General Provisions**

26 **Sec. 1. (a) As used in this section, "contract" refers to a contract
27 or guarantee entered into by the state student assistance
28 commission (before its abolishment on July 1, 2012) or by the state
29 student assistance commission (as it existed before the enactment
30 of P.L.128-1990).**

31 **(b) After June 30, 2012, a contract entered into by the state
32 student assistance commission (before its abolishment on July 1,
33 2012) or by the state student assistance commission (as it existed
34 before the enactment of P.L.128-1990) is a contract of the
35 commission for higher education established by IC 21-18-2-1.**

36 **(c) The:**

37 **(1) amendments made by P.L.128-1990; and**

38 **(2) repeal of IC 21-11 and addition of this article by legislation
39 enacted during the 2012 session of the general assembly;
40 do not affect the rights, duties, or obligations of the commission for
41 higher education established by IC 21-18-2-1 or a person who
42 before July 1, 2012, had a contract with the state student assistance**

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1 commission (before its abolishment on July 1, 2012) or with the
2 state student assistance commission (as it existed before the
3 enactment of P.L.128-1990).

4 (d) A person or the commission for higher education established
5 by IC 21-18-2-1 may enforce a right or compel performance of a
6 duty with respect to a contract as if:

- 7 (1) P.L.128-1990; and
- 8 (2) the repeal of IC 21-11 and conforming amendments made
9 to IC 21-7 through IC 21-16 by legislation enacted during the
10 2012 session of the general assembly;

11 had not been enacted.

12 Sec. 2. (a) The state student assistance commission established
13 by IC 21-11-2-1 (before its repeal) is abolished.

14 (b) The following are transferred on July 1, 2012, from the state
15 student assistance commission to the commission for higher
16 education established by IC 21-18-2-1:

- 17 (1) All real and personal property of the state student
18 assistance commission.
- 19 (2) All powers, duties, assets, and liabilities of the state student
20 assistance commission.
- 21 (3) All appropriations to the state student assistance
22 commission.

23 (c) All rules or policies that were adopted by the state student
24 assistance commission before July 1, 2012, shall be treated as
25 though the rules were adopted by the commission for higher
26 education established by IC 21-18-2-1 until the commission for
27 higher education adopts new rules or policies.

28 (d) After June 30, 2012, a reference to the state student
29 assistance commission in a statute or rule shall be treated as a
30 reference to the commission for higher education established by
31 IC 21-18-2-1.

32 Sec. 3. After June 30, 2012, any reference to the Indiana
33 commission for postsecondary proprietary education or the
34 Indiana commission on proprietary education in any statute or rule
35 shall be treated as a reference to the:

- 36 (1) commission on postsecondary proprietary education
37 established by IC 21-18.5-5-1 if the reference pertains to a
38 postsecondary credit bearing proprietary educational
39 institution; or
- 40 (2) state workforce innovation council established by
41 IC 22-4-18.1-3 if the reference pertains to a postsecondary
42 proprietary educational institution (as defined in

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1 IC 22-4.1-21-9).

2 Sec. 4. (a) Changes made by P.L.218-1987 do not affect:

- 3 (1) rights or liabilities accrued;
 4 (2) penalties incurred;
 5 (3) crimes committed; or
 6 (4) proceedings begun;

7 before July 1, 1987. These rights, liabilities, penalties, crimes, and
 8 proceedings continue and shall be imposed and enforced under
 9 prior law as if P.L.218-1987 had not been enacted.

10 (b) The abolishment of the Indiana commission on proprietary
 11 education on July 1, 2012, by legislation enacted during the 2012
 12 session of the general assembly does not affect:

- 13 (1) rights or liabilities accrued;
 14 (2) penalties incurred;
 15 (3) crimes committed; or
 16 (4) proceedings begun;

17 before July 1, 2012, that pertain to a postsecondary credit bearing
 18 proprietary educational institution. These rights, liabilities,
 19 penalties, crimes, and proceedings continue and shall be imposed
 20 and enforced by the commission on postsecondary proprietary
 21 education established by IC 21-18.5-5-1.

22 (c) The abolishment of the Indiana commission on proprietary
 23 education on July 1, 2012, by legislation enacted during the 2012
 24 session of the general assembly does not affect:

- 25 (1) rights or liabilities accrued;
 26 (2) penalties incurred;
 27 (3) crimes committed; or
 28 (4) proceedings begun;

29 before July 1, 2012, that pertain to a postsecondary proprietary
 30 educational institution (as defined in IC 22-4.1-21-9). These rights,
 31 liabilities, penalties, crimes, and proceedings continue and shall be
 32 imposed and enforced by the state workforce innovation council
 33 established under IC 22-4-18.1-3.

34 Sec. 5. (a) The Indiana commission on proprietary education is
 35 abolished on July 1, 2012.

36 (b) Unless otherwise specified in a memorandum of
 37 understanding described in subsection (e), the following are
 38 transferred on July 1, 2012, from the Indiana commission on
 39 proprietary education to the commission for higher education
 40 established by IC 21-18-2-1:

- 41 (1) All real and personal property of the Indiana commission
 42 on proprietary education.

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- 1 (2) All assets and liabilities of the Indiana commission on
2 proprietary education.
- 3 (3) All appropriations to the Indiana commission on
4 proprietary education.
- 5 (c) All powers and duties of the Indiana commission on
6 proprietary education before its abolishment pertaining to the
7 accreditation of a postsecondary credit bearing proprietary
8 educational institution are transferred to the commission on
9 postsecondary proprietary education established by IC 21-18.5-5-1.
- 10 (d) All powers and duties of the Indiana commission on
11 proprietary education before its abolishment pertaining to the
12 accreditation of a postsecondary proprietary educational
13 institution (as defined in IC 22-4.1-21-9) are transferred to the
14 state workforce innovation council established by IC 22-4-18.1-3.
- 15 (e) The commission for higher education established by
16 IC 21-18-2-1 may enter into a memorandum of understanding with
17 the state workforce innovation council established by
18 IC 22-4-18.1-3 to implement the transition of the responsibilities
19 and obligations of the Indiana commission on proprietary
20 education before its abolishment to the commission for higher
21 education and the state workforce innovation council.
- 22 (f) Rules that were adopted by the Indiana commission on
23 proprietary education before July 1, 2012, shall be treated as
24 though the rules were adopted by the state workforce innovation
25 council established by IC 22-4-18.1-3 until the state workforce
26 innovation council adopts rules under IC 4-22-2 to implement
27 IC 22-4.1-21.
- 28 (g) An accreditation granted or a permit issued under
29 IC 21-17-3 by the Indiana commission on proprietary education
30 before July 1, 2012, shall be treated after June 30, 2012, as an
31 accreditation granted or a permit issued by the:
- 32 (1) commission on postsecondary proprietary education
33 established by IC 21-18.5-5-1 if the accreditation pertains to
34 a postsecondary credit bearing proprietary educational
35 institution (as defined in IC 21-18.5-2-12); or
- 36 (2) state workforce innovation council if the accreditation
37 pertains to a postsecondary proprietary educational
38 institution (as defined in IC 22-4.1-21-9).
- 39 (h) Proceedings pending before the Indiana commission on
40 proprietary education on July 1, 2012, shall be transferred from
41 the Indiana commission on proprietary education to the
42 commission for higher education and treated as if the proceedings



1 were initiated by the:

- 2 (1) commission on postsecondary proprietary education
 3 established by IC 21-18.5-5-1 for a proceeding pertaining to
 4 a postsecondary credit bearing proprietary educational
 5 institution (as defined in IC 21-18.5-2-12); or
 6 (2) state workforce innovation council if the proceeding
 7 pertains to a postsecondary proprietary educational
 8 institution (as defined in IC 22-4.1-21-9).

9 **Chapter 2. Definitions**

10 **Sec. 1. Unless otherwise provided, the definitions in this chapter**
 11 **apply throughout this article.**

12 **Sec. 2. "Accreditation", for purposes of IC 21-18.5-6, means**
 13 **certification of a status of approval or authorization by the**
 14 **commission to conduct business as a postsecondary credit bearing**
 15 **proprietary educational institution.**

16 **Sec. 3. "Agent", for purposes of IC 21-18.5-6, means a person**
 17 **who:**

- 18 (1) enrolls or seeks to enroll a resident of Indiana through:
 19 (A) personal contact;
 20 (B) telephone;
 21 (C) advertisement;
 22 (D) letter; or
 23 (E) publications;

24 in a course offered by a postsecondary credit bearing
 25 proprietary educational institution; or

- 26 (2) otherwise holds the person out to the residents of Indiana
 27 as representing a postsecondary credit bearing proprietary
 28 educational institution.

29 **Sec. 4. "Agent's permit", for purposes of IC 21-18.5-6, means a**
 30 **nontransferable written authorization issued to a person by the**
 31 **commission to solicit a resident of Indiana to enroll in a course**
 32 **offered or maintained by a postsecondary credit bearing**
 33 **proprietary educational institution.**

34 **Sec. 5. "Application", for purposes of IC 21-18.5-6, means a**
 35 **written request for accreditation or an agent's permit on forms**
 36 **supplied by the commission.**

37 **Sec. 6. "Caretaker relative" means a relative by blood or law**
 38 **who lives with a minor and exercises parental responsibility, care,**
 39 **and control over the minor in the absence of the minor's parent.**

40 **Sec. 7. "Commission" means the commission for higher**
 41 **education established by IC 21-18-2-1.**

42 **Sec. 8. "Course", for purposes of IC 21-18.5-6, means a plan or**

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1 program of instruction or training, whether conducted in person,
2 by mail, or by any other method.

3 Sec. 9. "Enrollment" means the establishment and maintenance
4 of an individual's status as an undergraduate student in a
5 postsecondary credit bearing proprietary educational institution.

6 Sec. 10. "Higher education award" means a monetary award.

7 Sec. 11. "Person", for purposes of IC 21-18.5-6, means an
8 individual, a partnership, a limited liability company, an
9 association, a corporation, a joint venture, a trust, a receiver, or a
10 trustee in bankruptcy.

11 Sec. 12. (a) "Postsecondary credit bearing proprietary
12 educational institution" means a degree granting and credit
13 bearing institution that provides instructional or educational
14 services or training in a technical, professional, mechanical,
15 business, or industrial occupation, and is accredited by an
16 accrediting agency recognized by the United States Department of
17 Education or is seeking and progressing toward accreditation by
18 an accrediting agency recognized by the United States Department
19 of Education.

20 (b) The term does not include the following:

21 (1) An Indiana state educational institution or another
22 Indiana educational institution established by law and
23 financed in whole or in part by public funds.

24 (2) A postsecondary proprietary educational institution
25 approved or regulated by any other state regulatory board,
26 agency, or commission other than the commission for higher
27 education.

28 (3) An elementary or secondary school attended by students
29 in kindergarten or grades 1 through 12 and supported in
30 whole or in part by private tuition payments.

31 (4) Any educational institution or educational training that:

32 (A) is maintained or given by an employer or a group of
33 employers, without charge, for employees or for
34 individuals the employer anticipates employing;

35 (B) is maintained or given by a labor organization, without
36 charge, for its members or apprentices;

37 (C) offers exclusively instruction that is clearly
38 self-improvement, motivational, or avocational in intent
39 (including instruction in dance, music, or self-defense, and
40 private tutoring); or

41 (D) is a Montessori or nursery school.

