



March 20, 2015

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# ENGROSSED HOUSE BILL No. 1231

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DIGEST OF HB 1231 (Updated March 18, 2015 2:05 pm - DI 116)

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

**Synopsis:** Accelerated degree programs. Provides for a higher education award for students who participate in an accelerated degree program. Specifies that a student receiving the award may not receive a Frank O'Bannon award. Appropriates to the commission for higher education: (1) \$1,000,000 in the 2015-2017 biennium for start-up grants to state educational institutions to establish accelerated degree programs; and (2) \$1,500,000 in state fiscal years 2015-2016 and 2016-2017 for awards to students participating in accelerated programs.

**Effective:** July 1, 2015.

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## Huston, Austin, Behning, Smith V

(SENATE SPONSORS — MILLER PETE, KRUSE, STOOPS)

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January 13, 2015, read first time and referred to Committee on Education.  
February 5, 2015, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.  
February 16, 2015, amended, reported — Do Pass.  
February 19, 2015, read second time, ordered engrossed. Engrossed.  
February 23, 2015, read third time, passed. Yeas 96, nays 0.

SENATE ACTION

February 25, 2015, read first time and referred to Committee on Education & Career Development.  
March 19, 2015, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

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EH 1231—LS 6480/DI 58





March 20, 2015

First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1231

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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 21-12-1.7-2 IS REPEALED [EFFECTIVE JULY  
2 1, 2015]. Sec. 2: For purposes of this chapter, "accelerated progress"  
3 means successfully completing:  
4 (1) at least thirty-nine (39) credit hours or the equivalent by the  
5 end of the student's first academic year; or  
6 (2) at least seventy-eight (78) credit hours or the equivalent by the  
7 end of the student's second academic year.  
8 SECTION 2. IC 21-12-1.7-4, AS ADDED BY P.L.281-2013,  
9 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2015]: Sec. 4. (a) This section applies to a student who  
11 initially enrolls in an eligible institution for an academic year beginning  
12 after August 31, 2013.  
13 (b) The commission shall offer an additional award to a recipient  
14 who:  
15 (1) is an academic honors student; or

**EH 1231—LS 6480/DI 58**



1 (2) received an associate degree before enrolling in a  
2 baccalaureate degree program. ~~or~~

3 ~~(3) made accelerated progress during the recipient's most recently~~  
4 ~~concluded academic year.~~

5 (c) The commission may establish one (1) or more student  
6 performance incentives in addition to those listed under subsection (b).

7 (d) The commission shall determine the amount of each incentive  
8 bonus annually, based on the available appropriation.

9 SECTION 3. IC 21-12-3-1, AS AMENDED BY P.L.281-2013,  
10 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
11 JULY 1, 2015]: Sec. 1. (a) An applicant is eligible for a first year  
12 higher education award under this chapter if the student meets the  
13 following requirements:

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

16 (2) The applicant:

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

19 (B) has been granted a:

20 (i) high school equivalency certificate before July 1, 1995;

21 or

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

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

28 (3) The financial resources reasonably available to the applicant,  
29 as defined by the commission, are such that, in the absence of a  
30 higher education award under this chapter, the applicant would be  
31 deterred from completing the applicant's education at the  
32 approved postsecondary educational institution that the applicant  
33 has selected and that has accepted the applicant. In determining  
34 the financial resources reasonably available to an applicant to  
35 whom IC 21-18.5-4-8 applies, the commission must consider the  
36 financial resources of the applicant's legal parent.

37 (4) The applicant will use the award initially at that approved  
38 postsecondary educational institution.

39 (5) If the student is already enrolled in an approved postsecondary  
40 educational institution, the applicant must be a full-time student  
41 and be making satisfactory progress, as determined by the  
42 commission, toward a first baccalaureate degree.



