SENATE BILL No. 2

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-6-10; IC 12-7-2; IC 12-8-1.5-20; IC 12-14-31-3; IC 12-17.2.

Synopsis: Child care. Requires the Indiana economic development corporation to annually report to the general assembly regarding funds dedicated to supporting child care under specified state and federal programs. Requires the office of the secretary of family and social services (FSSA) to publish on the FSSA website a dashboard providing monthly information regarding state and federal child care subsidies available to Indiana residents. Provides that a household is eligible to begin receiving assistance under the federal Child Care and Development Fund (CCDF) voucher program if the household, at the time of FSSA's initial determination of the household's income eligibility: (1) has a household income that does not exceed 85% of Indiana's state median income for the household's family size; (2) includes an individual who is employed by a licensed child care center, a licensed child care home, or a licensed or registered child care ministry; and (3) otherwise meets federal eligibility requirements for the CCDF program. Provides, with respect to the individual with certification in cardiopulmonary resuscitation (CPR) required to be present at all times when a child is in the care of a child care provider that is eligible to receive reimbursement through the CCDF program, that the individual is not required to be recertified in CPR annually. Provides that: (1) the early learning advisory committee must commission a third party evaluation to assess existing regulations for child care providers not later than May 1, 2024 (rather than July 1, 2024, under current law); and (2) FSSA must initiate the process of amending FSSA's rules in consideration of the findings of the third party evaluation not later than July 1, 2024. Requires the early learning (Continued next page)

Effective: Upon passage.

Charbonneau

January 16, 2024, read first time and referred to Committee on Health and Provider Services.



advisory committee to complete a study of early childhood educator compensation in Indiana not later than September 30, 2024. Amends provisions regarding the On My Way Pre-K voucher program (program) to: (1) provide eligibility for children of child care employees; and (2) amend references to funds provided to children under the program as prekindergarten vouchers, rather than grants. Requires FSSA to establish a micro facility pilot program, under which FSSA shall: (1) develop a regulatory model that: (A) is applicable only to licensed or registered child care providers that provide child care for not less than three children and not more than 30 children for at least four hours per day (micro facilities); and (B) incorporates waivers or variances from FSSA's rules applicable to child care providers; (2) apply the regulatory model to at least three micro facilities and evaluate the operation of the micro facilities under the regulatory model; and (3) not later than October 1, 2026: (A) make a determination as to whether FSSA will adopt rules specific to micro facilities that incorporate some or all aspects of the regulatory model; and (B) submit to the general assembly a report regarding the pilot program. Requires FSSA to do the following: (1) Amend FSSA's rules to define a "substitute educator" caregiver type for purposes of FSSA's rules pertaining to all categories of child care providers regulated by FSSA. (2) Amend FSSA's rules to allow an employee of a child care provider who: (A) is 16 or 17 years of age; (B) is assigned to a lead caregiver who supervises the employee at all times during which the employee is supervising a child; (C) is never left alone with a child; and (D) meets specified qualifications; to be counted in child/staff ratios for school age child care rooms. (3) Amend FSSA's rules to allow an employee of a child care provider who: (A) is at least 18 years of age; and (B) meets specified qualifications; to serve as the staff person in charge of an infant/toddler room. (4) Issue a report to the general assembly not later than October 31, 2024, documenting the results attributable to: (A) the employer sponsored child care fund; and (B) the employer child care expenditure credit. (5) Study, in collaboration with other specified state agencies, opportunities for resource sharing across state agencies and local units of government to facilitate the fingerprinting of individuals for purposes of conducting national criminal history background checks and issue a report to the governor and the general assembly regarding the results of the study. Makes technical corrections.



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.

SENATE BILL No. 2

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

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

1	SECTION 1. IC 5-28-6-10 IS ADDED TO THE INDIANA CODE
2	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
3	UPON PASSAGE]: Sec. 10. Not later than October 1, 2024, and not
4	later than October 1 of each year thereafter, the corporation shall
5	submit to the executive director of the legislative services agency,
6	for distribution to the members of the general assembly, a report
7	regarding funds dedicated to supporting child care under:
8	(1) the regional economic acceleration and development
9	initiative (READI) under IC 5-28-41; and
0	(2) the CHIPS Act of 2022 (P.L. 117-167, 136 Stat. 1366).
1	The corporation's report under this section must be in an
2	electronic format under IC 5-14-6.
3	SECTION 2. IC 12-7-2-25.2 IS ADDED TO THE INDIANA CODE
4	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
5	UPON PASSAGE]: Sec. 25.2. "CCDF", for purposes of



