



February 23, 2024

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# ENGROSSED HOUSE BILL No. 1042

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DIGEST OF HB 1042 (Updated February 22, 2024 10:51 am - DI 129)

**Citations Affected:** IC 21-12.

**Synopsis:** Transition to teaching scholarships. Provides that an applicant for a transition to teaching scholarship after June 30, 2024, must be a member of a household with an annual income of \$100,000 or less. Provides that any balance in the next generation Hoosier educators scholarship fund remaining after the award of next generation Hoosier educators scholarships for a fiscal year may be used to fund additional transition to teaching scholarships. Removes a provision concerning the reduction of scholarships if certain limits are exceeded.

**Effective:** July 1, 2024.

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## Heine, Goodrich, Jordan, Klinker

(SENATE SPONSORS — RAATZ, BROWN L, JOHNSON T, CRANE,  
RANDOLPH LONNIE M)

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January 8, 2024, read first time and referred to Committee on Education.  
January 11, 2024, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

January 18, 2024, reported — Do Pass.

January 22, 2024, read second time, ordered engrossed. Engrossed.

January 23, 2024, read third time, passed. Yeas 96, nays 0.

### SENATE ACTION

February 5, 2024, read first time and referred to Committee on Education and Career Development.

February 15, 2024, reported favorably — Do Pass; reassigned to Committee on Appropriations.

February 22, 2024, amended, reported favorably — Do Pass.

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February 23, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1042

A BILL FOR AN ACT to amend the Indiana Code concerning higher education.

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

- 1 SECTION 1. IC 21-12-16-5.5, AS ADDED BY P.L.242-2023,  
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2024]: Sec. 5.5. (a) An applicant who is enrolled in a  
4 transition to teaching program ~~after June 30, 2023~~, may qualify for a  
5 scholarship under section 8.5 of this chapter.  
6 (b) **This subsection applies only to an applicant enrolled in a**  
7 **transition to teaching program after June 30, 2023, and before July**  
8 **1, 2024.** To qualify for a scholarship, an applicant must:  
9 (1) apply for a scholarship on a form supplied by the commission;  
10 (2) possess a baccalaureate degree from an accredited  
11 postsecondary four (4) year institution;  
12 (3) have enrolled in a transition to teaching program described in  
13 IC 20-28-4;  
14 (4) agree in writing to:  
15 (A) complete a transition to teaching program described in  
16 IC 20-28-4 and obtain an initial practitioner license under  
17 IC 20-28; and

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- 1 (B) teach for at least five (5) consecutive years in a public  
 2 school or an eligible school (as defined in IC 20-51-1-4.7) in  
 3 Indiana after obtaining the initial practitioner license under  
 4 IC 20-28-4-6; and  
 5 (5) meet any other criteria established by the commission.
- 6 **(c) This subsection applies only to an applicant that initially**  
 7 **enrolls in a transition to teaching program after June 30, 2024. To**  
 8 **qualify for a scholarship, an applicant must:**
- 9 **(1) apply for a scholarship on a form supplied by the**  
 10 **commission;**  
 11 **(2) possess a baccalaureate degree from an accredited**  
 12 **postsecondary four (4) year institution;**  
 13 **(3) have enrolled in a transition to teaching program**  
 14 **described in IC 20-28-4;**  
 15 **(4) agree in writing to:**  
 16 **(A) complete a transition to teaching program described in**  
 17 **IC 20-28-4 and obtain an initial practitioner license under**  
 18 **IC 20-28; and**  
 19 **(B) teach for at least five (5) consecutive years in a public**  
 20 **school or an eligible school (as defined in IC 20-51-1-4.7) in**  
 21 **Indiana after obtaining the initial practitioner license**  
 22 **under IC 20-28-4-6;**  
 23 **(5) be a member of a household with an annual income of one**  
 24 **hundred thousand dollars (\$100,000) or less; and**  
 25 **(6) meet any other criteria established by the commission.**
- 26 SECTION 2. IC 21-12-16-7, AS AMENDED BY P.L.242-2023,  
 27 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2024]: Sec. 7. Before receiving a scholarship under this  
 29 chapter, the applicant must enter into a contract with the commission  
 30 agreeing to:  
 31 (1) the terms and conditions described in section 5(a)(5), ~~or~~  
 32 ~~5.5(4)~~, **5.5(b)(4)**, **or 5.5(c)(4)** of this chapter, as applicable; and  
 33 (2) any other terms and conditions established by the commission.
- 34 SECTION 3. IC 21-12-16-8.5, AS ADDED BY P.L.242-2023,  
 35 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2024]: Sec. 8.5. (a) Subject to subsection (b), if an applicant  
 37 meets the requirements under section 5.5 of this chapter, the  
 38 commission may award a one (1) time nonrenewable scholarship to the  
 39 applicant in an amount of up to ten thousand dollars (\$10,000) for  
 40 transition to teaching program and initial practitioner licensure costs  
 41 under IC 20-28-4.  
 42 (b) The total annual amount of scholarships awarded by the