42 (5) A privately endowed two (2) or four (4) year degree

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1 granting institution that is regionally accredited and whose
2 principal campus is located in Indiana.
3 **Chapter 3. State Financial Aid**
4 **Sec. 1. The commission, under IC 21-18-6-1, shall administer the**
5 **following:**
6 (1) This article.
7 (2) IC 21-12.
8 (3) IC 21-13.
9 (4) IC 21-14.
10 (5) IC 21-16.
11 **Chapter 4. Administration of Awards**
12 **Sec. 1. The purposes of this chapter are:**
13 (1) to increase the opportunity to receive a higher education
14 for every person who resides in Indiana and who, though
15 being highly qualified and desiring to receive a higher
16 education, is deterred by financial considerations; and
17 (2) to accomplish the goal described in subdivision (1) by
18 establishing a system of state higher education awards that
19 will assist individuals in selecting and attending a qualified
20 public or private postsecondary educational institution or a
21 postsecondary credit bearing proprietary educational
22 institution.
23 **Sec. 2. The commission shall exercise its functions under this**
24 **chapter without regard to an applicant's race, creed, sex, color,**
25 **national origin, or ancestry.**
26 **Sec. 3. For purposes of administering this chapter, the**
27 **commission shall do the following:**
28 (1) Prepare and supervise the issuance of public information
29 concerning this chapter, IC 21-12-2, IC 21-12-3, IC 21-12-4,
30 and IC 21-12-5.
31 (2) Prescribe the form and regulate the submission of
32 applications for higher education awards and the
33 commission's programs.
34 (3) Conduct conferences and interviews with applicants as
35 appropriate.
36 (4) Determine the eligibility of applicants.
37 (5) Select qualified applicants.
38 (6) Determine the respective amounts of, and award, the
39 appropriate higher education awards, grants, and
40 scholarships.
41 (7) Determine eligibility for, and award, annual renewals of
42 higher education awards, grants, and scholarships.

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- 1 **(8) Act as the designated state agency for participation in any**
- 2 **federal program for reinsurance of student loans.**
- 3 **(9) Receive federal funds made available to the commission**
- 4 **for awards, grants, and scholarships, and disburse these funds**
- 5 **in the manner prescribed by federal law.**
- 6 **(10) One (1) time every year, submit a report to the legislative**
- 7 **council that provides data and statistical information**
- 8 **regarding the number of individuals who received assistance**
- 9 **under IC 21-12-6 and IC 21-12-6.5. The report made to the**
- 10 **legislative council must be in an electronic format under**
- 11 **IC 5-14-6.**

12 **Sec. 4. For purposes of administering this chapter, the**
 13 **commission may do the following:**

- 14 **(1) Accept gifts, grants, devises, or bequests to provide grants,**
- 15 **awards, scholarships, loans, or other forms of financial aid to**
- 16 **students attending approved postsecondary educational**
- 17 **institutions.**
- 18 **(2) Enter into contracts, subject to IC 4-13-2, that the**
- 19 **commission determines are necessary to carry out the**
- 20 **commission's functions.**
- 21 **(3) Provide administrative or technical assistance to other**
- 22 **governmental or nongovernmental entities if the provision of**
- 23 **this assistance will increase the number and value of grants,**
- 24 **awards, scholarships, or loans available to students attending**
- 25 **approved postsecondary educational institutions.**
- 26 **(4) Sue and be sued in the name of the commission.**

27 **Sec. 5. For purposes of administering this chapter, if the**
 28 **commission receives an offer of a gift, grant, devise, or bequest, the**
 29 **commission may accept a stipulation on the use of the donated**
 30 **funds. In this case, IC 21-12-3-11 (higher education award) and**
 31 **IC 21-12-4-4 (freedom of choice grant) do not apply. Before**
 32 **accepting a gift, grant, devise, or bequest, the commission shall**
 33 **determine that the purposes for which the donor proposes to**
 34 **provide funds are:**

- 35 **(1) lawful;**
- 36 **(2) in the state's best interests; and**
- 37 **(3) generally consistent with the commission's programs and**
- 38 **purposes.**

39 **If the commission agrees to a stipulation on the use of donated**
 40 **funds, the commission and the donor, subject to approval by the**
 41 **budget agency and the governor or the governor's designee, shall**
 42 **execute an agreement.**

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1 **Sec. 6. (a) This section applies if the commission agrees to**
 2 **provide administrative or technical assistance to other**
 3 **governmental or nongovernmental entities to increase the number**
 4 **and value of grants, awards, scholarships, or loans available to**
 5 **students attending approved postsecondary educational**
 6 **institutions.**

7 **(b) The commission and the party to whom the assistance is to**
 8 **be provided shall execute an agreement specifying:**

9 **(1) the assistance that is to be provided; and**

10 **(2) the charges, if any, that are to be assessed by the**
 11 **commission for providing the assistance.**

12 **The commission may waive charges for administrative or technical**
 13 **assistance under this section if the commission determines that a**
 14 **waiver is in the best interest of the state. An agreement to provide**
 15 **assistance must be approved by the budget agency and the**
 16 **governor or the governor's designee.**

17 **Sec. 7. The commission may, subject to written advance notice,**
 18 **inspect and audit the records of a postsecondary credit bearing**
 19 **proprietary educational institution concerning a student grant**
 20 **awarded under IC 21-12 or IC 21-13.**

21 **Sec. 8. (a) This section applies to a person:**

22 **(1) who is a student;**

23 **(2) who is a graduate of a high school located in Indiana or a**
 24 **recipient of the state of Indiana general educational**
 25 **development (GED) diploma under IC 20-10.1-12.1 (before its**
 26 **repeal), IC 20-20-6 (before its repeal), or IC 22-4.1-18;**

27 **(3) who, on the date that eligibility is determined by the**
 28 **commission, has resided in Indiana with a caretaker relative**
 29 **who has been a resident of Indiana for at least four (4) years;**
 30 **and**

31 **(4) whose legal parent:**

32 **(A) is currently; and**

33 **(B) has been for at least three (3) consecutive years;**
 34 **a resident of Indiana.**

35 **(b) In determining the eligibility of a person to receive financial**
 36 **aid administered by the commission under any law, the commission**
 37 **shall use the residence or domicile of the person's caretaker**
 38 **relative to determine the person's residence or domicile.**

39 **Sec. 9. The commission shall adopt rules under IC 4-22-2:**

40 **(1) to develop standards that govern the denial of assistance**
 41 **to higher education award applicants and recipients under**
 42 **IC 21-12-3-13;**

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- 1 **(2) to implement IC 21-12-6, including:**
- 2 **(A) rules regarding the establishment of appeals**
- 3 **procedures for individuals who become disqualified from**
- 4 **the program under IC 21-12-6-9;**
- 5 **(B) notwithstanding IC 21-12-6-5, rules that may include**
- 6 **students who are in grades other than grade 6, 7, or 8 as**
- 7 **eligible students; and**
- 8 **(C) rules that allow a student described in IC 21-12-6-5(b)**
- 9 **to become an eligible student while the student is in high**
- 10 **school, if the student agrees to comply with the**
- 11 **requirements set forth in IC 21-12-6-5(a)(4)(B) through**
- 12 **IC 21-12-6-5(a)(4)(D) for not less than six (6) months after**
- 13 **graduating from high school;**
- 14 **(3) to implement IC 21-13-2, including rules governing the**
- 15 **enforcement of the agreements under IC 21-13-2-5;**
- 16 **(4) that are necessary to carry out IC 21-13-3, including rules**
- 17 **governing the enforcement of the agreements made under**
- 18 **IC 21-13-3-5; and**
- 19 **(5) to implement:**
- 20 **(A) IC 21-12-7; and**
- 21 **(B) IC 21-14-5.**

Sec. 10. The commission may:

- 22 **(1) make rules necessary to carry out its functions under this**
- 23 **chapter;**
- 24 **(2) appoint advisory boards it considers necessary to carry**
- 25 **out its responsibilities under this chapter;**
- 26 **(3) adopt rules under IC 4-22-2 to implement IC 21-14-5; and**
- 27 **(4) adopt rules under IC 4-22-2 and internal policy to**
- 28 **effectuate the purposes of IC 21-16-4.**

Sec. 11. The commission and the state workforce innovation council may cooperate in developing training programs concerning grant program requirements.

Chapter 5. Commission on Postsecondary Proprietary Education

Sec. 1. The commission on postsecondary proprietary education is established.

Sec. 2. (a) The commission on postsecondary proprietary education consists of five (5) members appointed by the governor.

(b) The members appointed by the governor under subsection (a) serve for a term of four (4) years.

(c) Not more than three (3) of the members appointed by the governor may be members of one (1) political party.



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1 (d) Of the members, not more than two (2) members may have
 2 been previously employed by a postsecondary credit bearing
 3 proprietary educational institution. However, the members may
 4 not be:

5 (1) employed by; or

6 (2) working as a contract employee or an independent
 7 contractor for;

8 a postsecondary credit bearing proprietary educational institution
 9 while serving as a member of the commission on postsecondary
 10 proprietary education.

11 (e) An appointment to fill a vacancy occurring on the
 12 commission on postsecondary proprietary education is for the
 13 unexpired term.

14 Sec. 3. A member of the commission on postsecondary
 15 proprietary education is entitled to the minimum salary per diem
 16 provided by IC 4-10-11-2.1(b). The member is also entitled to
 17 reimbursement for traveling expenses as provided under
 18 IC 4-13-1-4 and other expenses actually incurred in connection
 19 with the member's duties as provided in the state policies and
 20 procedures established by the Indiana department of
 21 administration and approved by the budget agency.

22 Sec. 4. (a) The commission on postsecondary proprietary
 23 education may select officers from the commission on
 24 postsecondary proprietary education's membership as the
 25 commission on postsecondary proprietary education considers
 26 necessary.

27 (b) The commission on postsecondary proprietary education
 28 may adopt reasonable rules under IC 4-22-2 to implement this
 29 chapter and IC 21-18.5-6.

30 (c) The commission on postsecondary proprietary education:

31 (1) may meet as necessary upon call of the chairperson; and

32 (2) shall meet at least four (4) times a year.

33 Sec. 5. An associate commissioner of the commission (as defined
 34 in IC 21-18.5-2-7) shall serve as the executive director of the
 35 commission on postsecondary proprietary education.

36 Chapter 6. Postsecondary Credit Bearing Proprietary
 37 Educational Institution Accreditation

38 Sec. 1. The general assembly recognizes that the private school
 39 is an essential part of the educational system. It is the purpose of
 40 this chapter to protect students, educational institutions, the
 41 general public, and honest and ethical operators of private schools
 42 from dishonest and unethical practices.