1	IC 12-17.2-7.2, has the meaning set forth in IC 12-17.2-7.2-0.4.
2	SECTION 3. IC 12-7-2-28.5 IS ADDED TO THE INDIANA CODE
3	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
4	UPON PASSAGE]: Sec. 28.5. "Child care employee", for purposes
5	of IC 12-17.2-7.2, has the meaning set forth in IC 12-17.2-7.2-0.5.
6	SECTION 4. IC 12-7-2-31.4 IS ADDED TO THE INDIANA CODE
7	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
8	UPON PASSAGE]: Sec. 31.4. "Child of a child care employee", for
9	purposes of IC 12-17.2-7.2, has the meaning set forth in
10	IC 12-17.2-7.2-0.6.
11	SECTION 5. IC 12-8-1.5-20 IS ADDED TO THE INDIANA CODE
12	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
13	UPON PASSAGE]: Sec. 20. Not later than September 30, 2024, the
14	office of the secretary shall publish on the website of the office of
15	the secretary a dashboard providing monthly information
16	regarding state and federal child care subsidies available to
17	Indiana residents, including the following information:
18	(1) The number of child care subsidies available.
19	(2) The average copayment required under each available
20	subsidy.
21	(3) The number of children on a wait list for each available
22	subsidy.
23	(4) Other key indicators, as determined by the office of the
24	secretary, of the effectiveness of the available child care
25	subsidies in each Indiana county.
26	SECTION 6. IC 12-14-31-3 IS ADDED TO THE INDIANA CODE
27	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
28	UPON PASSAGE]: Sec. 3. A household that, at the time of the office
29	of the secretary's initial determination of the household's income
30	eligibility for purposes of entry into the CCDF program:
31	(1) has a household income that does not exceed eighty-five
32	percent (85%) of Indiana's state median income for the
33	household's family size;
34	(2) includes a child care employee (as defined in
35	IC 12-17.2-7.2-0.5); and
36	(3) otherwise meets federal eligibility requirements for the
37	CCDF program;
38	is eligible for assistance under the CCDF program.
39	SECTION 7. IC 12-17.2-3.5-8, AS AMENDED BY P.L.171-2014,
40	SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41	UPON PASSAGE]: Sec. 8. (a) At least one (1) adult individual who

maintains annual certification in a course of cardiopulmonary



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1	resuscitation applicable to all age groups of children cared for by a
2	provider shall be present at all times when a child is in the care of the
3	provider.
4	(b) The following apply to an individual who is employed or
5	volunteers as a caregiver at a facility where a provider operates a child
6	care program:
7	(1) The individual shall maintain current certification in first aid
8	applicable to all age groups of children cared for by the provider.
9	(2) If the individual is:
10	(A) at least eighteen (18) years of age, the individual may act
11	as a caregiver without supervision of another caregiver; or
12	(B) less than eighteen (18) years of age, the individual may act
13	as a caregiver only if the individual:
14	(i) is at least fourteen (14) years of age; and
15	(ii) is, at all times when child care is provided, directly
16	supervised by a caregiver who is at least eighteen (18) years
17	of age.
18	(3) Before beginning employment or volunteer duties, the
19	individual must receive a formal orientation to the facility and the
20	child care program.
21	(4) Beginning July 1, 2015, unless the provider is a parent,
22	stepparent, guardian, custodian, or other relative to each child in
23	the care of the provider, the individual annually must receive at
23 24 25	least twelve (12) hours of continuing education approved by the
25	division and related to the age appropriate educational
26	development, care, and safety of children. The hours of
27	continuing education required by this subdivision may include the
28	training described in this chapter concerning child abuse
29	detection and prevention, first aid, cardiopulmonary resuscitation,
30	and safe sleeping practices.
31	(5) Not more than three (3) months after the individual begins
32	employment or volunteer duties, the individual must receive
33	training approved by the division concerning child abuse
34	detection and prevention.
35	(c) A provider shall:
36	(1) maintain at the facility where the provider operates a child
37	care program documentation of all training and completion of
38	continuing education required by this section; and
39	(2) make the documentation available to the division upon
10	•
+U +1	request. SECTION 8. IC 12-17.2-3.8-5, AS AMENDED BY P.L.246-2023,
+1 + 2	
t∠	SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1	UPON PASSAGE]: Sec. 5. (a) The early learning advisory committee
2	is established to do the following:
3	(1) Establish child developmental and educational goals for
4	Indiana's early learning system, including the development of
5	standards and objectives for early education programs that receive
6	state or federal funds.
7	(2) Design and maintain an approach to measuring progress
8	toward the goals established under subdivision (1) that include
9	objective measures of academic quality.
10	(3) Assess the attainment of the goals established under
11	subdivision (1) and evaluate the efficacy of state and federal
12	spending on Indiana's early learning system.
13	(4) Assess whether the requirements for early education program
14	licensure:
15	(A) create an equitable standard for health and safety across all
16	early education program types;
17	(B) reinforce the goals established under subdivision (1); and
18	(C) support the sustainability of Indiana's early learning
19	system.
20	(5) Conduct periodic statewide needs assessments concerning the
21	quality and availability of early education programs for children
22	from birth to the age of school entry, including the availability of
23	high quality prekindergarten education for low income children
24	in Indiana.
25	(6) Identify opportunities for, and barriers to, collaboration and
26	coordination among federally and state funded child development,
27	child care, and early childhood education programs and services,
28	including governmental agencies that administer the programs
29	and services.
30	(7) Design early education workforce strategies, including
31	recommendations on how to advance professional development.
32	(8) Assess the capacity and effectiveness of pathways to support
33	training and recruitment of early educators.
34	(9) Not later than November 30 of each year, develop and make
35	recommendations to the governor and, in an electronic format
36	
37	under IC 5-14-6, to the legislative council concerning the results
	of the committee's work under subdivisions (1) through (8).
38	(10) Not later than July May 1, 2024, commission a third party
39	evaluation to assess existing regulations for child care providers
40	and provide a report containing recommendations to:
41	(A) maintain health and safety standards;
42	(B) streamline administrative burdens, program standards, and