1 commission under this section may not exceed one million dollars  
 2 (\$1,000,000). If the total amount of scholarships exceeds the limit  
 3 under this subsection, the commission shall reduce the scholarships  
 4 awarded under subsection (a) in a manner prescribed by the  
 5 commission.

6 **(c) Notwithstanding subsection (b), any balance in the next**  
 7 **generation Hoosier educators scholarship fund established by**  
 8 **section 3 of this chapter remaining after the commission has**  
 9 **awarded next generation Hoosier educators scholarships for a**  
 10 **fiscal year may be used to fund additional transition to teaching**  
 11 **scholarships as described in section 5.5 of this chapter.**

12 SECTION 4. IC 21-12-16-12, AS AMENDED BY P.L.242-2023,  
 13 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2024]: Sec. 12. (a) Except as provided in subsections (b) and  
 15 (c), if an individual:

16 (1) receives a scholarship under section 5 or 5.5 of this chapter;  
 17 and

18 (2) fails to teach in a public school or an eligible school (as  
 19 defined in IC 20-51-1-4.7) in Indiana for at least five (5)  
 20 consecutive years as described in section 5(a)(5), ~~or 5.5(4)~~  
 21 **5.5(b)(4), or 5.5(c)(4)** of this chapter, as applicable;

22 the individual shall repay the total amount of the scholarship awarded  
 23 to the individual under this chapter in a timely fashion. The total  
 24 amount that an individual is required to repay shall be reduced by  
 25 twenty percent (20%), as determined by the commission, for each  
 26 consecutive year the individual teaches at a public school or eligible  
 27 school (as defined in IC 20-51-1-4.7).

28 (b) The commission may extend the length of time in which an  
 29 individual must complete the requirements of an agreement described  
 30 in section 5(a)(5), ~~or 5.5(4)~~ **5.5(b)(4), or 5.5(c)(4)** of this chapter if the  
 31 individual submits a petition to the commission in a manner prescribed  
 32 by the commission and the commission makes a determination that  
 33 extenuating circumstances, as determined by the commission,  
 34 prevented the individual from timely meeting the requirements  
 35 described in section 5(a)(5), ~~or 5.5(4)~~ **5.5(b)(4), or 5.5(c)(4)** of this  
 36 chapter, as applicable.

37 (c) The commission may waive repayment under subsection (a) if  
 38 the individual has been declared to be totally and permanently disabled  
 39 under 34 CFR 685.213.

40 (d) The commission may enter into an agreement with the  
 41 department of state revenue established by IC 6-8.1-2-1 or another third  
 42 party vendor to assist in the enforcement of subsection (a) and section



1 11 of this chapter.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1042, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1042 as introduced.)

BEHNING

Committee Vote: Yeas 13, Nays 0

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1042, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1042 as printed January 11, 2024.)

THOMPSON

Committee Vote: Yeas 23, Nays 0

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COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred House Bill No. 1042, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS and be reassigned to the Senate Committee on Appropriations.

(Reference is to HB 1042 as printed January 18, 2024.)