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1 **Sec. 2. A person may not do business as a postsecondary credit**
2 **bearing proprietary educational institution in Indiana without**
3 **having obtained accreditation under this chapter.**

4 **Sec. 3. Applications for accreditation under this chapter must**
5 **be filed with the commission on postsecondary proprietary**
6 **education and accompanied by an application fee of at least one**
7 **hundred dollars (\$100) for processing the application and**
8 **evaluating the postsecondary credit bearing proprietary**
9 **educational institution.**

10 **Sec. 4. An application for accreditation under this chapter must**
11 **include at least the following information:**

12 **(1) The name and address of the postsecondary credit bearing**
13 **proprietary educational institution and the institution's**
14 **officers.**

15 **(2) The places where the courses are to be provided.**

16 **(3) The types of courses to be offered, the form of instruction**
17 **to be followed with the class, shop, or laboratory, and the**
18 **hours required for each curriculum.**

19 **(4) The form of certificate, diploma, or degree to be awarded.**

20 **(5) A statement of the postsecondary credit bearing**
21 **proprietary educational institution's finances.**

22 **(6) A description of the postsecondary credit bearing**
23 **proprietary educational institution's physical facilities,**
24 **including classrooms, laboratories, library, machinery, and**
25 **equipment.**

26 **(7) An explicit statement of policy with reference to:**

27 **(A) solicitation of students;**

28 **(B) payment and amount of student fees; and**

29 **(C) conditions under which students are entitled to a**
30 **refund in part or in full of fees paid.**

31 **(8) Provisions for liability insurance of students.**

32 **(9) Maximum student-teacher ratio to be maintained.**

33 **(10) Minimum requirements for instructional staff.**

34 **Sec. 5. The commission on postsecondary proprietary education**
35 **shall require each postsecondary credit bearing proprietary**
36 **educational institution to include in each curriculum catalog and**
37 **promotional brochure the following:**

38 **(1) A statement indicating that the postsecondary credit**
39 **bearing proprietary educational institution is regulated by the**
40 **commission on postsecondary proprietary education under**
41 **this chapter.**

42 **(2) The commission on postsecondary proprietary education's**

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1 mailing address and telephone number.

2 Sec. 6. (a) Upon receipt of an application for accreditation under
3 this chapter, the commission on postsecondary proprietary
4 education shall make an investigation to determine the accuracy of
5 the statements in the application to determine if the postsecondary
6 credit bearing proprietary educational institution meets the
7 minimum standards for accreditation.

8 (b) During the investigation under subsection (a), the
9 commission on postsecondary proprietary education may grant a
10 temporary status of accreditation. The temporary status of
11 accreditation is sufficient to meet the requirements of this chapter
12 until a determination on accreditation is made.

13 Sec. 7. The cost of performing a team onsite investigation for
14 purposes of section 6 of this chapter shall be paid by the applicant
15 postsecondary credit bearing proprietary educational institution.
16 However, the total cost of an inspection, including room, board,
17 and mileage that does not require travel outside Indiana, may not
18 exceed one thousand dollars (\$1,000) for any one (1) postsecondary
19 credit bearing proprietary educational institution.

20 Sec. 8. (a) A postsecondary credit bearing proprietary
21 educational institution shall maintain at least the following records
22 for each student:

- 23 (1) The program in which the student enrolls.
- 24 (2) The length of the program.
- 25 (3) The date of the student's initial enrollment in the program.
- 26 (4) A transcript of the student's academic progress.
- 27 (5) The amount of the student's tuition and fees.
- 28 (6) A copy of the enrollment agreement.

29 (b) Upon the request of the commission on postsecondary
30 proprietary education, a postsecondary credit bearing proprietary
31 educational institution shall submit the records described in
32 subsection (a) to the commission on postsecondary proprietary
33 education.

34 (c) If a postsecondary credit bearing proprietary educational
35 institution ceases operation, the postsecondary credit bearing
36 proprietary educational institution shall submit the records
37 described in subsection (a) to the commission on postsecondary
38 proprietary education on public records not later than thirty (30)
39 days after the institution ceases to operate.

40 Sec. 9. Full accreditation under this chapter may not be issued
41 unless and until the commission on postsecondary proprietary
42 education finds that the postsecondary credit bearing proprietary

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1 educational institution meets minimum standards that are
2 appropriate to that type or class of postsecondary credit bearing
3 proprietary educational institution, including the following
4 minimum standards:

5 (1) The postsecondary credit bearing proprietary educational
6 institution has a sound financial structure with sufficient
7 resources for continued support.

8 (2) The postsecondary credit bearing proprietary educational
9 institution has satisfactory training or educational facilities
10 with sufficient tools, supplies, or equipment and the necessary
11 number of work stations or classrooms to adequately train,
12 instruct, or educate the number of students enrolled or
13 proposed to be enrolled.

14 (3) The postsecondary credit bearing proprietary educational
15 institution has an adequate number of qualified instructors or
16 teachers, sufficiently trained by experience or education, to
17 give the instruction, education, or training contemplated.

18 (4) The advertising and representations made on behalf of the
19 postsecondary credit bearing proprietary educational
20 institution to prospective students are truthful and free from
21 misrepresentation or fraud.

22 (5) The charge made for the training, instruction, or
23 education is clearly stated and based upon the services
24 rendered.

25 (6) The premises and conditions under which the students
26 work and study are sanitary, healthful, and safe according to
27 modern standards.

28 (7) The postsecondary credit bearing proprietary educational
29 institution has and follows a refund policy approved by the
30 commission on postsecondary proprietary education.

31 (8) The owner or chief administrator of the postsecondary
32 credit bearing proprietary educational institution is subject to
33 a background check by the commission on postsecondary
34 proprietary education and has not been convicted of a felony.

35 (9) The owner or chief administrator of the postsecondary
36 credit bearing proprietary educational institution has not
37 been the owner or chief administrator of a postsecondary
38 credit bearing proprietary educational institution that has
39 had its accreditation revoked or has been closed involuntarily
40 in the five (5) year period preceding the application for
41 accreditation. However, if the owner or chief administrator of
42 the postsecondary credit bearing proprietary educational

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1 institution has been the owner or chief administrator of a
 2 postsecondary credit bearing proprietary educational
 3 institution that has had its accreditation revoked or has been
 4 closed involuntarily more than five (5) years before the
 5 application for accreditation, the commission on
 6 postsecondary proprietary education may issue full
 7 accreditation at the commission on postsecondary proprietary
 8 education's discretion.

9 Sec. 10. (a) After an investigation and a finding that the
 10 information in the application is true and the postsecondary credit
 11 bearing proprietary educational institution meets the minimum
 12 standards, the commission on postsecondary proprietary education
 13 shall issue an accreditation to the postsecondary credit bearing
 14 proprietary educational institution upon payment of an additional
 15 fee of at least twenty-five dollars (\$25). An applicant's market
 16 research may not be considered or required by the commission on
 17 postsecondary proprietary education as a condition for accrediting
 18 or renewing the accreditation of or for approval of the programs
 19 of a postsecondary credit bearing proprietary educational
 20 institution.

21 (b) The commission on postsecondary proprietary education
 22 may waive inspection of a postsecondary credit bearing
 23 proprietary educational institution that has been accredited by an
 24 accrediting unit whose standards are approved by the commission
 25 on postsecondary proprietary education as meeting or exceeding
 26 the requirements of this chapter.

27 (c) A valid license, approval to operate, or other form of
 28 accreditation issued to a postsecondary credit bearing proprietary
 29 educational institution by another state may be accepted, instead
 30 of inspection, if:

31 (1) the requirements of that state meet or exceed the
 32 requirements of this chapter; and

33 (2) the other state will, in turn, extend reciprocity to
 34 postsecondary credit bearing proprietary educational
 35 institutions accredited by the commission on postsecondary
 36 proprietary education.

37 (d) An accreditation issued under this section expires one (1)
 38 year following the accreditation's issuance.

39 (e) An accredited postsecondary credit bearing proprietary
 40 educational institution may renew the institution's accreditation
 41 annually upon:

42 (1) the payment of a fee of at least twenty-five dollars (\$25);

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and

(2) continued compliance with this chapter.

Sec. 11. Accreditation under this chapter may be revoked by the commission on postsecondary proprietary education for cause upon notice and an opportunity for a hearing before the commission on postsecondary proprietary education.

Sec. 12. (a) A postsecondary credit bearing proprietary educational institution, after notification that the institution's accreditation has been refused, revoked, or suspended, may apply for a hearing before the commission on postsecondary proprietary education concerning the institution's qualifications. The application for a hearing must be filed in writing with the commission on postsecondary proprietary education not more than thirty (30) days after receipt of notice of the denial, revocation, or suspension.

(b) The commission on postsecondary proprietary education shall give a hearing promptly and with not less than ten (10) days notice of the date, time, and place. The postsecondary credit bearing proprietary educational institution is entitled to be represented by counsel and to offer oral and documentary evidence relevant to the issue.

(c) Not more than fifteen (15) days after a hearing, the commission on postsecondary proprietary education shall make written findings of fact, a written decision, and a written order based solely on the evidence submitted at the hearing, either granting or denying accreditation to the postsecondary credit bearing proprietary educational institution.

Sec. 13. A postsecondary credit bearing proprietary educational institution's accreditation shall be suspended at any time if the accredited postsecondary credit bearing proprietary educational institution denies enrollment to a student or makes a distinction or classification of students on the basis of race, color, or creed.

Sec. 14. A person may not do the following:

(1) Make, or cause to be made, a statement or representation, oral, written, or visual, in connection with the offering or publicizing of a course, if the person knows or should reasonably know the statement or representation is false, deceptive, substantially inaccurate, or misleading.

(2) Promise or guarantee employment to a student or prospective student using information, training, or skill purported to be provided or otherwise enhanced by a course, unless the person offers the student or prospective student a

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1 bona fide contract of employment agreeing to employ the
2 student or prospective student for a period of at least ninety
3 (90) days in a business or other enterprise regularly
4 conducted by the person in which that information, training,
5 or skill is a normal condition of employment.

6 (3) Do an act that constitutes part of the conduct of
7 administration of a course if the person knows, or should
8 reasonably know, that the course is being carried on by the
9 use of fraud, deception, or other misrepresentation.

10 Sec. 15. (a) A person representing a postsecondary credit
11 bearing proprietary educational institution doing business in
12 Indiana by offering courses may not sell a course or solicit students
13 for the institution unless the person first secures an agent's permit
14 from the commission on postsecondary proprietary education. If
15 the agent represents more than one (1) postsecondary credit
16 bearing proprietary educational institution, a separate agent's
17 permit must be obtained for each institution that the agent
18 represents.

19 (b) Upon approval of an agent's permit, the commission on
20 postsecondary proprietary education shall issue a pocket card to
21 the person that includes:

22 (1) the person's name and address;

23 (2) the name and address of the postsecondary credit bearing
24 proprietary educational institution that the person represents;
25 and

26 (3) a statement certifying that the person whose name appears
27 on the card is an authorized agent of the postsecondary credit
28 bearing proprietary educational institution.

29 (c) The application must be accompanied by a fee of at least ten
30 dollars (\$10).

31 (d) An agent's permit is valid for one (1) year from the date of
32 its issue. An application for renewal must be accompanied by a fee
33 of at least ten dollars (\$10).

34 (e) A postsecondary credit bearing proprietary educational
35 institution is liable for the actions of the institution's agents.

36 Sec. 16. (a) An application for an agent's permit must be
37 granted or denied by the commission not more than fifteen (15)
38 working days after the receipt of the application. If the commission
39 on postsecondary proprietary education has not completed a
40 determination with respect to the issuance of a permit under this
41 section within the fifteen (15) working day period, the commission
42 on postsecondary proprietary education shall issue a temporary

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1 permit to the applicant. The temporary permit is sufficient to meet
 2 the requirements of this chapter until a determination is made on
 3 the application.

4 (b) A permit issued under this chapter may, upon ten (10) days
 5 notice and after a hearing, be revoked by the commission on
 6 postsecondary proprietary education:

7 (1) if the holder of the permit solicits or enrolls students
 8 through fraud, deception, or misrepresentation; or

9 (2) upon a finding that the permit holder is not of good moral
 10 character.

11 Sec. 17. An obligation, negotiable or nonnegotiable, providing
 12 for payment for a course or courses of instruction is void if the
 13 postsecondary credit bearing proprietary educational institution
 14 is not accredited to operate in Indiana.

