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# HOUSE BILL No. 1329

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33-12-7; IC 4-35-8; IC 21-12-14.

**Synopsis:** LIFE scholarships. Establishes the Indiana lifelong learning incentive for excellence (LIFE) scholarship program to provide scholarships to Indiana residents for postsecondary education. Provides for administration of the program by the state student assistance commission. Sets forth the amount of a scholarship award, subject to appropriations of the general assembly. Provides eligibility criteria for potential recipients. Establishes the LIFE scholarship fund consisting of slot machine wagering taxes collected after June 30, 2012, and riverboat admissions taxes that would have otherwise been deposited into the state general fund as slot machine revenue to replace the admissions tax subsidy for horse racing. Makes an appropriation.

**Effective:** July 1, 2012.

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January 11, 2012, read first time and referred to Committee on Education.

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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.

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## HOUSE BILL No. 1329



A BILL FOR AN ACT to amend the Indiana Code concerning higher education and to make an appropriation.

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

1 SECTION 1. IC 4-33-12-7, AS ADDED BY P.L.233-2007,  
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2012]: Sec. 7. (a) The maximum amount paid to the Indiana  
4 horse racing commission under this article in a state fiscal year may not  
5 exceed the remainder of:  
6 (1) the Indiana horse racing commission's base year revenue as  
7 determined under section 6(h) of this chapter; minus  
8 (2) the amount of money, if any, distributed by licensees under  
9 IC 4-35-7-12 to horsemen's associations and for horse racing  
10 purses and breed development in the state fiscal year.  
11 (b) For each state fiscal year, the treasurer of state shall pay an  
12 amount equal to the lesser of:  
13 (1) the amount of admissions taxes specified in:  
14 (A) section 6(b)(6) of this chapter; and  
15 (B) section 6(d)(7) of this chapter; or  
16 (2) the amount of money distributed under IC 4-35-7-12 that is  
17 subtracted from the Indiana horse racing commission's base year



1 revenue under subsection (a);  
 2 to the ~~state general~~ **LIFE scholarship** fund established by IC 4-35-8-5  
 3 instead of to the Indiana horse racing commission.

4 SECTION 2. IC 4-35-8-3, AS AMENDED BY P.L.146-2008,  
 5 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2012]: Sec. 3. The department shall deposit tax revenue  
 7 collected under section 1 of this chapter ~~in the state general fund~~: as  
 8 follows:

9 (1) For taxes collected before July 1, 2012, in the state general  
 10 fund.

11 (2) For taxes collected after June 30, 2012, in the LIFE  
 12 scholarship fund.

13 SECTION 3. IC 4-35-8-5 IS ADDED TO THE INDIANA CODE  
 14 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 15 1, 2012]: Sec. 5. (a) The LIFE scholarship fund is established. The  
 16 fund consists of:

17 (1) riverboat admissions taxes deposited in the fund under  
 18 IC 4-33-12-7; and

19 (2) slot machine wagering taxes deposited in the fund under  
 20 section 3(2) of this chapter.

21 (b) The treasurer of state shall administer the LIFE scholarship  
 22 fund.

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

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

28 (e) Money in the LIFE scholarship fund is annually  
 29 appropriated to the state student assistance commission to provide  
 30 LIFE scholarships under IC 21-12-14.

31 SECTION 4. IC 21-12-14 IS ADDED TO THE INDIANA CODE  
 32 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 33 JULY 1, 2012]:

34 Chapter 14. Indiana Lifelong Learning Incentive for Excellence  
 35 (LIFE) Scholarship

36 Sec. 1. As used in this chapter, "academic year" means a period,  
 37 typically nine (9) months, in which a full-time student is expected  
 38 to complete the equivalent of at least two (2) semesters or three (3)  
 39 quarters of academic work.