- 1 (6) The student declares, in writing, a specific educational  
 2 objective or course of study and enrolls in:  
 3 (A) courses that apply toward the requirements for completion  
 4 of that objective or course of study; or  
 5 (B) courses designed to help the student develop the basic  
 6 skills that the student needs to successfully achieve that  
 7 objective or continue in that course of study.  
 8 (7) The student is not eligible to receive a twenty-first century  
 9 scholarship under IC 21-12-6.  
 10 **(8) The student has not been granted an accelerate your**  
 11 **success award under IC 21-12-15 during the same academic**  
 12 **year.**  
 13 (b) This subsection applies to an individual who:  
 14 (1) meets the requirements set forth in subsection (a); and  
 15 (2) before the date that eligibility is determined by the  
 16 commission, has been placed by or with the consent of the  
 17 department of child services, by a court order, or by a licensed  
 18 child placing agency in:  
 19 (A) a foster family home;  
 20 (B) the home of a relative or other unlicensed caretaker;  
 21 (C) a child caring institution; or  
 22 (D) a group home.  
 23 The commission shall consider an individual to whom this subsection  
 24 applies as a full-need student under the commission's rules when  
 25 determining the eligibility of the individual to receive financial aid  
 26 administered by the commission under this chapter.  
 27 SECTION 4. IC 21-12-15 IS ADDED TO THE INDIANA CODE  
 28 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2015]:  
 30 **Chapter 15. Accelerate Your Success Award**  
 31 **Sec. 1. For purposes of this chapter, an eligible program is a**  
 32 **program that:**  
 33 **(1) allows a student to graduate at least one (1) year ahead of**  
 34 **the published program length;**  
 35 **(2) achieves:**  
 36 **(A) on time graduation rates of seventy percent (70%) or**  
 37 **higher, for an established program; or**  
 38 **(B) annual retention rates of seventy percent (70%) or**  
 39 **higher, for a program that has not yet established a**  
 40 **graduation rate;**  
 41 **(3) serves low income and first generation students; and**  
 42 **(4) charges attendance costs at a rate that allows a student to**



1 pay not more than ninety percent (90%) of the total  
 2 attendance costs over the duration of the program compared  
 3 to the amount the student would pay under the published  
 4 program length.

5 **Sec. 2. (a)** The accelerate your success award fund is established  
 6 to make awards authorized under this chapter to eligible  
 7 applicants enrolled in eligible programs.

8 **(b)** The fund consists of the following:

9 **(1)** Appropriations made by the general assembly.

10 **(2)** Gifts, grants, devises, or bequests made to the state to  
 11 achieve the purposes of the fund.

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

13 **(d)** The fund must be separate and distinct from other funds  
 14 administered by the commission, and money in the fund may not  
 15 be exchanged with or transferred to other funds.

16 **(e)** The treasurer of state shall invest the money in the fund not  
 17 currently needed to meet the obligations of the fund in the same  
 18 manner as other public funds are invested.

19 **(f)** Money in the fund at the end of a state fiscal year does not  
 20 revert to the state general fund but remains available for providing  
 21 money for accelerate your success awards under this chapter.

22 **Sec. 3.** The commission shall prescribe the form and manner in  
 23 which applications for the accelerate your success award must be  
 24 submitted.

25 **Sec. 4.** A student is eligible to receive an accelerate your success  
 26 award under this chapter if the student:

27 **(1)** is an Indiana resident;

28 **(2)** is enrolled in an eligible program;

29 **(3)** demonstrates financial need, as defined by the  
 30 commission; and

31 **(4)** meets any other criteria established by the commission.

32 **Sec. 5.** Subject to the amount appropriated, the amount of the  
 33 accelerate your success award under this chapter is equal to the  
 34 lesser of:

35 **(1)** the total cost of attending the eligible institution for the  
 36 eligible program; or

37 **(2)** one hundred eighty percent (180%) of the amount the  
 38 student is entitled to receive under IC 21-12-1.7-3.

39 **Sec. 6.** A recipient may receive an accelerate your success award  
 40 under this chapter for:

41 **(1)** three (3) years, if the recipient is pursuing a baccalaureate  
 42 degree; or



- 1           **(2) one and one-half (1.5) years, if the recipient is pursuing an**  
 2           **associate degree or certificate.**
- 3           **Sec. 7. For each term that a recipient receives an accelerate your**  
 4           **success award under this chapter, the recipient's eligibility for**  
 5           **other financial aid under this article is reduced by one (1) term.**
- 6           **SECTION 5. [EFFECTIVE JULY 1, 2015] (a) There is**  
 7           **appropriated from the state general fund to the commission for**  
 8           **higher education one million dollars (\$1,000,000) for the biennium**  
 9           **beginning July 1, 2015, and ending June 30, 2017, for providing**  
 10           **grants to state educational institutions, as defined in IC 21-7-13-32,**  
 11           **to establish eligible programs under IC 21-12-15, as added by this**  
 12           **act. A grant under this subsection may be used only for**  
 13           **establishing degree programs that award a baccalaureate degree**  
 14           **within thirty-six (36) months of first enrolling in higher education**  
 15           **for students described in IC 21-12-15-4. A program may not reduce**  
 16           **the number of credit hours required for the baccalaureate degree.**
- 17           **(b) A state educational institution must apply for a grant under**  
 18           **subsection (a) as required by the commission. A state educational**  
 19           **institution must commit in its application that it will use the grant**  
 20           **only to cover expenses directly related to establishing the proposed**  
 21           **program. To receive the grant, the commission must approve the**  
 22           **proposed program and expenditures.**
- 23           **(c) The commission for higher education may use the 2015-2016**  
 24           **state fiscal year appropriation only for grants for programs that**  
 25           **are implemented before May 1, 2016, and the 2016-2017 state fiscal**  
 26           **year appropriation only for grants for programs that are**  
 27           **implemented after April 30, 2016, and before May 1, 2017.**
- 28           **(d) This SECTION expires June 30, 2017.**
- 29           **SECTION 6. [EFFECTIVE JULY 1, 2015] (a) There is**  
 30           **appropriated from the state general fund to the accelerate your**  
 31           **success award fund established under IC 21-12-15-2, as added by**  
 32           **this act, one million five hundred thousand dollars (\$1,500,000) for**  
 33           **the 2015-2016 state fiscal year and one million five hundred**  
 34           **thousand dollars (\$1,500,000) for the 2016-2017 state fiscal year for**  
 35           **providing accelerate your success awards to students under**  
 36           **IC 21-12-15.**
- 37           **(b) This SECTION expires June 30, 2017.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1231, 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 1231 as introduced.)