15 Sec. 18. The issuance of an agent's permit or any accreditation
 16 may not be considered to constitute approval of a course, a person,
 17 or an institution. A representation to the contrary is a
 18 misrepresentation.

19 Sec. 19. The prosecuting attorney of the county in which an
 20 offense under this chapter occurred shall, at the request of the
 21 commission on postsecondary proprietary education or on the
 22 prosecuting attorney's own motion, bring any appropriate action,
 23 including a mandatory and prohibitive injunction.

24 Sec. 20. An action of the commission on postsecondary
 25 proprietary education concerning the issuance, denial, or
 26 revocation of a permit or accreditation under this chapter is
 27 subject to review under IC 4-21.5.

28 Sec. 21. (a) Except as provided in subsection (b), a person who
 29 knowingly, intentionally, or recklessly violates this chapter
 30 commits a Class B misdemeanor.

31 (b) A person who, with intent to defraud, represents the person
 32 to be an agent of a postsecondary credit bearing proprietary
 33 educational institution commits a Class C felony.

34 Sec. 22. (a) As used in this section, "fund" means the
 35 postsecondary credit bearing proprietary educational institution
 36 accreditation fund established by subsection (b).

37 (b) The postsecondary credit bearing proprietary educational
 38 institution accreditation fund is established.

39 (c) The fund shall be administered by the commission (as
 40 defined in IC 21-18.5-2-7.).

41 (d) Money in the fund at the end of a state fiscal year does not
 42 revert to the general fund.



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1 (e) All fees collected by the commission on postsecondary
 2 proprietary education under this chapter shall be deposited in the
 3 fund.

4 (f) Money in the fund shall be used by the commission on
 5 postsecondary proprietary education to administer this chapter.

6 **Sec. 23. The commission on postsecondary proprietary**
 7 **education may adopt rules under IC 4-22-2 to implement this**
 8 **chapter.**

9 SECTION 60. IC 22-4-18.1-3, AS AMENDED BY P.L.161-2006,
 10 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2012]: Sec. 3. The state workforce innovation council is
 12 established under the applicable federal programs to do the following:

13 (1) Review the services and use of funds and resources under
 14 applicable federal programs and advise the governor on methods
 15 of coordinating the services and use of funds and resources
 16 consistent with the laws and regulations governing the particular
 17 applicable federal programs.

18 (2) Advise the governor on:

19 (A) the development and implementation of state and local
 20 standards and measures; and

21 (B) the coordination of the standards and measures;
 22 concerning the applicable federal programs.

23 (3) Perform the duties as set forth in federal law of the particular
 24 advisory bodies for applicable federal programs described in
 25 section 4 of this chapter.

26 (4) Identify the workforce needs in Indiana and recommend to the
 27 governor goals to meet the investment needs.

28 (5) Recommend to the governor goals for the development and
 29 coordination of the human resource system in Indiana.

30 (6) Prepare and recommend to the governor a strategic plan to
 31 accomplish the goals developed under subdivisions (4) and (5).

32 (7) Monitor the implementation of and evaluate the effectiveness
 33 of the strategic plan described in subdivision (6).

34 (8) Advise the governor on the coordination of federal, state, and
 35 local education and training programs and on the allocation of
 36 state and federal funds in Indiana to promote effective services,
 37 service delivery, and innovative programs.

38 (9) Administer the minority training grant program established by
 39 section 11 of this chapter.

40 (10) Administer the back home in Indiana program established by
 41 section 12 of this chapter.

42 (11) Any other function assigned to the council by the governor

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1 with regard to the study and evaluation of Indiana's workforce
2 development delivery system.

3 **(12) Administer postsecondary proprietary educational**
4 **institution accreditation under IC 22-4.1-21.**

5 SECTION 61. IC 22-4.1-1-4 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 4. "Fund", **except as**
7 **provided in IC 22-4.1-21-7**, refers to the state workforce development
8 fund established under IC 22-4.1-6-1.

9 SECTION 62. IC 22-4.1-21 IS ADDED TO THE INDIANA CODE
10 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2012]:

12 **Chapter 21. Postsecondary Proprietary Educational Institution**
13 **Accreditation**

14 **Sec. 1. IC 21-18.5-1-3, IC 21-18.5-1-4, and IC 21-18.5-1-5 apply**
15 **to this chapter.**

16 **Sec. 2. As used in this chapter, "accreditation" means**
17 **certification of a status of approval or authorization by the council**
18 **to conduct business as a postsecondary proprietary educational**
19 **institution.**

20 **Sec. 3. As used in this chapter, "agent" means a person who:**

- 21 **(1) enrolls or seeks to enroll a resident of Indiana through:**
22 **(A) personal contact;**
23 **(B) telephone;**
24 **(C) advertisement;**
25 **(D) letter; or**
26 **(E) publications;**

27 **in a course offered by a postsecondary proprietary**
28 **educational institution; or**

29 **(2) otherwise holds the person out to the residents of Indiana**
30 **as representing a postsecondary proprietary educational**
31 **institution.**

32 **Sec. 4. As used in this chapter, "agent's permit" means a**
33 **nontransferable written authorization issued to a person by the**
34 **council to solicit a resident of Indiana to enroll in a course offered**
35 **or maintained by a postsecondary proprietary educational**
36 **institution.**

37 **Sec. 5. As used in this chapter, "application" means a written**
38 **request for accreditation or an agent's permit on forms supplied by**
39 **the council.**

40 **Sec. 6. As used in this chapter, "course" means a plan or**
41 **program of instruction or training, whether conducted in person,**
42 **by mail, or by any other method.**

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1 **Sec. 7. As used in this chapter, "fund" refers to the career**
 2 **college student assurance fund established by section 18 of this**
 3 **chapter.**

4 **Sec. 8. As used in this chapter, "person" means an individual, a**
 5 **partnership, a limited liability company, an association, a**
 6 **corporation, a joint venture, a trust, a receiver, or a trustee in**
 7 **bankruptcy.**

8 **Sec. 9. As used in this chapter, "postsecondary proprietary**
 9 **educational institution" means a person doing business in Indiana**
 10 **by offering to the public, for a tuition, fee, or charge, instructional**
 11 **or educational services or training in a technical, professional,**
 12 **mechanical, business, or industrial occupation, in the recipient's**
 13 **home, at a designated location, or by mail. The term does not**
 14 **include the following:**

15 **(1) A postsecondary credit bearing proprietary educational**
 16 **institution accredited by the commission on postsecondary**
 17 **proprietary education under IC 21-18.5-6.**

18 **(2) A state educational institution or another educational**
 19 **institution established by law and financed in whole or in part**
 20 **by public funds.**

21 **(3) A postsecondary proprietary educational institution**
 22 **approved or regulated by any other state regulatory board,**
 23 **agency, or commission.**

24 **(4) An elementary or secondary school attended by students**
 25 **in kindergarten or grades 1 through 12 and supported in**
 26 **whole or in part by private tuition payments.**

27 **(5) Any educational institution or educational training that:**
 28 **(A) is maintained or given by an employer or a group of**
 29 **employers, without charge, for employees or for**
 30 **individuals the employer anticipates employing;**
 31 **(B) is maintained or given by a labor organization, without**
 32 **charge, for its members or apprentices;**
 33 **(C) offers exclusively instruction that is clearly**
 34 **self-improvement, motivational, or avocational in intent**
 35 **(including instruction in dance, music, or self-defense, and**
 36 **private tutoring); or**
 37 **(D) is a Montessori or nursery school.**

38 **(6) A privately endowed two (2) or four (4) year degree**
 39 **granting institution that is regionally accredited and whose**
 40 **principal campus is located in Indiana.**

41 **Sec. 10. (a) The council shall administer this chapter.**

42 **(b) The council may employ and fix compensation for necessary**

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1 administrative staff with the approval of the department.

2 (c) The council may adopt reasonable rules under IC 4-22-2 to
3 implement this chapter.

4 (d) The council may adopt and use a seal, the description of
5 which shall be filed with the office of the secretary of state, and
6 which may be used for the authentication of the acts of the council.

7 Sec. 11. The general assembly recognizes that the private school
8 is an essential part of the educational system. It is the purpose of
9 this chapter to protect students, educational institutions, the
10 general public, and honest and ethical operators of private schools
11 from dishonest and unethical practices.

12 Sec. 12. A person may not do business as a postsecondary
13 proprietary educational institution in Indiana without having
14 obtained accreditation under this chapter.

15 Sec. 13. Applications for accreditation under this chapter must
16 be filed with the council and accompanied by an application fee of
17 at least one hundred dollars (\$100) for processing the application
18 and evaluating the postsecondary proprietary educational
19 institution.

20 Sec. 14. An application for accreditation under this chapter
21 must include at least the following information:

- 22 (1) The name and address of the postsecondary proprietary
23 educational institution and the institution's officers.
- 24 (2) The places where the courses are to be provided.
- 25 (3) The types of courses to be offered, the form of instruction
26 to be followed with the class, shop, or laboratory, and the
27 hours required for each curriculum.
- 28 (4) The form of certificate, diploma, or degree to be awarded.
- 29 (5) A statement of the postsecondary proprietary educational
30 institution's finances.
- 31 (6) A description of the postsecondary proprietary
32 educational institution's physical facilities, including
33 classrooms, laboratories, library, machinery, and equipment.
- 34 (7) An explicit statement of policy with reference to:
 - 35 (A) solicitation of students;
 - 36 (B) payment and amount of student fees; and
 - 37 (C) conditions under which students are entitled to a
38 refund in part or in full of fees paid, including a statement
39 concerning the existence of the fund.
- 40 (8) Provisions for liability insurance of students.
- 41 (9) Maximum student-teacher ratio to be maintained.
- 42 (10) Minimum requirements for instructional staff.



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- 1 **Sec. 15. (a) This section is subject to section 16 of this chapter.**
 2 **(b) An application for accreditation under this chapter must**
 3 **include a surety bond in a penal sum determined under section 16**
 4 **of this chapter. The bond must be executed by the applicant as**
 5 **principal and by a surety company qualified and authorized to do**
 6 **business in Indiana as a surety or cash bond company.**
 7 **(c) The surety bond must be conditioned to provide**
 8 **indemnification to any student or enrollee who suffers a loss or**
 9 **damage as a result of:**
 10 **(1) the failure or neglect of the postsecondary proprietary**
 11 **educational institution to faithfully perform all agreements,**
 12 **express or otherwise, with the student, enrollee, one (1) or**
 13 **both of the parents of the student or enrollee, or a guardian of**
 14 **the student or enrollee as represented by the application for**
 15 **the institution's accreditation and the materials submitted in**
 16 **support of the application;**
 17 **(2) the failure or neglect of the postsecondary proprietary**
 18 **educational institution to maintain and operate a course or**
 19 **courses of instruction or study in compliance with the**
 20 **standards of this chapter; or**
 21 **(3) an agent's misrepresentation in procuring the student's**
 22 **enrollment.**
 23 **(d) A surety on a bond may be released after the surety has**
 24 **made a written notice of the release directed to the council at least**
 25 **thirty (30) days before the release. However, a surety may not be**
 26 **released from the bond unless all sureties on the bond are released.**
 27 **(e) A surety bond covers the period of the accreditation.**
 28 **(f) Accreditation under this chapter shall be suspended if a**
 29 **postsecondary proprietary educational institution is no longer**
 30 **covered by a surety bond or if the postsecondary proprietary**
 31 **educational institution fails to comply with section 16 of this**
 32 **chapter. The council shall notify the postsecondary proprietary**
 33 **educational institution in writing at least ten (10) days before the**
 34 **release of the surety or sureties that the accreditation is suspended**
 35 **until another surety bond is filed in the manner and amount**
 36 **required under this chapter.**
 37 **Sec. 16. (a) Subject to subsections (b), (d), and (e), the council**
 38 **shall determine the penal sum of each surety bond required under**
 39 **section 15 of this chapter based upon the following guidelines:**
 40 **(1) A postsecondary proprietary educational institution that**
 41 **has no annual gross tuition charges assessed for the previous**
 42 **year shall secure a surety bond in the amount of twenty-five**

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1 thousand dollars (\$25,000).