1	reporting requirements for child care providers;
2	(C) provide flexibility for a child care provider with a Level 3
3	or Level 4 paths to QUALITY program rating to expand to
4	other locations; and
5	(D) assist accredited kindergarten through grade 12
6	institutions in establishing and providing high quality onsite
7	child care and early learning programs.
8	Not later than July 1, 2024, the office of the secretary shall
9	initiate the process of amending the rules adopted by the
10	office under IC 12-17.2-7.2 in consideration of the
11	recommendations of the third party evaluation. This
12	subdivision expires January 1, 2025.
13	(11) Not later than December 31, 2023, develop recommendations
14	for implementing a revised paths to QUALITY program that:
15	(A) maintains health and safety standards;
16	(B) integrates objective measures of kindergarten readiness;
17	(C) contemplates accredited kindergarten through grade 12
18	institutions as onsite providers; and
19	(D) incentivizes child care providers to increase wages for
20	child care workers who complete education and training that
21	result in a postsecondary degree or industry recognized
22	credential.
23	This subdivision expires July 1, 2024.
24	(12) Not later than September 30, 2024, complete a study of
25	early childhood educator compensation in Indiana by:
26	(A) collecting compensation data for early childhood
27	educators throughout Indiana;
28	(B) creating an online dashboard to allow access to
29	compensation data; and
30	(C) issuing a report containing the committee's findings
31	and recommendations on early childhood educator
32	compensation in Indiana.
33	This subdivision expires October 1, 2024.
34	(b) The committee consists of the following thirteen (13) members:
35	(1) The secretary of education or the secretary's designee.
36	(2) The secretary of family and social services or the secretary's
37	designee.
38	(3) Seven (7) members appointed by the governor as follows:
39	(A) A representative of an organization with an interest in
40	training the early childhood education workforce.
41	(B) A representative of a Head Start program under 42 U.S.C.
42	9831 et seq.



1	(C) A member of the general public who has an interest in
2	early childhood education.
3	(D) A representative of an early childhood education provider
4	(E) A representative from a school corporation who has ar
5	interest in strengthening the transition from early childhood
6	education to elementary education.
7	(F) A representative of business with an interest in early
8	childhood education.
9	(G) A representative of the nonprofit or philanthropic
10	community with an interest in early childhood education.
11	(4) One (1) member who:
12	(A) is appointed by the speaker of the house of representatives
13	(B) is not a member of the general assembly; and
14	(C) shall serve as a nonvoting member.
15	(5) One (1) member who:
16	(A) is appointed by the president pro tempore of the senate;
17	(B) is not a member of the general assembly; and
18	(C) shall serve as a nonvoting member.
19	(6) One (1) member who:
20	(A) is appointed by the minority leader of the house of
21	representatives;
22 23 24	(B) is not a member of the general assembly; and
23	(C) shall serve as a nonvoting member.
	(7) One (1) member who:
25	(A) is appointed by the minority leader of the senate;
26	(B) is not a member of the general assembly; and
27	(C) shall serve as a nonvoting member.
28	(c) Subject to section 5.1 of this chapter, members appointed under
29	subsection (b)(3) through (b)(7) serve for three (3) year terms. The
30	members of the committee serve at the pleasure of the appointing
31	authority.
32	(d) The governor shall appoint a member of the committee to serve
33	as chairperson of the committee. The committee shall meet at least six
34	(6) times each calendar year at the call of the chairperson.
35	(e) The division shall, in consultation with the department of
36	education, staff the committee.
37	(f) The expenses of the committee shall be paid from the funds of
38	the division.
39	(g) Each member of the committee who is not a state employee is
10	entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b)
1 1	The member is also entitled to reimbursement for traveling expenses
12	as provided under IC 1 13 1 1 and other expenses actually incurred in



1	connection with the member's duties as provided in the state policies
2	and procedures established by the Indiana department of administration
3	and approved by the budget agency.
4	(h) Each member of the committee who is a state employee but who
5	is not a member of the general assembly is entitled to reimbursement
6	for traveling expenses as provided under IC 4-13-1-4 and other
7	expenses actually incurred in connection with the member's duties as
8	provided in the state policies and procedures established by the Indiana
9	department of administration and approved by the budget agency.
10	(i) Each member of the committee who is a member of the general
11	assembly is entitled to receive the same per diem, mileage, and travel
12	allowances paid to legislative members of interim study committees
13	established by the legislative council. Per diem, mileage, and travel
14	allowances paid under this section shall be paid from appropriations
15	made to the legislative council or the legislative services agency.
16	(j) The affirmative votes of a majority of the voting members
17	appointed to the committee are required for the committee to take
18	action on any measure, including final reports.
19	SECTION 9. IC 12-17.2-7.2-0.4 IS ADDED TO THE INDIANA
20	CODE AS A NEW SECTION TO READ AS FOLLOWS
21	[EFFECTIVE UPON PASSAGE]: Sec. 0.4. As used in this chapter,
22	"CCDF" refers to the federal Child Care and Development Fund
23	program administered under 45 CFR 98 and 45 CFR 99.
24	SECTION 10. IC 12-17.2-7.2-0.5 IS ADDED TO THE INDIANA
25	CODE AS A NEW SECTION TO READ AS FOLLOWS
26	[EFFECTIVE UPON PASSAGE]: Sec. 0.5. As used in this chapter,
27	"child care employee" means an individual who:
28	(1) receives compensation as a full-time employee of an entity
29	licensed or regulated under this article, as determined by the
30	office; or
31	(2) receives compensation as a part-time employee of an entity
32	licensed or regulated under this article while also pursuing
33	postsecondary study or educational training in child care or
34	early childhood education, as determined by the office.
35	SECTION 11. IC 12-17.2-7.2-0.6 IS ADDED TO THE INDIANA
36	CODE AS A NEW SECTION TO READ AS FOLLOWS
37	[EFFECTIVE UPON PASSAGE]: Sec. 0.6. As used in this chapter,
38	"child of a child care employee" means an individual who:
39	(1) is at least four (4) years of age and less than five (5) years



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of age on August 1 of the state fiscal year for which a

prekindergarten voucher is sought for the individual under

the prekindergarten program;

