
HOUSE BILL No. 1048

DIGEST OF INTRODUCED BILL

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

Synopsis: LIFE postsecondary education 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 commission for higher education. 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, 2013, and riverboat admissions taxes that would have otherwise been deposited into the state general fund to replace the admissions tax subsidy for horse racing. Makes an appropriation.

Effective: July 1, 2013.

Klinker, Errington, Clere, Rhoads

January 7, 2013, read first time and referred to Committee on Education.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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HOUSE BILL No. 1048



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, 2013]: 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, 2013]: 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, 2013, in the state general
 10 fund.

11 (2) For taxes collected after June 30, 2013, in the LIFE
 12 scholarship fund established by section 5 of this chapter.

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, 2013]: 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 commission for higher education to provide
 30 lifelong learning incentive for excellence (LIFE) scholarships under
 31 IC 21-12-14.

32 SECTION 4. IC 21-12-14 IS ADDED TO THE INDIANA CODE
 33 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2013]:

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

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

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

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1 (1) public school; or

2 (2) nonpublic school that voluntarily seeks and receives
3 accreditation as authorized by IC 20-19-2-8.

4 Sec. 3. As used in this chapter, "eligible postsecondary
5 educational institution" means a school that meets the following
6 conditions:

7 (1) Operates in Indiana as:

8 (A) a state educational institution;

9 (B) a nonprofit private educational institution; or

10 (C) a for-profit private proprietary educational institution.

11 (2) Provides an organized program of postsecondary
12 education leading to:

13 (A) a technical certificate;

14 (B) a nursing diploma;

15 (C) an associate degree; or

16 (D) a baccalaureate degree.

17 (3) Is accredited by:

18 (A) a recognized national or regional accrediting agency;

19 (B) the board for proprietary education; or

20 (C) the Indiana state board of nursing.

21 Sec. 4. As used in this chapter, "freshman student" means a
22 student at a postsecondary educational institution who has enrolled
23 in or completed a cumulative total of less than:

24 (1) forty-six (46) quarter hours; or

25 (2) thirty-one (31) semester hours.

26 Sec. 5. As used in this chapter, "full-time student" means a
27 student in matriculated status who is attending a postsecondary
28 educational institution and enrolled for the equivalent of at least
29 twelve (12) quarter or semester hours.

30 Sec. 6. As used in this chapter, "grade point average" means the
31 numbered grade average calculated using a 4.0 scale or the
32 equivalent.

33 Sec. 7. As used in this chapter, "LIFE scholarship" means a
34 lifelong learning incentive for excellence scholarship for
35 postsecondary education awarded under this chapter.

36 Sec. 8. As used in this chapter, "matriculated status" means
37 being recognized as a student in a defined program of study
38 leading to a degree, diploma, or certificate at a postsecondary
39 educational institution.

40 Sec. 9. As used in this chapter, "program" refers to the LIFE
41 scholarship program.

42 Sec. 10. As used in this chapter, "quarter hours" includes each

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

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

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

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

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

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

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

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

- 41 (1) For a student who attends an eligible postsecondary
 42 educational institution that is a state educational institution,

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1 an amount that equals the sum of the following for any
2 academic year:

3 (A) The student's actual tuition.

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

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

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

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

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

24 (A) An amount equal to the tuition at Ivy Tech Community
25 College.

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

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

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

36 (2) Be a legal resident of Indiana as determined by the
37 commission.

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

41 (4) Not be in default on a federal Title IV educational loan or
42 a state of Indiana educational loan. However, a student who

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1 is otherwise eligible and who fully repays a defaulted loan is
 2 eligible to obtain a LIFE scholarship for future academic
 3 terms, but not retroactively.

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

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

14 (7) Not be incarcerated.

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

19 (1) Meet achievement standards:

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

21 (B) by receiving an Indiana general educational
 22 development (GED) equivalency diploma;

23 (C) by:

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

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

33 (D) by:

34 (i) graduating from a high school that is not an eligible
 35 high school; and

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

42 However, a student described in clause (C) or (D) is eligible to

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1 receive only a retroactive LIFE scholarship for the student's
2 freshman year, to be paid to the student's parent at the end of
3 the student's freshman year.

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

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

11 (1) Meet achievement standards by meeting the following
12 criteria:

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

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

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

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

36 Sec. 21. A student who fails to achieve a cumulative grade point
37 average of at least 3.0 or the equivalent at the end of the quarter or
38 semester in which the student has enrolled in or completed a
39 cumulative total of not more than forty-five (45) quarter hours or
40 thirty (30) semester hours but who achieves a cumulative grade
41 point average of at least 3.0 at the end of the quarter or semester
42 in which the student has enrolled in or completed a cumulative

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1 total of not more than ninety (90) quarter hours or sixty (60)
2 semester hours and who is otherwise eligible may qualify for a
3 LIFE scholarship.

4 Sec. 22. A student may receive a LIFE scholarship until the
5 student completes at any postsecondary educational institution a
6 cumulative total of ninety-one (91) quarter hours or sixty-one (61)
7 semester hours.

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