2 (2) If at any time the postsecondary proprietary educational
3 institution's projected annual gross tuition charges are more
4 than two hundred fifty thousand dollars (\$250,000), the
5 institution shall secure a surety bond in the amount of fifty
6 thousand dollars (\$50,000).

7 (b) After June 30, 2006, and except as provided in:

8 (1) section 19 of this chapter; and

9 (2) subsection (e);

10 and upon the fund achieving at least an initial one million dollar
11 (\$1,000,000) balance, a postsecondary proprietary educational
12 institution that contributes to the fund when the initial quarterly
13 contribution is required under this chapter after the fund's
14 establishment is not required to make contributions to the fund or
15 submit a surety bond.

16 (c) The council shall determine the number of quarterly
17 contributions required for the fund to initially accumulate one
18 million dollars (\$1,000,000).

19 (d) Except as provided in section 19 of this chapter and
20 subsection (e), a postsecondary proprietary educational institution
21 that begins making contributions to the fund after the initial
22 quarterly contribution as required under this chapter is required
23 to make contributions to the fund for the same number of quarters
24 as determined by the council under subsection (c).

25 (e) If, after the fund acquires one million dollars (\$1,000,000),
26 the balance in the fund becomes less than five hundred thousand
27 dollars (\$500,000), all postsecondary proprietary educational
28 institutions not required to make contributions to the fund as
29 described in subsection (b) or (d) shall make contributions to the
30 fund for the number of quarters necessary for the fund to
31 accumulate one million dollars (\$1,000,000).

32 Sec. 17. The council shall require each postsecondary
33 proprietary educational institution to include in each curriculum
34 catalog and promotional brochure the following:

35 (1) A statement indicating that the postsecondary proprietary
36 educational institution is regulated by the council under this
37 chapter.

38 (2) The council's mailing address and telephone number.

39 Sec. 18. (a) The career college student assurance fund is
40 established to provide indemnification to a student or an enrollee
41 of a postsecondary proprietary educational institution who suffers
42 loss or damage as a result of an occurrence described in section

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1 15(c) of this chapter if the occurrence transpired after June 30,
2 1992, and as provided in section 35 of this chapter.

3 (b) The council shall administer the fund.

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

6 (d) 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.

9 (e) Money in the fund at the end of a state fiscal year does not
10 revert to the state general fund but remains available to be used for
11 providing money for reimbursements allowed under this chapter.

12 (f) Upon the fund acquiring fifty thousand dollars (\$50,000), the
13 balance in the fund must not become less than fifty thousand
14 dollars (\$50,000). If:

15 (1) a claim against the fund is filed that would, if paid in full,
16 require the balance of the fund to become less than fifty
17 thousand dollars (\$50,000); and

18 (2) the council determines that the student is eligible for a
19 reimbursement under the fund;

20 the council shall prorate the amount of the reimbursement to
21 ensure that the balance of the fund does not become less than fifty
22 thousand dollars (\$50,000), and the student is entitled to receive
23 that balance of the student's claim from the fund as money
24 becomes available in the fund from contributions to the fund
25 required under this chapter.

26 (g) The council shall ensure that all outstanding claim amounts
27 described in subsection (f) are paid as money in the fund becomes
28 available in the chronological order of the outstanding claims.

29 (h) A claim against the fund may not be construed to be a debt
30 of the state.

31 **Sec. 19.** (a) Subject to section 16 of this chapter, each
32 postsecondary proprietary educational institution shall make
33 quarterly contributions to the fund. The quarters begin January 1,
34 April 1, July 1, and October 1.

35 (b) For each quarter, each postsecondary proprietary
36 educational institution shall make a contribution equal to the STEP
37 THREE amount derived under the following formula:

38 **STEP ONE:** Determine the total amount of tuition and fees
39 earned during the quarter.

40 **STEP TWO:** Multiply the STEP ONE amount by one-tenth of
41 one percent (0.1%).

42 **STEP THREE:** Add the STEP TWO amount and sixty dollars

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1 **(§60).**

2 **(c) Notwithstanding section 16 of this chapter, for a**
 3 **postsecondary proprietary educational institution beginning**
 4 **operation after September 30, 2004, the council, in addition to**
 5 **requiring contributions to the fund, shall require the**
 6 **postsecondary proprietary educational institution to submit a**
 7 **surety bond in an amount determined by the council for a period**
 8 **that represents the number of quarters required for the fund to**
 9 **initially accumulate one million dollars (\$1,000,000) as determined**
 10 **under section 16(c) of this chapter.**

11 **Sec. 20. (a) Upon receipt of an application for accreditation**
 12 **under this chapter, the council shall make an investigation to**
 13 **determine the accuracy of the statements in the application to**
 14 **determine if the postsecondary proprietary educational institution**
 15 **meets the minimum standards for accreditation.**

16 **(b) During the investigation under subsection (a), the council**
 17 **may grant a temporary status of accreditation. The temporary**
 18 **status of accreditation is sufficient to meet the requirements of this**
 19 **chapter until a determination on accreditation is made.**

20 **Sec. 21. The cost of performing a team onsite investigation for**
 21 **purposes of section 20 of this chapter shall be paid by the applicant**
 22 **postsecondary proprietary educational institution. However, the**
 23 **total cost of an inspection, including room, board, and mileage that**
 24 **does not require travel outside Indiana, may not exceed one**
 25 **thousand dollars (\$1,000) for any one (1) postsecondary**
 26 **proprietary educational institution.**

27 **Sec. 22. (a) A postsecondary proprietary educational institution**
 28 **shall maintain at least the following records for each student:**

- 29 **(1) The program in which the student enrolls.**
 30 **(2) The length of the program.**
 31 **(3) The date of the student's initial enrollment in the program.**
 32 **(4) The student's period of attendance.**
 33 **(5) The amount of the student's tuition and fees.**
 34 **(6) A copy of the enrollment agreement.**

35 **(b) Upon the request of the council, a postsecondary proprietary**
 36 **educational institution shall submit the records described in**
 37 **subsection (a) to the council.**

38 **(c) If a postsecondary proprietary educational institution ceases**
 39 **operation, the postsecondary proprietary educational institution**
 40 **shall submit the records described in subsection (a) to the council**
 41 **not later than thirty (30) days after the institution ceases to**
 42 **operate.**



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1 **Sec. 23. Full accreditation under this chapter may not be issued**
2 **unless and until the council finds that the postsecondary**
3 **proprietary educational institution meets minimum standards that**
4 **are appropriate to that type or class of postsecondary proprietary**
5 **educational institution, including the following minimum**
6 **standards:**

7 **(1) The postsecondary proprietary educational institution has**
8 **a sound financial structure with sufficient resources for**
9 **continued support.**

10 **(2) The postsecondary proprietary educational institution has**
11 **satisfactory training or educational facilities with sufficient**
12 **tools, supplies, or equipment and the necessary number of**
13 **work stations or classrooms to adequately train, instruct, or**
14 **educate the number of students enrolled or proposed to be**
15 **enrolled.**

16 **(3) The postsecondary proprietary educational institution has**
17 **an adequate number of qualified instructors or teachers,**
18 **sufficiently trained by experience or education, to give the**
19 **instruction, education, or training contemplated.**

20 **(4) The advertising and representations made on behalf of the**
21 **postsecondary proprietary educational institution to**
22 **prospective students are truthful and free from**
23 **misrepresentation or fraud.**

24 **(5) The charge made for the training, instruction, or**
25 **education is clearly stated and based upon the services**
26 **rendered.**

27 **(6) The premises and conditions under which the students**
28 **work and study are sanitary, healthful, and safe according to**
29 **modern standards.**

30 **(7) The postsecondary proprietary educational institution has**
31 **and follows a refund policy approved by the council.**

32 **(8) The owner or chief administrator of the postsecondary**
33 **proprietary educational institution has not been convicted of**
34 **a felony.**

35 **(9) The owner or chief administrator of the postsecondary**
36 **proprietary educational institution has not been the owner or**
37 **chief administrator of a postsecondary proprietary**
38 **educational institution that has had its accreditation revoked**
39 **or has been closed involuntarily in the five (5) year period**
40 **preceding the application for accreditation. However, if the**
41 **owner or chief administrator of the postsecondary**
42 **proprietary educational institution has been the owner or**

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1 chief administrator of a postsecondary proprietary
 2 educational institution that has had its accreditation revoked
 3 or has been closed involuntarily more than five (5) years
 4 before the application for accreditation, the council may issue
 5 full accreditation at the council's discretion.

6 Sec. 24. (a) After an investigation and a finding that the
 7 information in the application is true and the postsecondary
 8 proprietary educational institution meets the minimum standards,
 9 the council shall issue an accreditation to the postsecondary
 10 proprietary educational institution upon payment of an additional
 11 fee of at least twenty-five dollars (\$25).

12 (b) The council may waive inspection of a postsecondary
 13 proprietary educational institution that has been accredited by an
 14 accrediting unit whose standards are approved by the council as
 15 meeting or exceeding the requirements of this chapter.

16 (c) A valid license, approval to operate, or other form of
 17 accreditation issued to a postsecondary proprietary educational
 18 institution by another state may be accepted, instead of inspection,
 19 if:

- 20 (1) the requirements of that state meet or exceed the
- 21 requirements of this chapter; and
- 22 (2) the other state will, in turn, extend reciprocity to
- 23 postsecondary proprietary educational institutions accredited
- 24 by the council.

25 (d) An accreditation issued under this section expires one (1)
 26 year following the accreditation's issuance.

27 (e) An accredited postsecondary proprietary educational
 28 institution may renew the institution's accreditation annually
 29 upon:

- 30 (1) the payment of a fee of at least twenty-five dollars (\$25);
- 31 and
- 32 (2) continued compliance with this chapter.

33 Sec. 25. Accreditation under this chapter may be revoked by the
 34 council:

- 35 (1) for cause upon notice and an opportunity for a council
- 36 hearing; and
- 37 (2) for the accredited postsecondary proprietary educational
- 38 institution failing to make the appropriate quarterly
- 39 contributions to the fund not later than forty-five (45) days
- 40 after the end of a quarter.

41 Sec. 26. (a) A postsecondary proprietary educational institution,
 42 after notification that the institution's accreditation has been

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1 refused, revoked, or suspended, may apply for a hearing before the
 2 council concerning the institution's qualifications. The application
 3 for a hearing must be filed in writing with the council not more
 4 than thirty (30) days after receipt of notice of the denial,
 5 revocation, or suspension.

6 (b) The council shall give a hearing promptly and with not less
 7 than ten (10) days notice of the date, time, and place. The
 8 postsecondary proprietary educational institution is entitled to be
 9 represented by counsel and to offer oral and documentary evidence
 10 relevant to the issue.

11 (c) Not more than fifteen (15) days after a hearing, the council
 12 shall make written findings of fact, a written decision, and a
 13 written order based solely on the evidence submitted at the
 14 hearing, either granting or denying accreditation to the
 15 postsecondary proprietary educational institution.