1	(2) is a resident of Indiana or otherwise has legal settlement
2	in Indiana, as determined under IC 20-26-11;
3	(3) receives qualified early education services from an eligible
4	provider, as determined by the office;
5	(4) has a parent or guardian who agrees to ensure that the
6	child meets the attendance requirements determined by the
7	office;
8	(5) resides with a parent or guardian who is a child care
9	employee, as determined by the office;
10	(6) has a household income that does not exceed eighty-five
l 1	percent (85%) of Indiana's state median income for the
12	household's family size; and
13	(7) meets the requirements of section 7.2(c) of this chapter.
14	SECTION 12. IC 12-17.2-7.2-2, AS AMENDED BY P.L.268-2019,
15	SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16	UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible provider"
17	refers to a provider that satisfies the following conditions:
18	(1) The provider is:
19	(A) a:
20	(i) public school, including a charter school;
21	(ii) (i) child care center licensed under IC 12-17.2-4;
22	(iii) (ii) child care home licensed under IC 12-17.2-5; or
23	(iv) (iii) child care ministry registered under IC 12-17.2-6;
24	that meets the standards of quality recognized by a Level 3 or
25	Level 4 paths to QUALITY program rating;
26	(B) a public school, including a charter school;
27	(B) (C) a nonpublic school that is accredited by the state
28	board of education or a national or regional accreditation
29	agency that is recognized by the state board of education; or
30	(C) (D) a nonpublic school that is accredited to provide
31	qualified early education services by an accrediting agency
32	approved by the office of the secretary.
33	(2) The provider:
34	(A) provides qualified early education services to eligible and
35	children, limited eligibility children, and children of child
36	care employees;
37	(B) complies with the agreement with the office concerning
38	the delivery of qualified education services and the use of a
39	grant prekindergarten voucher provided under this chapter;
10	and
11	(C) complies with CCDF provider eligibility standards in
12	accordance with federal requirements for health and



1	safety.
2 3	SECTION 13. IC 12-17.2-7.2-2.5, AS AMENDED BY
	P.L.246-2023, SECTION 8, IS AMENDED TO READ AS FOLLOWS
4 5	[EFFECTIVE UPON PASSAGE]: Sec. 2.5. As used in this chapter,
	"limited eligibility child" refers to an individual who:
6	(1) is at least four (4) years of age and less than five (5) years of
7	age on August 1 of the state fiscal year for which a grant
8	prekindergarten voucher is sought for the individual under the
9	prekindergarten program;
10	(2) is a resident of Indiana or otherwise has legal settlement in
11	Indiana, as determined under IC 20-26-11;
12	(3) receives qualified early education services from an eligible
13	provider, as determined by the office;
14	(4) has a parent or guardian who agrees to ensure that the child
15	meets the attendance requirements determined by the office;
16	(5) has a parent or guardian who participates in a parental
17	engagement and involvement component provided by the eligible
18	provider;
19	(6) is a member of a household with an annual income that does
20	not exceed one hundred eighty-five percent (185%) of the federal
21	poverty level;
22	(7) meets the requirements of section 7.2(b) and 7.2(c) of this
23	chapter; and
24	(8) is not an eligible child or a child of a child care employee.
25	SECTION 14. IC 12-17.2-7.2-5.7, AS AMENDED BY
26	P.L.216-2021, SECTION 4, IS AMENDED TO READ AS FOLLOWS
27	[EFFECTIVE UPON PASSAGE]: Sec. 5.7. As used in this chapter,
28	"priority enrollment period" refers to the period set forth by the office
29	beginning not later than April 1 of each calendar year, except for
30	calendar year 2021, 2024, during which the priority enrollment period
31	may begin later than April 1, 2021. 2024.
32	SECTION 15. IC 12-17.2-7.2-6, AS AMENDED BY P.L.268-2019,
33	SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34	UPON PASSAGE]: Sec. 6. As used in this chapter, "qualified early
35	education services" refers to a program of early education services that:
36	(1) is provided by an eligible provider to:
37	(A) an eligible or child;
38	(B) a limited eligibility child; or
39	(C) a child of a child care employee;
40	(2) includes a parental engagement and involvement component
41	in the delivery of early education services that is based on the
42	requirements and guidelines established by the office;



1	(3) administers the kindergarten readiness assessment adopted by
2	the state board of education;
3	(4) aligns with the early learning development framework for
4	prekindergarten approved by the department of education under
5	IC 20-19-3-16; and
6	(5) meets the design parameters for inclusion in the longitudinal
7	study described in section 12 of this chapter, as determined by the
8	office.
9	SECTION 16. IC 12-17.2-7.2-7, AS AMENDED BY P.L.246-2023,
10	SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11	UPON PASSAGE]: Sec. 7. (a) The prekindergarten program is
12	established to provide: grants for:
13	(1) prekindergarten vouchers for qualified early education
14	services in a manner consistent with how funds are distributed
15	under the Child Care and Development Fund (CCDF) grant
16	CCDF child care voucher program; and
17	(2) grants for expansion plans as described in section 7.4(a)(2)
18	of this chapter.
19	(b) The office shall administer the prekindergarten program. The
20	prekindergarten program may include:
21	(1) eligible providers in Indiana; and
22	(2) potential eligible providers or existing eligible providers as
23	described in section 7.4 of this chapter.
24	(c) Beginning July 1, 2020, the total number of grants
25	prekindergarten vouchers provided during the immediately
26	preceding state fiscal year shall include the number of grants
27	prekindergarten vouchers issued under a preschool program
28	established in March 2015 that operates in a consolidated city.
29	(d) The prekindergarten program includes eligible providers in any
30	county in Indiana.
31	(e) Subject to the requirements of this chapter, the office shall
32	determine:
33	(1) the eligibility requirements, application process, and selection
34	process for awarding grants providing prekindergarten
35	vouchers under the prekindergarten program and awarding
36	grants under section 7.4 of this chapter;
37	(2) the administration and reporting requirements for:
38	(A) eligible providers; and
39	(B) potential eligible providers or existing eligible providers;
40	participating in the prekindergarten program; and
41	(3) with the assistance of the early learning advisory committee,
42	an appropriate outcomes based accountability system for:



1	(A) eligible providers; and
2	(B) potential eligible providers or existing eligible providers.
3	(f) The office shall, subject to the availability of funding, determine
4	the number of eligible children, limited eligibility children, and
5	children of child care employees who will participate in the
6	prekindergarten program. After December 31, 2019, the office shall,
7	subject to the availability of funding, determine the number of limited
8	eligibility children who will participate in the prekindergarten program.
9	SECTION 17. IC 12-17.2-7.2-7.2, AS AMENDED BY
10	P.L.268-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS
11	[EFFECTIVE UPON PASSAGE]: Sec. 7.2. (a) For an eligible child to
12	qualify for a grant prekindergarten voucher under this chapter, the
13	eligible child must reside with a parent or guardian who is:
14	(1) working or attending a job training or an educational program;
15	or
16	(2) actively seeking employment, subject to the approval by the
17	United States Department of Health and Human Services as
18	provided in 45 CFR 98.21.
19	(b) For a limited eligibility child to qualify for a grant
20	prekindergarten voucher under this chapter, the limited eligibility
21	child must reside with a parent or guardian who:
22	(1) is working or attending a job training or an educational
23	program;
24	(2) is actively seeking employment, subject to the approval by the
25	United States Department of Health and Human Services as
26	provided in 45 CFR 98.21; or
27	(3) receives Social Security Disability Insurance, or Supplemental
28	Security Income benefits, or disability benefits from the United
29	States Department of Veterans Affairs.
30	(c) Before the office may award provide a grant prekindergarten
31	voucher to an eligible or child, a limited eligibility child, or a child of
32	a child care employee under this chapter, the office shall require that
33	
34	a parent or guardian of the eligible or limited eligibility child agree to
35	the following:
	(1) The eligible or limited eligibility child will attend the
36	prekindergarten program of an eligible provider selected by the
37	parent or guardian for the full duration of the prekindergarten
38	program year.
39	(2) The parent or guardian will not transfer to another
40	prekindergarten program during the prekindergarten program
41	year.
42	(3) The eligible or limited eligibility child will attend the



1	prekindergarten program at least eighty-five percent (85%) of the
2	days that the prekindergarten program is provided.
3	(4) The parent or guardian will allow the eligible or limited
4	eligibility child to participate in an external evaluation conducted
5	by researchers, including the kindergarten readiness assessment
6	and measuring of developmental and academic progress.
7	(5) The parent or guardian will participate in family engagement
8	and involvement activities offered by the selected prekindergarten
9	program, including meetings with the eligible or limited eligibility
10	child's teacher to discuss the eligible or limited eligibility child's
11	progress or any other conference concerning the eligible or
12	limited eligibility child that is requested by the eligible provider.
13	(6) The parent or guardian will complete the necessary forms for
14	the eligible child or limited eligibility child to receive a student
15	test number from the department of education.
16	(7) The parent or guardian will send the eligible or limited
17	eligibility child to kindergarten.
18	(8) The parent or guardian will read to the eligible or limited
19	eligibility child each week.
20	(9) Any other condition the office determines is appropriate.
21	(d) Priority shall be given to a child of a child care employee
22	under this section.
23	(d) (e) Priority may be given to an eligible or limited eligibility child
24	under this section if a parent or guardian of the eligible or limited
25	eligibility child is:
26	(1) involved in activities that improve the parent's or guardian's
27	education; or
28	(2) involved in job training.
29	SECTION 18. IC 12-17.2-7.2-7.3, AS AMENDED BY
30	P.L.246-2023, SECTION 12, IS AMENDED TO READ AS
31	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.3. The office
32	shall require, for an eligible provider to enroll in the prekindergarten
33	program, that the eligible provider agree to the following:
34	(1) Comply on a continuing basis with the requirements under this
35	chapter and rules for participation established by the office.
36	(2) Maintain eligibility under this chapter throughout the
37	prekindergarten program year.
38	(3) Report immediately any changes in eligibility status to the
39	office, including the eligible provider's loss of national or regional
40	accreditation.
41	(4) Participate in any training and mandatory meetings required
42	by the office.



1	(5) Participate in all onsite visits conducted by the office,
2	including fiscal auditing activities with regard to the
3	prekindergarten program and prekindergarten program activity
4	monitoring.
5	(6) Allow families the family of an eligible or child, a limited
6	eligibility children, child, or a child of a child care employee
7	enrolled in the prekindergarten program of the eligible provider
8	to visit at any time the prekindergarten program is in operation.
9	(7) Maintain accurate online attendance records through the
10	attendance portal for eligible or children, limited eligibility
11	children, and children of child care employees enrolled in the
12	prekindergarten program and submit attendance records as
13	required by the office.
14	(8) Offer parental engagement and involvement activities in the
15	prekindergarten program of the eligible provider in alignment
16	with the family engagement framework adopted by the early
17	learning advisory committee established by IC 12-17.2-3.8-5.
18	(9) Complete, within the period established by the office, the
19	Indiana early childhood family engagement toolkit, including the
20	family engagement self-assessment, adopted by the early learning
21	advisory committee.
22	(10) Share information on the family engagement self-assessment
23	described in subdivision (9) as required by the office.
24	(11) Participate in research studies as required by the office.
25	(12) Enforce minimum attendance requirements of at least
26	eighty-five percent (85%) of the days that the prekindergarten
27	program of the eligible provider is offered to an eligible or child,
28	a limited eligibility child, or a child of a child care employee.
29	(13) Inform the office that an eligible or child, a limited eligibility
30	child, or a child of a child care employee has withdrawn from
31	the prekindergarten program of the eligible provider not later than
32	five (5) days after the eligible or limited eligibility child is
33	withdrawn.
34	(14) That retroactive repayment to the state may be required or
35	future payments may be adjusted as a result of the withdrawal of
36	an eligible or child, a limited eligibility child, or a child of a
37	child care employee or changes in the law.
38	(15) Maintain records of participation by a the family of an
39	eligible or child, a limited eligibility child, or a child of a child
40	care employee in family engagement activities and submit
41	records as required by the office.
42	(16) Promote an eligible or limited eligibility ehild's the social,