RAATZ, Chairperson

Committee Vote: Yeas 10, Nays 0

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Engrossed House Bill No. 1042, has had the same

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under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

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

"SECTION 1. IC 21-12-16-5.5, AS ADDED BY P.L.242-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 5.5. **(a)** An applicant who is enrolled in a transition to teaching program ~~after June 30, 2023~~, may qualify for a scholarship under section 8.5 of this chapter.

**(b) This subsection applies only to an applicant enrolled in a transition to teaching program after June 30, 2023, and before July 1, 2024.** To qualify for a scholarship, an applicant must:

- (1) apply for a scholarship on a form supplied by the commission;
- (2) possess a baccalaureate degree from an accredited postsecondary four (4) year institution;
- (3) have enrolled in a transition to teaching program described in IC 20-28-4;
- (4) agree in writing to:
  - (A) complete a transition to teaching program described in IC 20-28-4 and obtain an initial practitioner license under IC 20-28; and
  - (B) teach for at least five (5) consecutive years in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana after obtaining the initial practitioner license under IC 20-28-4-6; and
- (5) meet any other criteria established by the commission.

**(c) This subsection applies only to an applicant that initially enrolls in a transition to teaching program after June 30, 2024. To qualify for a scholarship, an applicant must:**

- (1) apply for a scholarship on a form supplied by the commission;**
- (2) possess a baccalaureate degree from an accredited postsecondary four (4) year institution;**
- (3) have enrolled in a transition to teaching program described in IC 20-28-4;**
- (4) agree in writing to:**
  - (A) complete a transition to teaching program described in IC 20-28-4 and obtain an initial practitioner license under IC 20-28; and**
  - (B) teach for at least five (5) consecutive years in a public school or an eligible school (as defined in IC 20-51-1-4.7) in**





**Indiana after obtaining the initial practitioner license under IC 20-28-4-6;**

**(5) be a member of a household with an annual income of one hundred thousand dollars (\$100,000) or less; and**

**(6) meet any other criteria established by the commission.**

SECTION 2. IC 21-12-16-7, AS AMENDED BY P.L.242-2023, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 7. Before receiving a scholarship under this chapter, the applicant must enter into a contract with the commission agreeing to:

- (1) the terms and conditions described in section 5(a)(5), ~~or 5.5(4)~~, **5.5(b)(4), or 5.5(c)(4)** of this chapter, as applicable; and
- (2) any other terms and conditions established by the commission."

Page 2, after line 3, begin a new paragraph and insert:

"SECTION 4. IC 21-12-16-12, AS AMENDED BY P.L.242-2023, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 12. (a) Except as provided in subsections (b) and (c), if an individual:

- (1) receives a scholarship under section 5 or 5.5 of this chapter; and
- (2) fails to teach in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana for at least five (5) consecutive years as described in section 5(a)(5), ~~or 5.5(4)~~ **5.5(b)(4), or 5.5(c)(4)** of this chapter, as applicable;

the individual shall repay the total amount of the scholarship awarded to the individual under this chapter in a timely fashion. The total amount that an individual is required to repay shall be reduced by twenty percent (20%), as determined by the commission, for each consecutive year the individual teaches at a public school or eligible school (as defined in IC 20-51-1-4.7).

(b) The commission may extend the length of time in which an individual must complete the requirements of an agreement described in section 5(a)(5), ~~or 5.5(4)~~ **5.5(b)(4), or 5.5(c)(4)** of this chapter if the individual submits a petition to the commission in a manner prescribed by the commission and the commission makes a determination that extenuating circumstances, as determined by the commission, prevented the individual from timely meeting the requirements described in section 5(a)(5), ~~or 5.5(4)~~ **5.5(b)(4), or 5.5(c)(4)** of this chapter, as applicable.

(c) The commission may waive repayment under subsection (a) if the individual has been declared to be totally and permanently disabled



under 34 CFR 685.213.

(d) The commission may enter into an agreement with the department of state revenue established by IC 6-8.1-2-1 or another third party vendor to assist in the enforcement of subsection (a) and section 11 of this chapter."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to EHB 1042 as printed February 16, 2024.)

MISHLER, Chairperson

Committee Vote: Yeas 13, Nays 0.