16 **Sec. 27.** A postsecondary proprietary educational institution's
 17 accreditation shall be suspended at any time if the accredited
 18 postsecondary proprietary educational institution denies
 19 enrollment to a student or makes a distinction or classification of
 20 students on the basis of race, color, or creed.

21 **Sec. 28.** A person may not do the following:

22 (1) Make, or cause to be made, a statement or representation,
 23 oral, written, or visual, in connection with the offering or
 24 publicizing of a course, if the person knows or should
 25 reasonably know the statement or representation is false,
 26 deceptive, substantially inaccurate, or misleading.

27 (2) Promise or guarantee employment to a student or
 28 prospective student using information, training, or skill
 29 purported to be provided or otherwise enhanced by a course,
 30 unless the person offers the student or prospective student a
 31 bona fide contract of employment agreeing to employ the
 32 student or prospective student for a period of at least ninety
 33 (90) days in a business or other enterprise regularly
 34 conducted by the person in which that information, training,
 35 or skill is a normal condition of employment.

36 (3) Do an act that constitutes part of the conduct of
 37 administration of a course if the person knows, or should
 38 reasonably know, that the course is being carried on by the
 39 use of fraud, deception, or other misrepresentation.

40 **Sec. 29. (a)** A person representing a postsecondary proprietary
 41 educational institution doing business in Indiana by offering
 42 courses may not sell a course or solicit students for the institution

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1 unless the person first secures an agent's permit from the council.
 2 If the agent represents more than one (1) postsecondary
 3 proprietary educational institution, a separate agent's permit must
 4 be obtained for each institution that the agent represents.

5 (b) Upon approval of an agent's permit, the council shall issue
 6 a pocket card to the person that includes:

- 7 (1) the person's name and address;
 8 (2) the name and address of the postsecondary proprietary
 9 educational institution that the person represents; and
 10 (3) a statement certifying that the person whose name appears
 11 on the card is an authorized agent of the postsecondary
 12 proprietary educational institution.

13 (c) The application must be accompanied by a fee of at least ten
 14 dollars (\$10).

15 (d) An agent's permit is valid for one (1) year from the date of
 16 its issue. An application for renewal must be accompanied by a fee
 17 of at least ten dollars (\$10).

18 (e) A postsecondary proprietary educational institution is liable
 19 for the actions of the institution's agents.

20 Sec. 30. (a) An application for an agent's permit must be
 21 granted or denied by the council not more than fifteen (15)
 22 working days after the receipt of the application. If the council has
 23 not completed a determination with respect to the issuance of a
 24 permit under this section within the fifteen (15) working day
 25 period, the council shall issue a temporary permit to the applicant.
 26 The temporary permit is sufficient to meet the requirements of this
 27 chapter until a determination is made on the application.

28 (b) A permit issued under this chapter may, upon ten (10) days
 29 notice and after a hearing, be revoked by the council:

- 30 (1) if the holder of the permit solicits or enrolls students
 31 through fraud, deception, or misrepresentation; or
 32 (2) upon a finding that the permit holder is not of good moral
 33 character.

34 Sec. 31. The fact that a bond is in force or that the fund exists
 35 does not limit or impair a right of recovery and the amount of
 36 damages or other relief to which a plaintiff may be entitled under
 37 this chapter.

38 Sec. 32. An obligation, negotiable or nonnegotiable, providing
 39 for payment for a course or courses of instruction is void if the
 40 postsecondary proprietary educational institution is not accredited
 41 to operate in Indiana.

42 Sec. 33. The issuance of an agent's permit or any accreditation

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1 may not be considered to constitute approval of a course, a person,
2 or an institution. A representation to the contrary is a
3 misrepresentation.

4 **Sec. 34. (a) This section applies to claims against the surety bond**
5 **of a postsecondary proprietary educational institution.**

6 (b) A student who believes that the student is suffering loss or
7 damage resulting from any of the occurrences described in section
8 15(c) of this chapter may request the council to file a claim against
9 the surety of the postsecondary proprietary educational institution
10 or agent.

11 (c) The request must state the grounds for the claim and must
12 include material substantiating the claim.

13 (d) The council shall investigate all claims submitted to the
14 council and attempt to resolve the claims informally. If the council
15 determines that a claim is valid, and an informal resolution cannot
16 be made, the council shall submit a formal claim to the surety.

17 (e) A claim against the surety bond may not be filed by the
18 council unless the student's request under subsection (b) is
19 commenced not more than five (5) years after the date on which
20 the loss or damage occurred.

21 (f) If the amount of the surety bond is insufficient to cover all or
22 part of the claim, a claim for the balance of the claim against the
23 surety bond in the amount that is insufficient must be construed to
24 be a claim against the balance of the fund under section 35 of this
25 chapter.

26 **Sec. 35. (a) This section applies:**

27 (1) to claims against the balance of the fund; and

28 (2) in cases in which a student or an enrollee of a
29 postsecondary proprietary educational institution is protected
30 by both a surety bond and the balance of the fund, only after
31 a claim against the surety bond exceeds the amount of the
32 surety bond.

33 (b) A student or an enrollee of a postsecondary proprietary
34 educational institution who believes that the student or enrollee has
35 suffered loss or damage resulting from any of the occurrences
36 described in section 15(c) of this chapter may request the council
37 to file a claim with the council against the balance of the fund. If
38 there is a surety bond in an amount sufficient to cover a claim or
39 part of a claim under this section, a claim against the balance of the
40 fund must be construed to be a claim against the surety bond first
41 to the extent that the amount of the surety bond exists and the
42 balance of the claim may be filed against the balance of the fund.



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- 1 (c) A claim under this section is limited to a refund of the
- 2 claimant's applicable tuition and fees.
- 3 (d) All claims must be filed not later than five (5) years after the
- 4 occurrence that results in the loss or damage to the claimant.
- 5 (e) Upon the filing of a claim under this section, the council shall
- 6 review the records submitted by the appropriate postsecondary
- 7 proprietary educational institution described under section 22 of
- 8 this chapter and shall investigate the claim and attempt to resolve
- 9 the claim as described in section 34(d) of this chapter.
- 10 (f) Upon a determination by the council that a claimant shall be
- 11 reimbursed under the fund, the council shall prioritize the
- 12 reimbursements under the following guidelines:
- 13 (1) A student's educational loan balances.
- 14 (2) Federal grant repayment obligations of the student.
- 15 (3) Other expenses paid directly by the student.
- 16 Sec. 36. The prosecuting attorney of the county in which an
- 17 offense under this chapter occurred shall, at the request of the
- 18 council or on the prosecuting attorney's own motion, bring any
- 19 appropriate action, including a mandatory and prohibitive
- 20 injunction.
- 21 Sec. 37. An action of the council concerning the issuance, denial,
- 22 or revocation of a permit or accreditation under this chapter is
- 23 subject to review under IC 4-21.5.
- 24 Sec. 38. (a) Except as provided in subsection (b), a person who
- 25 knowingly, intentionally, or recklessly violates this chapter
- 26 commits a Class B misdemeanor.
- 27 (b) A person who, with intent to defraud, represents the person
- 28 to be an agent of a postsecondary proprietary educational
- 29 institution commits a Class C felony.
- 30 Sec. 39. All fees collected by the council shall be deposited in the
- 31 state general fund.
- 32 SECTION 63. IC 25-21.8-4-2, AS AMENDED BY P.L.177-2009,
- 33 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 34 JULY 1, 2012]: Sec. 2. An individual who applies for certification as
- 35 a massage therapist must do the following:
- 36 (1) Furnish evidence satisfactory to the board showing that the
- 37 individual:
- 38 (A) is at least eighteen (18) years of age;
- 39 (B) has a high school diploma or the equivalent of a high
- 40 school diploma;
- 41 (C) has successfully completed a massage therapy school or
- 42 program that:

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- 1 (i) requires at least five hundred (500) hours of supervised
- 2 classroom and hands on instruction on massage therapy;
- 3 (ii) is in good standing with a state, regional, or national
- 4 agency of government charged with regulating massage
- 5 therapy schools or programs; and
- 6 (iii) is accredited by the ~~Indiana commission on proprietary~~
- 7 ~~education established by IC 21-17-2-1~~ **state workforce**
- 8 **innovation council under IC 22-4.1-21** or accredited by
- 9 another state where the standards for massage therapy
- 10 education are substantially the same as the standards in
- 11 Indiana, or is a program at an institution of higher learning
- 12 that is approved by the board; and

13 (D) has taken and passed a certification examination approved by the board.

14 (2) Provide a history of any criminal convictions the individual has, including any convictions related to the practice of the profession. The board shall deny an application for certification if the applicant:

- 15 (A) has been convicted of:
- 16 (i) prostitution;
- 17 (ii) rape; or
- 18 (iii) sexual misconduct; or

19 (B) is a registered sex offender.

20 (3) Provide proof that the applicant has professional liability insurance in force that lists the state as an additional insured.

21 (4) Verify the information submitted on the application form.

22 (5) Pay fees established by the board.

23 SECTION 64. IC 35-51-21-1, AS ADDED BY P.L.70-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 1. The following statutes define crimes in IC 21:

- 24 IC 21-12-6.5-5 (Concerning scholarships and grants).
- 25 IC 21-14-4-7 (Concerning state educational institutions).
- 26 IC 21-14-7-12 (Concerning state educational institutions).
- 27 IC 21-14-10-7 (Concerning state educational institutions).
- 28 ~~IC 21-17-3-28~~ **IC 21-18.5-6-21** (Concerning postsecondary **credit bearing** proprietary educational institution accreditation).
- 29 **IC 22-4.1-21-38** (Concerning **postsecondary proprietary educational institution accreditation**).

30 SECTION 65. [EFFECTIVE JULY 1, 2012] (a) **The terms of members of the state student assistance commission appointed before July 1, 2012, under IC 21-11-2, before its repeal by this act, expire on July 1, 2012.**

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1 **(b) This SECTION expires July 2, 2012.**
2 SECTION 66. [EFFECTIVE JULY 1, 2012] **(a) The definitions**
3 **used in IC 21-18.5, as added by this act, apply throughout this**
4 **SECTION.**
5 **(b) On or before July 1, 2014, the commission on postsecondary**
6 **proprietary education may submit a report to the legislative**
7 **council. The report must be in an electronic format under**
8 **IC 5-14-6. The report may include:**
9 **(1) an evaluation of the transition of the responsibilities of the**
10 **commission on proprietary education to the commission on**
11 **proprietary education as provided in this act; and**
12 **(2) any recommendations regarding the administration of**
13 **IC 21-18.5-5 and IC 21-18.5-6, both as added by this act.**
14 **(c) This SECTION expires December 31, 2014.**
15 SECTION 67. [EFFECTIVE UPON PASSAGE] **(a) The**
16 **commission on postsecondary proprietary education may adopt**
17 **emergency rules under IC 4-22-2-37.1 in order to administer**
18 **IC 21-18.5-6, as added by this act.**
19 **(b) Any emergency rules adopted pursuant to this SECTION**
20 **expire on the earlier of:**
21 **(1) the date the commission on postsecondary proprietary**
22 **education adopts rules under IC 4-22-2; or**
23 **(2) July 1, 2013.**
24 **(c) This SECTION expires January 1, 2014.**
25 SECTION 68. [EFFECTIVE UPON PASSAGE] **(a)**
26 **Notwithstanding the requirements set forth in IC 21-18.5-5, as**
27 **added by this act, members serving as members of the Indiana**
28 **commission on proprietary education on June 30, 2012, are**
29 **considered members of the commission on postsecondary**
30 **proprietary education established by IC 21-18.5-5-1, as added by**
31 **this act, until the date the member's term would have expired**
32 **under IC 21-17-2, before its repeal by this act.**
33 **(b) This SECTION expires July 1, 2017.**
34 SECTION 69. **An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1270, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 24, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 57. IC 21-18-3-1, AS ADDED BY P.L.2-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 1. The commission consists of ~~fourteen (14)~~ **fifteen (15)** members appointed by the governor as follows:

- (1) Each member must be a citizen of Indiana.
- (2) Each congressional district must be represented by at least one
 - (1) member who resides in the congressional district.
 - (3) One (1) member must be a student.
 - (4) One (1) member must be a full-time faculty member of a state educational institution.