1	emotional, and behavioral health of an eligible child, a limited
2	eligibility child, or a child of a child care employee and
3	eliminate or severely limit the use of expulsion, suspension, and
4	other exclusionary discipline practices.
5	(17) Use the exclusionary discipline practices described in
6	subdivision (16) only as a last resort in extraordinary
7	circumstances when there is a determination of a serious safety
8	threat that cannot otherwise be reduced or eliminated by the
9	provision of reasonable modifications.
10	(18) Inform and receive approval from the office before the
11	eligible provider expels, suspends, or uses other exclusionary
12	discipline practices.
13	(19) Assist a parent or guardian, upon request by the parent or
14	guardian, in obtaining information from, referral to, or both
15	information from and referral to, the public school that serves the
16	attendance area in which the parent or guardian resides for an
17	educational evaluation and determination of eligibility for special
18	education services if developmental delays or reasons to suspect
19	a disability are observed by the parent, guardian, or teacher of an
20	eligible or child, a limited eligibility child, or a child of a child
21	care employee during the prekindergarten program year.
22	SECTION 19. IC 12-17.2-7.2-7.8, AS AMENDED BY
23	P.L.246-2023, SECTION 15, IS AMENDED TO READ AS
24	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.8. (a) The office
25	shall make random onsite inspections each year, as determined
26	necessary by the office, at the facility of:
27	(1) an eligible provider that receives a prekindergarten
28	voucher under this chapter; or
29	(2) a potential eligible provider or existing eligible provider that
30	receives a grant under section 7.4 of this chapter.
31	that receives a grant under this chapter.
32	(b) The office may determine that an eligible provider or potential
33	eligible provider or existing eligible provider is not eligible to receive
34	a grant prekindergarten voucher under the prekindergarten program
35	or that a potential eligible provider or existing eligible provider is
36	not eligible to receive a grant under section 7.4 of this chapter if the
37	eligible provider or the potential eligible provider or existing eligible
38	provider:
39	(1) fails to comply with this chapter; or
40	(2) refuses to allow, during normal business hours, the office or
41	an agent of the office to inspect the facility at which the eligible
42	provider or potential eligible provider or existing eligible provider



1	operates a child care program for eligible or children, limited
2	eligibility children, or children of child care employees.
3	SECTION 20. IC 12-17.2-7.2-8, AS AMENDED BY P.L.268-2019,
4	SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5	UPON PASSAGE]: Sec. 8. (a) The office shall determine:
6	(1) which applicants shall be awarded provided a:
7	(A) prekindergarten voucher under this chapter; or
8	(B) grant under section 7.4 of this chapter; and
9	(2) subject to subsection (b) and to the availability of funding, the
10	amount of each prekindergarten voucher or grant.
11	(b) At least five percent (5%) but not more than fifty percent (50%)
12	of the:
13	(1) tuition for eligible or limited eligibility children under the
14	prekindergarten pilot program; or
15	(2) expansion plan described in section 7.4(a) of this chapter;
16	during the state fiscal year must be paid from donations, gifts, grants,
17	bequests, and other funds received from a private entity or person, from
18	the United States government, or from other sources (excluding funds
19	from a prekindergarten voucher or grant provided under this chapter
20	and excluding other state funding). The office may receive and
21	administer grants on behalf of the prekindergarten pilot program. The
22	grants shall be distributed by the office to fulfill the requirements of
23	this subsection.
24	(c) The amount of a grant made prekindergarten voucher
25	provided under the pilot prekindergarten program to an eligible or
26	child, a limited eligibility child, or a child of a child care employee:
27	(1) who attends a prekindergarten program full time must equal
28	at least two thousand five hundred dollars (\$2,500) during the
29	state fiscal year; and
30	(2) may not exceed six thousand eight hundred dollars (\$6,800)
31	from state money provided under this chapter during the state
32	fiscal year.
33	SECTION 21. IC 12-17.2-7.2-8.1, AS AMENDED BY
34	P.L.246-2023, SECTION 16, IS AMENDED TO READ AS
35	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) If funds are
36	appropriated by the general assembly, grants prekindergarten
37	vouchers provided to limited eligibility children may not exceed:
38	(1) twenty percent (20%) of the amount appropriated for a
39	particular state fiscal year if families with children four (4) years
40	of age are on the waiting list for funds available under the Child
41	Care Development Fund; CCDF; or
42	(2) forty percent (40%) of the amount appropriated for a
⊤ ∠	(2) forty percent (40/0) of the amount appropriated for a



particular state fiscal year if there is no waiting list for children four (4) years of age for funds available under the Child Care Development Fund. CCDF.