40 Sec. 2. As used in this chapter, "eligible high school" means a  
 41 secondary school located in Indiana that is a:

42 (1) public school; or

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- 1           (2) nonpublic school that voluntarily seeks and receives  
2           accreditation as authorized by IC 20-19-2-8.
- 3           **Sec. 3.** As used in this chapter, "eligible postsecondary  
4           educational institution" means a school that meets the following  
5           conditions:
- 6           (1) Operates in Indiana as:
- 7               (A) a state educational institution;
- 8               (B) a nonprofit private educational institution; or
- 9               (C) a for-profit private proprietary educational institution.
- 10          (2) Provides an organized program of postsecondary  
11          education leading to:
- 12               (A) a technical certificate;
- 13               (B) a nursing diploma;
- 14               (C) an associate degree; or
- 15               (D) a baccalaureate degree.
- 16          (3) Is accredited by:
- 17               (A) a recognized national or regional accrediting agency;
- 18               (B) the Indiana commission on proprietary education; or
- 19               (C) the Indiana state board of nursing.
- 20          **Sec. 4.** As used in this chapter, "freshman student" means a  
21          student at a postsecondary educational institution who has enrolled  
22          in a cumulative total of less than:
- 23               (1) forty-six (46) quarter hours; or
- 24               (2) thirty-one (31) semester hours.
- 25          **Sec. 5.** As used in this chapter, "full-time student" means a  
26          student in matriculated status who is attending a postsecondary  
27          educational institution and enrolled for the equivalent of at least  
28          twelve (12) quarter or semester hours.
- 29          **Sec. 6.** As used in this chapter, "grade point average" means the  
30          numbered grade average calculated using a 4.0 scale or the  
31          equivalent.
- 32          **Sec. 7.** As used in this chapter, "LIFE scholarship" means a  
33          lifelong learning incentive for excellence scholarship for  
34          postsecondary education awarded under this chapter.
- 35          **Sec. 8.** As used in this chapter, "matriculated status" means  
36          being recognized as a student in a defined program of study  
37          leading to a degree, diploma, or certificate at a postsecondary  
38          educational institution.
- 39          **Sec. 9.** As used in this chapter, "program" refers to the LIFE  
40          scholarship program.
- 41          **Sec. 10.** As used in this chapter, "quarter hours" includes each  
42          quarter hour in which a student is enrolled, whether remedial or

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1 for credit toward a degree. However, the term does not include a  
 2 quarter hour attempted or completed before graduating from high  
 3 school or earning a general educational development (GED)  
 4 equivalency diploma.

5 **Sec. 11.** As used in this chapter, "semester hours" includes each  
 6 semester hour in which a student is enrolled, whether remedial or  
 7 for credit toward a degree. However, the term does not include a  
 8 semester hour attempted before graduating from high school or  
 9 earning a general educational development (GED) equivalency  
 10 diploma.

11 **Sec. 12.** As used in this chapter, "sophomore student" means a  
 12 student at a postsecondary educational institution who has enrolled  
 13 in at least forty-six (46) quarter hours but less than ninety-one (91)  
 14 quarter hours or at least thirty-one (31) semester hours but less  
 15 than sixty-one (61) semester hours.

16 **Sec. 13.** As used in this chapter, "Title IV" refers to Title IV of  
 17 the federal Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

18 **Sec. 14.** The lifelong learning incentive for excellence (LIFE)  
 19 scholarship program is established.

20 **Sec. 15.** The commission shall do the following:

- 21 (1) Administer the program.
- 22 (2) Subject to this chapter, determine eligibility, residency,  
 23 policy issues, and definitions for the program.
- 24 (3) Identify individuals who are eligible to participate in the  
 25 program.
- 26 (4) Pay the amount of a scholarship recipient's scholarship  
 27 directly to the eligible postsecondary educational institution  
 28 that the scholarship recipient attends.
- 29 (5) Subject to:
  - 30 (A) the amounts appropriated by the general assembly for  
 31 LIFE scholarships; and
  - 32 (B) the requirements of this chapter;
 determine the scholarship amount for each scholarship  
 33 recipient.  
 34
- 35 (6) Adopt rules under IC 4-22-2 to administer the program.

36 **Sec. 16.** Subject to the amount appropriated by the general  
 37 assembly for purposes of this chapter, the commission shall  
 38 provide a LIFE scholarship to eligible students in the following  
 39 amounts:

- 40 (1) For a student who attends an eligible postsecondary  
 41 educational institution that is a state educational institution,  
 42 an amount that equals the sum of the following for any

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1 academic year:

2 (A) The student's actual tuition.

3 (B) The student's actual approved mandatory fees that are  
4 charged by the student's postsecondary educational  
5 institution to every student enrolled in the institution,  
6 regardless of a student's program of study.

7 (2) For a student who attends an eligible postsecondary  
8 educational institution that is a nonprofit private institution,  
9 an amount that equals the sum of the following for any  
10 academic year:

11 (A) An amount equal to the average in-state tuition at the  
12 four (4) postsecondary state educational institutions having  
13 the highest in-state tuition.

14 (B) An amount equal to the average mandatory fees that  
15 are charged at the state educational institutions described  
16 in clause (A) to every student enrolled in the institution,  
17 regardless of a student's program of study.

18 (3) For a student who attends an eligible postsecondary  
19 educational institution that is a for-profit private proprietary  
20 institution, an amount that equals the sum of the following for  
21 any academic year:

22 (A) An amount equal to the tuition at Ivy Tech Community  
23 College.

24 (B) An amount equal to the average mandatory fees that  
25 are charged at Ivy Tech Community College to every  
26 student enrolled in Ivy Tech Community College,  
27 regardless of a student's program of study.

28 **Sec. 17. In addition to the other requirements of this chapter, a**  
29 **student must meet the following requirements to be eligible to**  
30 **receive a LIFE scholarship under this chapter:**

31 (1) Be a United States citizen or a permanent resident alien of  
32 the United States who meets the definition of an eligible  
33 noncitizen under federal Title IV requirements.