(5) One (1) member must be the chairman of the postsecondary credit bearing proprietary educational institution advisory board established under IC 21-18.5-6-1.

SECTION 58. IC 21-18-3-6, AS ADDED BY P.L.2-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) **This section does not apply to a member described in section 1(5) of this chapter.** Appointments to the commission are for a term of four (4) years except:

- (1) the student member; and
- (2) the full-time faculty member;

who are appointed to a term of two (2) years.

(b) The governor shall promptly make appointments to fill vacancies for the duration of unexpired terms in the same manner as the original appointments.

(c) The term of a member begins on July 1 of the year of appointment and continues until a successor has been appointed."

Page 25, delete lines 5 through 8, begin a new paragraph and insert:

"ARTICLE 18.5. ADMINISTRATION OF HIGHER EDUCATION FINANCIAL AID AND POSTSECONDARY CREDIT BEARING PROPRIETARY EDUCATIONAL INSTITUTION ACCREDITATION".

Page 30, line 2, delete "means:" and insert **"means a degree granting and credit bearing institution that provides instructional or educational services or training in a technical, professional,**

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mechanical, business, or industrial occupation, and is accredited by an accrediting agency recognized by the United States Department of Education or is seeking and progressing toward accreditation by an accrediting agency recognized by the United States Department of Education."

Page 30, delete lines 3 through 19.

Page 30, line 21, delete "A" and insert "**An Indiana**".

Page 30, line 21, after "another" insert "**Indiana**".

Page 31, delete lines 3 through 13, begin a new paragraph and insert:

"Chapter 3. State Financial Aid

Sec. 1. The commission, under IC 21-18-6-1, shall administer the following:

- (1) This article.**
- (2) IC 21-12.**
- (3) IC 21-13.**
- (4) IC 21-14.**
- (5) IC 21-16."**

Page 31, delete line 23, begin a new line block indented and insert:

"public or private postsecondary educational institution or a postsecondary credit bearing proprietary educational institution."

Page 33, delete lines 18 through 21, begin a new paragraph and insert:

"Sec. 7. The commission may, subject to written advance notice, inspect and audit the records of a postsecondary credit bearing proprietary educational institution concerning a student grant awarded under IC 21-12 or IC 21-13."

Page 35, delete line 22, begin a new line block indented and insert:

"equipment."

Page 35, line 27, delete "paid, including a statement" and insert "**paid**".

Page 35, delete line 28.

Page 36, delete line 21, begin a new line block indented and insert:

"(4) A transcript of the student's academic progress."

Page 36, line 30, after "commission" insert "**on public records**".

Page 37, line 23, after "institution" insert "**is subject to a background check by the commission and**".

Page 38, line 3, after "(\$25)." insert "**An applicant's market research or the approval of any other postsecondary educational institution may not be considered or required by the commission as a condition for accrediting or renewing the accreditation of or**

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for approval of the programs of a postsecondary credit bearing proprietary educational institution."

Page 41, delete lines 5 through 6, begin a new paragraph and insert:

"Sec. 22. (a) As used in this section, "fund" means the postsecondary credit bearing proprietary educational institution accreditation fund established by subsection (b).

(b) The postsecondary credit bearing proprietary educational institution accreditation fund is established.

(c) The fund shall be administered by the commission.

(d) Money in the fund at the end of a state fiscal year does not revert to the general fund.

(e) All fees collected by the commission under this chapter shall be deposited in the fund.

(f) Money in the fund shall be used by the commission to administer this chapter.

Sec. 23. The commission may adopt rules under IC 4-22-2 to implement this chapter."

Page 41, line 12, after "accreditation." insert **"The advisory board shall receive and review staff recommendations pertaining to the accreditation of and approval of the programs of a postsecondary credit bearing proprietary educational institution. Upon completion of its review, the advisory board shall forward the advisory board's recommendations to the commission. The commission may approve, deny, or modify the advisory board's recommendations."**

Page 41, delete lines 18 through 32, begin a new paragraph and insert:

"(e) Of the members, two (2) members must have been previously employed by a postsecondary credit bearing proprietary educational institution. However, the members may not be:

(1) employed by; or

(2) working as a contract employee or an independent contractor for;

a postsecondary credit bearing proprietary educational institution while serving as a member of the advisory board."

Page 42, line 14, delete "may select" insert **"shall select a chairman and may select other"**.

Page 42, delete lines 17 through 28, begin a new paragraph and insert:

"(b) The advisory board may meet as often as is necessary upon the call of the chairperson."



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Page 46, line 11, delete "equipment," and insert "**equipment.**".

Page 46, delete line 12.

Page 57, after line 22, begin a new paragraph and insert:

"SECTION 68. [EFFECTIVE JULY 1, 2012] (a) The definitions used in IC 21-18.5, as added by this act, apply throughout this SECTION.

(b) On or before July 1, 2014, the postsecondary credit bearing proprietary educational institution advisory board may submit a report to the legislative council. The report must be in an electronic format under IC 5-14-6. The report may include:

(1) an evaluation of the transition of the responsibilities of the commission on proprietary education to the commission as provided in this act; and

(2) any recommendations regarding the administration of IC 21-18.5-5 and IC 21-18.5-6, both as added by this act.

(c) This SECTION expires December 31, 2014."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1270 as introduced.)

BEHNING, Chair

Committee Vote: yeas 6, nays 2.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1270 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-22-2-37.1, AS AMENDED BY P.L.229-2011, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

(1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.

(2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.

(3) An emergency temporary standard adopted by the

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occupational safety standards commission under IC 22-8-1.1-16.1.

(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.

(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(9) A rule adopted under IC 16-19-3-5 or IC 16-41-2-1 that the executive board of the state department of health declares is necessary to meet an emergency.

(10) An emergency rule adopted by the Indiana finance authority under IC 8-21-12.

(11) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7 or IC 27-1-12.1.

(12) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(13) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by or other date provided by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(14) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(15) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(16) An emergency rule adopted by the Indiana gaming commission under IC 4-32.2-3-3(b), IC 4-33-4-2, IC 4-33-4-3, IC 4-33-4-14, IC 4-33-22-12, or IC 4-35-4-2.

(17) An emergency rule adopted by the alcohol and tobacco commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

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- (18) An emergency rule adopted by the department of financial institutions under IC 28-15-11.
- (19) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.
- (20) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.
- (21) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.
- (22) An emergency rule adopted by the Indiana state board of animal health under IC 15-17-10-9.
- (23) An emergency rule adopted by the board of directors of the Indiana education savings authority under IC 21-9-4-7.
- (24) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-34 (repealed).
- (25) An emergency rule adopted by the department of local government finance under IC 6-1.1-4-33 (repealed).
- (26) An emergency rule adopted by the boiler and pressure vessel rules board under IC 22-13-2-8(c).
- (27) An emergency rule adopted by the Indiana board of tax review under IC 6-1.1-4-37(l) (repealed) or an emergency rule adopted by the department of local government finance under IC 6-1.1-4-36(j) (repealed) or IC 6-1.1-22.5-20.
- (28) An emergency rule adopted by the board of the Indiana economic development corporation under IC 5-28-5-8.
- (29) A rule adopted by the department of financial institutions under IC 34-55-10-2.5.
- (30) A rule adopted by the Indiana finance authority:
- (A) under IC 8-15.5-7 approving user fees (as defined in IC 8-15.5-2-10) provided for in a public-private agreement under IC 8-15.5;
 - (B) under IC 8-15-2-17.2(a)(10):
 - (i) establishing enforcement procedures; and
 - (ii) making assessments for failure to pay required tolls;
 - (C) under IC 8-15-2-14(a)(3) authorizing the use of and establishing procedures for the implementation of the collection of user fees by electronic or other nonmanual means; or
 - (D) to make other changes to existing rules related to a toll road project to accommodate the provisions of a public-private agreement under IC 8-15.5.
- (31) An emergency rule adopted by the board of the Indiana health informatics corporation under IC 5-31-5-8.

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(32) An emergency rule adopted by the department of child services under IC 31-25-2-21, IC 31-27-2-4, IC 31-27-4-2, or IC 31-27-4-3.

(33) An emergency rule adopted by the Indiana real estate commission under IC 25-34.1-2-5(15).

(34) A rule adopted by the department of financial institutions under IC 24-4.4-1-101 and determined necessary to meet an emergency.

(35) An emergency rule adopted by the state board of pharmacy regarding returning unused medication under IC 25-26-23.

(36) An emergency rule adopted by the department of local government finance under IC 6-1.1-12.6 or IC 6-1.1-12.8.

(37) An emergency rule adopted by the office of the secretary of family and social services or the office of Medicaid policy and planning concerning the following:

(A) Federal Medicaid waiver program provisions.

(B) Federal programs administered by the office of the secretary.

(38) An emergency rule adopted by the commission on postsecondary propriety education.

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the format of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the publisher for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the format of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the publisher shall:

(1) accept the rule for filing; and

(2) electronically record the date and time that the rule is accepted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

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(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in subsections (j), (k), and (l), a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(13), (a)(24), (a)(25), or (a)(27), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. The extension period for a rule adopted under subsection (a)(28) may not exceed the period for which the original rule was in effect. A rule adopted under subsection (a)(13) may be extended for two (2) extension periods. Subject to subsection (j), a rule adopted under subsection (a)(24), (a)(25), or (a)(27) may be extended for an unlimited number of extension periods. Except for a rule adopted under subsection (a)(13), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or

(2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(8), (a)(12), (a)(19), (a)(20), (a)(21), (a)(29), or (a)(37) expires on the earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.

(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

(j) A rule described in subsection (a)(24) or (a)(25) expires not later than January 1, 2006.

(k) A rule described in subsection (a)(28) expires on the expiration date stated by the board of the Indiana economic development corporation in the rule.

(l) A rule described in subsection (a)(30) expires on the expiration date stated by the Indiana finance authority in the rule.

(m) A rule described in subsection (a)(5) or (a)(6) expires on the date the department is next required to issue a rule under the statute authorizing or requiring the rule."

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Page 1, line 17, delete "IC 21-18.5-2-13)" and insert "**IC 21-18.5-2-12)**".

Page 2, line 15, delete "for higher education" and insert "**on postsecondary proprietary education**".

Page 3, line 2, delete "IC 21-18.5-2-13)" and insert "**IC 21-18.5-2-12)**".

Page 3, line 23, delete "IC 21-18.5-2-13)" and insert "**IC 21-18.5-2-12)**".

Page 6, line 35, delete "for higher education under IC 21-18.5-5" and insert "**on postsecondary proprietary education under IC 21-18.5-6**".