- (b) During the priority enrollment period, the office shall provide grants prekindergarten vouchers to eligible children and children of child care employees in the prekindergarten program on a first-come, first-served basis. The office shall date stamp and reserve applications for limited eligibility children received during the priority enrollment period for processing during the extended enrollment period.
- (c) During the extended enrollment period, the office shall provide grants prekindergarten vouchers to eligible children, children of child care employees, and limited eligibility children in the prekindergarten program on a first-come, first-served basis to the extent of available funding and in accordance with the limit established by subsection (a).

SECTION 22. IC 12-17.2-7.2-10, AS ADDED BY P.L.202-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. The office shall apply for any available waivers under the federal Child Care and Development Fund (CCDF) grant CCDF voucher program and the federal Head Start program.

SECTION 23. IC 12-17.2-7.2-11, AS AMENDED BY P.L.201-2023, SECTION 139, AND AS AMENDED BY P.L.246-2023, SECTION 17, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. Except as provided under IC 20-51-1-4.3(4)(E), The receipt of a grant prekindergarten voucher under the pilot prekindergarten program does not qualify, nor have an effect on the qualification or eligibility, of a child for a choice scholarship under IC 20-51-4.

SECTION 24. IC 12-17.2-7.2-13, AS AMENDED BY P.L.246-2023, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The office shall, before November 1 of each year, submit a report to the governor, the budget committee, the state board of education, the department of education, and, in an electronic format under IC 5-14-6, the general assembly regarding the prekindergarten program.

- (b) The report under subsection (a) must include the following:
 - (1) The total number of children who received a grant prekindergarten voucher under the prekindergarten program for the immediately preceding state fiscal year, disaggregated by county.



1	(2) The total amount of funds budgeted for and spent under the
2	prekindergarten program during the immediately preceding state
3	fiscal year.
4	(3) The balance remaining in the fund at the end of the
5	immediately preceding state fiscal year.
6	SECTION 25. IC 12-17.2-7.2-13.1, AS AMENDED BY
7	P.L.246-2023, SECTION 20, IS AMENDED TO READ AS
8	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.1. The office
9	shall post monthly on the office's website the total enrollment of and
10	number of grants prekindergarten vouchers awarded to:
l 1	(1) all eligible children; (before January 1, 2020); and
12	(2) after December 31, 2019, both:
13	(A) all eligible children; and
14	(B) (2) all limited eligibility children; and
15	(3) children of child care employees;
16	for each county that participates in the prekindergarten program.
17	SECTION 26. IC 12-17.2-7.2-13.5, AS AMENDED BY
18	P.L.246-2023, SECTION 21, IS AMENDED TO READ AS
19	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. (a) The
20	prekindergarten program fund is established to:
21	(1) provide grants prekindergarten vouchers to eligible or
22	children, limited eligibility children, and children of child care
23 24	employees for qualified early education services under this
24	chapter;
25	(2) carry out the longitudinal study described in section 12 of this
26	chapter;
27	(3) provide grants to potential eligible providers and existing
28	eligible providers as set forth in section 7.4 of this chapter; and
29	(4) make payments to reimburse costs incurred to provide
30	in-home early education services under IC 12-17.2-7.5.
31	(b) The fund consists of:
32	(1) money appropriated to the fund by the general assembly; and
33	(2) grants or gifts to the fund.
34	(c) The fund shall be administered by the office.
35	(d) The expenses of administering the fund shall be paid from
36	money in the fund.
37	(e) Money in the fund is continuously appropriated for the purposes
38	provided under this article.
39	(f) The treasurer of state shall invest the money in the fund not
10	currently needed to meet the obligations of the fund in the same
11	manner as other public funds may be invested.
12	SECTION 27 IC 12 17 2 7 6 IS ADDED TO THE INDIANA



1	CODE AS A NEW CHAPTER TO READ AS FOLLOWS
2	[EFFECTIVE UPON PASSAGE]:
3	Chapter 7.6. Micro Facility Pilot Program
4	Sec. 1. As used in this chapter, "micro facility" means an entity
5	licensed under this article that provides child care for not less than
6	three (3) children and not more than thirty (30) children for at
7	least four (4) hours per day.
8	Sec. 2. As used in this chapter, "pilot program" refers to the
9	pilot program established under section 3 of this chapter.
10	Sec. 3. (a) Not later than January 1, 2025, after soliciting and
l 1	considering recommendations from appropriate stakeholders, the
12	office of the secretary shall develop a regulatory model that:
13	(1) is applicable only to micro facilities;
14	(2) incorporates waivers or variances from the office of the
15	secretary's rules applicable to providers under this article;
16	and
17	(3) provides for a balance between the goals of:
18	(A) increasing the availability of child care, particularly in
19	geographic areas facing a critical shortage of child care, by
20	reducing the costs of operating a micro facility; and
21	(B) ensuring the health and safety of children for whom a
22	micro facility provides child care.
23 24	(b) In determining waivers or variances to be incorporated
24	under subsection (a)(2), the office of the secretary shall consider
25	efficiencies such as:
26	(1) allowing a micro facility to be operated in either a
27	residential or nonresidential building;
28	(2) prescribing educational requirements for staff members of
29	a micro facility that are tailored to the needs of providing
30	child care to groups of thirty (30) children or less; and
31	(3) allowing for supervision of children of diverse age groups
32	in a manner that maximizes use of limited facility space.
33	(c) Not later than March 1, 2025, the office of the secretary shall
34	establish and administer a pilot program under which:
35	(1) a licensee under IC 12-7-2-28.4 or IC 12-7-2-28.8 that:
36	(A) operates an existing micro facility; or
37	(B) proposes to begin operating a new micro facility not
38	more than sixty (60) days after the date of the licensee's
39	application under this subdivision;
10	may apply to participate in the pilot program in a manner
11	prescribed by the office of the secretary;
12	(2) the office of the secretary shall select at least three (3)