34 (2) Be a legal resident of Indiana as determined by the  
35 commission.

36 (3) Comply with United States Selective Service System  
37 requirements for registration, if such requirements are  
38 applicable to the student.

39 (4) Not be in default on a federal Title IV educational loan or  
40 a state of Indiana educational loan. However, a student who  
41 is otherwise eligible and who fully repays a defaulted loan is  
42 eligible to obtain a scholarship or grant for future academic

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1 terms, but not retroactively.

2 (5) Not owe a refund on a federal Title IV student financial  
3 aid program or an Indiana student financial aid program.  
4 However, a student who is otherwise eligible and who fully  
5 repays an owed refund is eligible to obtain a scholarship or  
6 grant for future academic terms, but not retroactively.

7 (6) Not be convicted of a felony offense involving marijuana,  
8 a controlled substance, or a dangerous drug. Ineligibility  
9 under this subdivision extends from the date of conviction to  
10 the completion of the next academic term following the date  
11 of conviction.

12 (7) Not be incarcerated.

13 **Sec. 18. To be eligible for a LIFE scholarship for the freshman**  
14 **year, an entering freshman student seeking an associate or**  
15 **baccalaureate degree at an eligible postsecondary educational**  
16 **institution must meet the following requirements:**

17 (1) Meet achievement standards:

18 (A) by graduating from an eligible high school;

19 (B) by receiving an Indiana general educational  
20 development (GED) equivalency diploma;

21 (C) by:

22 (i) earning a cumulative grade point average of at least  
23 3.0 at an eligible postsecondary educational institution at  
24 the end of the quarter or semester in which the student  
25 has enrolled in a cumulative total of not more than  
26 forty-five (45) quarter hours or thirty (30) semester  
27 hours; and

28 (ii) completing a nonaccredited nonpublic instruction  
29 program that a parent establishes, organizes, and directs  
30 for the education of the parent's child; or

31 (D) by:

32 (i) graduating from a high school that is not an eligible  
33 high school; and

34 (ii) earning a cumulative grade point average of at least  
35 3.0 at an eligible postsecondary educational institution at  
36 the end of the quarter or semester in which the student  
37 has enrolled in a cumulative total of not more than  
38 forty-five (45) quarter hours or thirty (30) semester  
39 hours.

40 However, a student described in clause (C) or (D) is eligible to  
41 receive only a retroactive LIFE scholarship for the student's  
42 freshman year to be paid to the student's parent at the end of

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1 the student's freshman year.

2 (2) Meet enrollment standards by being admitted, enrolled,  
3 and classified as an undergraduate student in a matriculated  
4 status.

5 Sec. 19. To be eligible for a LIFE scholarship for the sophomore  
6 year, a sophomore student seeking an associate or baccalaureate  
7 degree at an eligible postsecondary educational institution must do  
8 the following:

9 (1) Meet achievement standards by meeting the following  
10 criteria:

11 (A) Earn a cumulative grade point average of at least 3.0  
12 or the equivalent at a postsecondary educational institution  
13 at the end of the quarter or semester in which the student  
14 has enrolled in a cumulative total of not more than  
15 forty-five (45) quarter hours or thirty (30) semester hours.

16 (B) Maintain satisfactory academic progress in a course of  
17 study in accordance with the standards and practices used  
18 for federal Title IV programs by the postsecondary  
19 educational institution in which the student is enrolled.

20 (2) Meet enrollment standards by being admitted, enrolled,  
21 and classified as an undergraduate student in a matriculated  
22 status or, in the case of an otherwise eligible student who is  
23 classified as a professional level student rather than an  
24 undergraduate student, being accepted into the professional  
25 level program of study before receiving a baccalaureate  
26 degree.

27 Sec. 20. A student is not required to enroll in a minimum  
28 number of hours at a postsecondary educational institution in  
29 order to otherwise qualify for a LIFE scholarship under this  
30 chapter. However, the commission may base the amount of a  
31 student's scholarship on the number of credit hours the student is  
32 taking.

33 Sec. 21. A student who fails to achieve a cumulative grade point  
34 average of at least 3.0 or the equivalent at the end of the quarter or  
35 semester in which the student has enrolled in a cumulative total of  
36 not more than forty-five (45) quarter hours or thirty (30) semester  
37 hours but who achieves a cumulative grade point average of at  
38 least 3.0 at the end of the quarter or semester in which the student  
39 has enrolled in a cumulative total of not more than ninety (90)  
40 quarter hours or sixty (60) semester hours and who is otherwise  
41 eligible may qualify for a LIFE scholarship.

42 Sec. 22. A student may receive a LIFE scholarship until the

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- 1 **student completes at any postsecondary educational institution a**
- 2 **cumulative total of ninety-one (91) quarter hours or sixty-one (61)**
- 3 **semester hours.**

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