Page 7, line 4, delete "for higher" and insert "**on postsecondary proprietary**".

Page 7, line 5, delete "IC 21-18.5-5." and insert "**IC 21-18.5-6.**".

Page 7, line 11, delete "for higher education under IC 21-18.5-5)" and insert "**on postsecondary proprietary education under IC 21-18.5-6)**".

Page 7, line 13, delete "for".

Page 7, line 14, delete "higher education under IC 21-18.5-5." and insert "**on postsecondary proprietary education under IC 21-18.5-6.**".

Page 7, line 16, delete "for".

Page 7, line 17, delete "higher education" and insert "**on postsecondary proprietary education**".

Page 8, line 7, delete "IC 21-18.5-2-13." and insert "**IC 21-18.5-2-12.**".

Page 8, line 42, delete "under IC 21-18.5-5;" and insert "**on postsecondary proprietary education under IC 21-18.5-6;**".

Page 11, line 25, delete "under" and insert "**on postsecondary proprietary education under IC 21-18.5-6;**".

Page 11, line 26, delete "IC 21-18.5-5;".

Page 11, delete lines 36 through 42.

Page 12, delete lines 1 through 11, begin a new paragraph and insert:

"SECTION 21. IC 21-12-6-4, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 4. A scholarship recipient may apply a scholarship under this chapter to the educational costs of a postsecondary educational institution only if the postsecondary educational institution qualifies under this section. For a postsecondary educational institution to qualify under this section, the postsecondary educational institution must satisfy the following requirements:



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- (1) Be an approved postsecondary educational institution.
- (2) Be accredited by an agency that is recognized by the Secretary of the United States Department of Education.
- (3) Operate an organized program of postsecondary education leading to an associate or a baccalaureate degree on a campus located in Indiana.
- (4) Be approved by the commission:
 - (A) under rules adopted under IC 4-22-2; and
 - (B) in consultation with the commission on **postsecondary proprietary education established by IC 21-18.5-5-1**, if appropriate."

Page 15, line 6, strike "subdivision" and insert "**subsection**".

Page 22, line 37, after "council" insert "**or the commission on postsecondary proprietary education**".

Page 24, delete lines 27 through 42.

Page 25, delete lines 1 through 11.

Page 25, delete lines 27 through 28, begin a new line block indented and insert:

"(6) Provide staff and office space for the commission for postsecondary proprietary education established by IC 21-18.5-5-1."

Page 27, line 5, delete "for higher education" and insert "**on postsecondary proprietary education**".

Page 27, line 6, delete "IC 21-18-2-1" and insert "**IC 21-18.5-5-1**".

Page 27, line 30, delete "for higher education" and insert "**on postsecondary proprietary education**".

Page 27, line 31, delete "under IC 21-18-2-1." and insert "**by IC 21-18.5-5-1**".

Page 28, line 18, delete "for".

Page 28, line 19, delete "higher education established by IC 21-18-2-1." and insert "**on postsecondary proprietary education established by IC 21-18.5-5-1**".

Page 28, line 34, delete "the commission for higher".

Page 28, line 35, delete "education established by IC 21-18-2-1 and".

Page 28, line 36, delete "the:" and insert "**the**".

Page 28, delete lines 37 through 38.

Page 28, line 39, delete "(2)".

Page 28, run in lines 36 through 39.

Page 29, line 3, delete "for higher education established under" and insert "**on postsecondary proprietary education established by**".

Page 29, line 4, delete "IC 21-18-2-1" and insert "**IC 21-18.5-5-1**".

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Page 29, line 6, delete "IC 21-18.5-2-13);" and insert "**IC 21-18.5-2-12);**".

Page 29, line 15, delete "for higher" and insert "**on postsecondary proprietary**".

Page 29, line 16, delete "IC 21-18-2-1" and insert "**IC 21-18.5-5-1**".

Page 29, line 18, delete "IC 21-18.5-2-13);" and insert "**IC 21-18.5-2-12);**".

Page 29, line 25, delete "IC 21-18.5-5," and insert "**IC 21-18.5-6,**".

Page 29, delete lines 29 through 31.

Page 29, line 32, delete "4." and insert "**3.**".

Page 29, line 32, delete "IC 21-18.5-5," and insert "**IC 21-18.5-6,**".

Page 30, line 3, delete "5." and insert "**4.**".

Page 30, line 3, delete "IC 21-18.5-5," and insert "**IC 21-18.5-6,**".

Page 30, line 8, delete "6." and insert "**5.**".

Page 30, line 8, delete "IC 21-18.5-5," and insert "**IC 21-18.5-6,**".

Page 30, line 11, delete "7." and insert "**6.**".

Page 30, line 14, delete "8." and insert "**7.**".

Page 30, line 16, delete "9." and insert "**8.**".

Page 30, line 16, delete "IC 21-18.5-5," and insert "**IC 21-18.5-6,**".

Page 30, line 19, delete "10." and insert "**9.**".

Page 30, line 23, delete "11." and insert "**10.**".

Page 30, line 24, delete "12." and insert "**11.**".

Page 30, line 24, delete "IC 21-18.5-5," and insert "**IC 21-18.5-6,**".

Page 30, line 28, delete "13." and insert "**12.**".

Page 35, between lines 7 and 8, begin a new paragraph and insert:
"Chapter 5. Commission on Postsecondary Proprietary Education

Sec. 1. The commission on postsecondary proprietary education is established.

Sec. 2. (a) The commission on postsecondary proprietary education consists of five (5) members appointed by the governor.

(b) The members appointed by the governor under subsection (a) serve for a term of four (4) years.

(c) Not more than three (3) of the members appointed by the governor may be members of one (1) political party.

(d) Of the members, not more than two (2) members may have been previously employed by a postsecondary credit bearing proprietary educational institution. However, the members may not be:

(1) employed by; or

(2) working as a contract employee or an independent contractor for;



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a postsecondary credit bearing proprietary educational institution while serving as a member of the commission on postsecondary proprietary education.

(e) An appointment to fill a vacancy occurring on the commission on postsecondary proprietary education is for the unexpired term.

Sec. 3. A member of the commission on postsecondary proprietary education is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 4. (a) The commission on postsecondary proprietary education may select officers from the commission on postsecondary proprietary education's membership as the commission on postsecondary proprietary education considers necessary.

(b) The commission on postsecondary proprietary education may adopt reasonable rules under IC 4-22-2 to implement this chapter and IC 21-18.5-6.

(c) The commission on postsecondary proprietary education:

- (1) may meet as necessary upon call of the chairperson; and
- (2) shall meet at least four (4) times a year.

Sec. 5. An associate commissioner of the commission (as defined in IC 21-18.5-2-7) shall serve as the executive director of the commission on postsecondary proprietary education."

Page 35, line 8, delete "5." and insert "6."

Page 35, line 19, after "commission" insert "**on postsecondary proprietary education**".

Page 35, line 37, after "machinery" insert ",".

Page 36, line 5, after "commission" insert "**on postsecondary proprietary education**".

Page 36, line 10, after "commission" insert "**on postsecondary proprietary education**".

Page 36, line 11, delete "commission's" and insert "**commission on postsecondary proprietary education's**".

Page 36, line 13, after "commission" insert "**on postsecondary proprietary education**".

Page 36, line 19, after "commission" insert "**on postsecondary proprietary education**".



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Page 36, line 39, delete "," and insert **"on postsecondary proprietary education,"**.

Page 36, line 41, delete "." and insert **"on postsecondary proprietary education."**

Page 37, line 3, after "commission" insert **"on postsecondary proprietary education"**.

Page 37, line 6, after "commission" insert **"on postsecondary proprietary education"**.

Page 37, line 36, delete "." and insert **"on postsecondary proprietary education."**

Page 37, line 39, after "commission" insert **"on postsecondary proprietary education"**.

Page 38, line 11, after "commission" insert **"on postsecondary proprietary education"**.

Page 38, line 12, delete "commission's" and insert **"commission on postsecondary proprietary education's"**.

Page 38, line 16, after "commission" insert **"on postsecondary proprietary education"**.

Page 38, line 19, delete "or the approval of any other".

Page 38, line 20, delete "postsecondary educational institution".

Page 38, line 21, after "commission" insert **"on postsecondary proprietary education"**.

Page 38, line 24, after "commission" insert **"on postsecondary proprietary education"**.

Page 38, line 27, after "commission" insert **"on postsecondary proprietary education"**.

Page 38, line 37, delete "." and insert **"on postsecondary proprietary education."**

Page 39, line 5, after "commission" insert **"on postsecondary proprietary education"**.

Page 39, line 6, delete "commission hearing." and insert **"hearing before the commission on postsecondary proprietary education."**

Page 39, line 10, after "commission" insert **"on postsecondary proprietary education"**.

Page 39, line 12, after "commission" insert **"on postsecondary proprietary education"**.

Page 39, line 14, after "commission" insert **"on postsecondary proprietary education"**.

Page 39, line 20, after "commission" insert **"on postsecondary proprietary education"**.

Page 40, line 10, delete "." and insert **"on postsecondary proprietary education."**

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Page 40, line 14, after "commission" insert "**on postsecondary proprietary education**".

Page 40, line 32, after "commission" insert "**on postsecondary proprietary education**".

Page 40, line 35, after "commission" insert "**on postsecondary proprietary education**".

Page 40, line 40, delete ":" and insert "**on postsecondary proprietary education:**".

Page 41, line 13, after "commission" insert "**on postsecondary proprietary education**".

Page 41, line 16, after "commission" insert "**on postsecondary proprietary education**".

Page 41, line 30, delete "commission." and insert "**commission (as defined in IC 21-18.5-2-7).**".

Page 41, line 33, after "commission" insert "**on postsecondary proprietary education**".

Page 41, line 37, after "commission" insert "**on postsecondary proprietary education**".

Page 41, line 37, after "commission" insert "**on postsecondary proprietary education**".

Page 41, delete lines 39 through 42.

Delete page 42.

Page 43, delete lines 1 through 8.

Page 45, line 16, delete "for higher education" and insert "**on postsecondary proprietary education**".

Page 45, line 17, delete "IC 21-18.5-5." and insert "**IC 21-18.5-6.**".

Page 46, line 33, after "machinery" insert ",".

Page 57, line 35, delete "IC 21-18.5-5-21" and insert "**IC 21-18.5-6-21**".

Page 58, line 5, after "the" insert "**commission on**".

Page 58, line 5, delete "credit bearing".

Page 58, line 6, delete "educational institution advisory board" and insert "**education**".

Page 58, line 10, after "to the commission" insert "**on proprietary education**".

Page 58, after line 14, begin a new paragraph and insert:

"SECTION 68. [EFFECTIVE UPON PASSAGE] **(a) The commission on postsecondary proprietary education may adopt emergency rules under IC 4-22-2-37.1 in order to administer IC 21-18.5-6, as added by this act.**

(b) Any emergency rules adopted pursuant to this SECTION expire on the earlier of:



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(1) the date the commission on postsecondary proprietary education adopts rules under IC 4-22-2; or

(2) July 1, 2013.

(c) This SECTION expires January 1, 2014.

SECTION 69. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding the requirements set forth in IC 21-18.5-5, as added by this act, members serving as members of the Indiana commission on proprietary education on June 30, 2012, are considered members of the commission on postsecondary proprietary education established by IC 21-18.5-5-1, as added by this act, until the date the member's term would have expired under IC 21-17-2, before its repeal by this act.

(b) This SECTION expires July 1, 2017.

SECTION 70. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to HB 1270 as printed January 25, 2012.)

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