BEHNING

Committee Vote: Yeas 11, Nays 0

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1231, 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:

Delete the title and insert the following:

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

Page 4, delete lines 20 through 42.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1231 as printed February 6, 2015.)

BROWN T

Committee Vote: yeas 21, nays 0.

## COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred House Bill No. 1231, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

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

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

**EH 1231—LS 6480/DI 58**





paragraph and insert:

"SECTION 1. IC 21-12-1.7-2 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 2: For purposes of this chapter, "accelerated progress" means successfully completing:

- (1) at least thirty-nine (39) credit hours or the equivalent by the end of the student's first academic year; or
- (2) at least seventy-eight (78) credit hours or the equivalent by the end of the student's second academic year.

SECTION 2. IC 21-12-1.7-4, AS ADDED BY P.L.281-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) This section applies to a student who initially enrolls in an eligible institution for an academic year beginning after August 31, 2013.

(b) The commission shall offer an additional award to a recipient who:

- (1) is an academic honors student; **or**
- (2) received an associate degree before enrolling in a baccalaureate degree program. **or**
- (3) made accelerated progress during the recipient's most recently concluded academic year.

(c) The commission may establish one (1) or more student performance incentives in addition to those listed under subsection (b).

(d) The commission shall determine the amount of each incentive bonus annually, based on the available appropriation."

Page 3, line 8, delete "(a)".

Page 3, line 12, after "achieves" insert ":

**(A)**".

Page 3, line 13, delete ";" and insert ", for an established program;

**or**

**(B) annual retention rates of seventy percent (70%) or higher, for a program that has not yet established a graduation rate;**".

Page 3, line 15, delete "tuition and fees" and insert "**attendance costs**".

Page 3, line 16, delete "less than ten percent (10%)" and insert "**more than ninety percent (90%)**".

Page 3, line 16, delete "tuition and fees" and insert "**total attendance costs**".

Page 4, line 7, delete "tuition and fees charged by" and insert "**total cost of attending**".

Page 4, after line 19, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JULY 1, 2015] **(a) There is**



appropriated from the state general fund to the commission for higher education one million dollars (\$1,000,000) for the biennium beginning July 1, 2015, and ending June 30, 2017, for providing grants to state educational institutions, as defined in IC 21-7-13-32, to establish eligible programs under IC 21-12-15, as added by this act. A grant under this subsection may be used only for establishing degree programs that award a baccalaureate degree within thirty-six (36) months of first enrolling in higher education for students described in IC 21-12-15-4. A program may not reduce the number of credit hours required for the baccalaureate degree.

(b) A state educational institution must apply for a grant under subsection (a) as required by the commission. A state educational institution must commit in its application that it will use the grant only to cover expenses directly related to establishing the proposed program. To receive the grant, the commission must approve the proposed program and expenditures.

(c) The commission for higher education may use the 2015-2016 state fiscal year appropriation only for grants for programs that are implemented before May 1, 2016, and the 2016-2017 state fiscal year appropriation only for grants for programs that are implemented after April 30, 2016, and before May 1, 2017.

(d) This SECTION expires June 30, 2017.

SECTION 6. [EFFECTIVE JULY 1, 2015] (a) There is appropriated from the state general fund to the accelerate your success award fund established under IC 21-12-15-2, as added by this act, one million five hundred thousand dollars (\$1,500,000) for the 2015-2016 state fiscal year and one million five hundred thousand dollars (\$1,500,000) for the 2016-2017 state fiscal year for providing accelerate your success awards to students under IC 21-12-15.

(b) This SECTION expires June 30, 2017."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to HB 1231 as printed February 17, 2015.)

KRUSE, Chairperson

Committee Vote: Yeas 8, Nays 0.

EH 1231—LS 6480/DI 58