1	licensees that apply under subdivision (1) and:
2	(A) allow a selected licensee described in subdivision (1)(A)
3	to operate the licensee's existing micro facility; and
4	(B) allow a selected licensee described in subdivision (1)(B)
5	to operate the licensee's proposed micro facility;
6	under the regulatory model developed under subsection (a);
7	and
8	(3) the office of the secretary shall:
9	(A) monitor the operation of the micro facilities operating
10	under the regulatory model under subdivision (2); and
l 1	(B) evaluate the degree to which the operation of the micro
12	facilities under the regulatory model serves the balance
13	described in subsection (a)(3).
14	(d) The office of the secretary shall, to the extent practicable,
15	select licensees for participation in the pilot program such that the
16	micro facilities operated by the licensees are located in areas:
17	(1) that are geographically diverse from one another; and
18	(2) in which there exists a critical shortage of child care
19	providers.
20	(e) A waiver or variance applied to a micro facility under this
21	section expires on the earlier of:
22	(1) the date specified by the office of the secretary; or
23 24	(2) December 31, 2026.
24	Sec. 4. Not later than October 1, 2026, the office of the secretary
25	shall do the following:
26	(1) Make a determination as to whether the operation of the
27	micro facilities under the regulatory model developed under
28	section 3(a) of this chapter served the balance described in
29	section 3(a)(3) of this chapter.
30	(2) Based on the office of the secretary's determination under
31	subdivision (1), make a determination as to whether the office
32	of the secretary will adopt rules specific to micro facilities that
33	incorporate some or all aspects of the regulatory model
34	developed under section 3(a) of this chapter.
35	(3) Submit to the executive director of the legislative services
36	agency, for distribution to the members of the general
37	assembly, a report regarding the pilot program that describes
38	the office of the secretary's determinations under subdivisions
39	(1) and (2). The office of the secretary's report under this
10	subdivision must be in an electronic format under IC 5-14-6.
11	Sec. 5. This chapter expires January 1, 2027.
12	SECTION 28. [EFFECTIVE UPON PASSAGE] (a) As used in this



1	SECTION, "CCDF" refers to the federal Child Care and
2	Development Fund program administered under 45 CFR 98 and 45
3	CFR 99.
4	(b) As used in this SECTION, "office" means the office of the
5	secretary of family and social services established by IC 12-8-1.5-1
6	(c) Not later than September 30, 2024, the office shall do the
7	following:
8	(1) Amend 470 IAC 3 to define a "substitute educator"
9	caregiver type for purposes of the office's rules pertaining to
10	all categories of child care providers regulated by the office
11	under IC 12-17.2.
12	(2) Amend 470 IAC 3-4.7-24 to allow an employee of a child
13	care provider who:
14	(A) is sixteen (16) or seventeen (17) years of age;
15	(B) meets CCDF qualified caregiver requirements;
16	(C) is assigned to a lead caregiver who:
17	(i) meets the qualifications of a lead caregiver under
18	rules adopted under IC 12-13-5-3; and
19	(ii) supervises the employee at all times during which the
20	employee is supervising one (1) or more children;
21	(D) is never left alone with a child; and
22	(E) meets other reasonable requirements related to
23	ensuring the health, safety, and welfare of children as
24	established by the office;
25	to be counted in child/staff ratios for school age child care
26	rooms.
27	(3) Amend 470 IAC 3-4.7-121 to allow an employee of a child
28	care provider who:
29	(A) is at least eighteen (18) years of age;
30	(B) meets CCDF qualified caregiver requirements; and
31	(C) meets other reasonable requirements related to
32	ensuring the health, safety, and welfare of children as
33	established by the office;
34	to serve as the staff person in charge of an infant/toddler
35	room.
36	(d) Not later than October 31, 2024, the office, in collaboration
37	with the department of state revenue, shall provide to the executive
38	director of the legislative services agency for distribution to the
39	members of the general assembly a report in an electronic format
40	under IC 5-14-6 documenting the results attributable to:
41	(1) the employer sponsored child care fund, including any
42	tri-share model programs; and



1	(2) the employer child care expenditure credit.
2	(e) Not later than December 31, 2024, the office shall:
3	(1) submit to the United States Department of Health and
4	Human Services any state plan amendment necessary to
5	implement; and
6	(2) amend the rules of the office's division of family resources
7	in conformance with;
8	IC 12-14-31-3, as added by this act, and IC 12-17.2-7.2, as amended
9	by this act.
10	(f) This SECTION expires January 1, 2025.
11	SECTION 29. [EFFECTIVE UPON PASSAGE] (a) As used in this
12	SECTION, "secretary" refers to the secretary of family and social
13	services appointed under IC 12-8-1.5-2.
14	(b) The secretary, in collaboration with the department of
15	administration, the department of education, the department of
16	child services, the criminal justice institute, and the state police,
17	shall study opportunities for resource sharing across state agencies
18	and local units of government to facilitate the fingerprinting of
19	individuals for purposes of conducting a national criminal history
20	background check (as defined by IC 10-13-3-12) or any similar
21	criminal history check involving fingerprint identification.
22	(c) Not later than November 1, 2024, the secretary shall submit
23	a report of the secretary's findings under subsection (b) to the
24	following:
25	(1) The governor.
26	(2) The legislative council in an electronic format under
27	IC 5-14-6.
28	The report must include recommendations to facilitate
29	fingerprinting for individuals in rural areas.
30	(d) This section expires December 31, 2025.
31	SECTION 30. An emergency is declared for this act.

