

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.

SENATE ENROLLED ACT No. 509

AN ACT to amend the Indiana Code concerning higher education.

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

SECTION 1. IC 21-12-1-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 4.5. "Adult student grant" refers to a monetary award under IC 21-12-8 from the adult student grant fund.**

SECTION 2. IC 21-12-1-11, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 11. "Fund":**

- (1) for purposes of IC 21-12-6, refers to the twenty-first century scholars fund established by IC 21-12-6-2;
- (2) for purposes of IC 21-12-7, refers to the twenty-first century scholars program support fund established by IC 21-12-7-1; and
- (3) for purposes of IC 21-12-8, refers to the **part-time adult** student grant fund established by IC 21-12-8-1.

SECTION 3. IC 21-12-1-12 IS REPEALED [EFFECTIVE JULY 1, 2015]. **Sec. 12. "Part-time student grant" refers to a monetary award under IC 21-12-8 from the part-time student grant fund.**

SECTION 4. IC 21-12-1.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 1.2. General Provisions

Sec. 1. The commission may order the auditor of state to



transfer money among the freedom of choice grant fund, the higher education award fund, the twenty-first century scholars fund, and the adult student grant fund as needed to meet the obligations of the funds for a particular state fiscal year. The auditor of state shall make a transfer ordered by the commission with the approval of the budget director and the governor.

Sec. 2. (a) At the end of each state fiscal year, the commission shall determine the amount of the appropriation remaining in the following funds:

- (1) Higher education award fund established under IC 21-12-3-19.
- (2) Freedom of choice grant fund established under IC 21-12-4-5.
- (3) Twenty-first century scholars fund established by IC 21-12-6-2.
- (4) Adult student grant fund established by IC 21-12-8-1.

(b) At the end of each state fiscal year, the commission may order the auditor of state to transfer money among the funds listed in subsection (a) if the commission determines that the remaining appropriation in a particular fund could be used by eligible applicants for an award under another fund listed in subsection (a) in the following state fiscal year. The auditor of state shall make the transfer ordered by the commission with the approval of the budget director and the governor.

SECTION 5. IC 21-12-1.7-5, AS ADDED BY P.L.281-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) If the sum of awards under sections 3 and 4 of this chapter exceeds the appropriation in a given year, the commission shall reduce the level of awards offered under section 4 of this chapter as necessary so that the sum of awards under sections 3 and 4 of this chapter does not exceed the appropriation.

(b) The commission may increase, but shall not decrease, the amounts of awards published under section ~~4~~ 3 of this chapter from the amount offered the previous academic year.

SECTION 6. IC 21-12-3-19, AS AMENDED BY P.L.229-2011, SECTION 224, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 19. The auditor of state shall create a separate and segregated higher education award fund distinct from the freedom of choice grant fund. ~~Money may be exchanged or transferred between these funds as provided by section 21 of this chapter and IC 21-12-4-9.~~ All money disbursed from the higher education award fund shall be in accordance with this chapter. Money



remaining in the higher education award fund at the end of any fiscal year does not revert to the state general fund but remains available to be used for making higher education awards under this chapter, **or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.**

SECTION 7. IC 21-12-3-20, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 20. If at the end of a fiscal year part of the money appropriated for that year for the purposes of this chapter remains unspent, it may be spent for those purposes during the next fiscal year, **or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.**

SECTION 8. IC 21-12-3-21 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 21. The commission may order the auditor of state to transfer to the freedom of choice grant fund money from the higher education award fund. The auditor of state shall make the transfer ordered by the commission with the approval of the budget director and the governor.~~

SECTION 9. IC 21-12-4-6 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 6. Except as provided in section 9 of this chapter and IC 21-12-3-21, money shall not be exchanged or transferred among these funds.~~

SECTION 10. IC 21-12-4-8, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. Money remaining in the freedom of choice grant fund at the end of any fiscal year does not revert to the state general fund, but remains available to be used for making freedom of choice grants under this chapter, **or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.**

SECTION 11. IC 21-12-4-9 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 9. The commission may order the auditor of state to transfer money among the freedom of choice grant fund, the higher education award fund, and the twenty-first century scholars fund, as needed to meet the obligations of the funds. The auditor of state shall make the transfer ordered by the commission with the approval of the budget director and the governor.~~

SECTION 12. IC 21-12-6-2, AS ADDED BY P.L.234-2007, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The twenty-first century scholars fund is established to provide the financial resources necessary to award the scholarships authorized under the program.



(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

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

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available to be used for providing money for twenty-first century scholarships under this chapter, **or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.**

SECTION 13. IC 21-12-6-3, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. Money in the fund must be used to provide annual tuition scholarships to qualified scholarship applicants who enroll as full-time students at a postsecondary educational institution that qualifies for participation in the program under section 4 of this chapter, **unless it is transferred to another fund under this article at the direction of the commission under IC 21-12-1.2-2.**

SECTION 14. IC 21-12-6-6, AS AMENDED BY P.L.107-2012, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) A student may apply to the commission for a scholarship. To qualify for a scholarship, the student must meet the following requirements:

- (1) Be an eligible student who qualified to participate in the program under section 5 of this chapter.
- (2) Be a resident of Indiana.
- (3) Be a graduate from a secondary school located in Indiana that meets the admission criteria of an eligible institution and have achieved a cumulative grade point average in high school of:
 - (A) at least 2.0 on a 4.0 grading scale, if the student is expected to graduate from high school before July 1, 2014; and
 - (B) at least 2.5 on a 4.0 grading scale, if the student is expected to graduate from high school after June 30, 2014.
- (4) Have applied to attend and be accepted to attend as a full-time student an eligible institution.
- (5) Certify in writing that **before the student's graduation from high school** the student: ~~has:~~
 - (A) **did** not illegally ~~used~~ **use** controlled substances (as defined in IC 35-48-1-9);
 - (B) **did** not illegally ~~consumed~~ **consume** alcoholic beverages;



(C) ~~did not committed~~ **commit** any other crime or a delinquent act (as described in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their repeal));

(D) timely filed an application for other types of financial assistance available to the student from the state or federal government; and

(E) participated in an academic success program required under the rules adopted by the commission.

(6) Submit to the commission all the information and evidence required by the commission to determine eligibility as a scholarship applicant.

(7) This subdivision applies only to applicants who initially enroll in the program under section 5 of this chapter or IC 21-12-6.5-2 after June 30, 2011. For purposes of this chapter, applicants who are enrolled in the program before July 1, 2011, will not have an income or financial resources test applied to them when they subsequently apply for a scholarship. Have a lack of financial resources reasonably available to the applicant, as defined by the commission, that, in the absence of an award under this chapter, would deter the scholarship applicant from completing the applicant's education at the approved postsecondary educational institution that the applicant has selected and that has accepted the applicant.

(8) Meet any other minimum criteria established by the commission.

(b) This section applies to an individual who graduates from high school after December 31, 2011. To be eligible for a scholarship under this section, a student must initially attend the eligible institution described in subsection (a)(4) not later than the fall semester (or its equivalent, as determined by the commission) in the year immediately following the year in which the student graduates from high school.

SECTION 15. IC 21-12-8-1, AS ADDED BY P.L.234-2007, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) The ~~part-time adult~~ student grant fund is established to make awards authorized under this chapter to eligible applicants.

(b) The fund consists of the following:

(1) Appropriations made by the general assembly.

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

(3) **Amounts transferred to the fund as directed by the**



commission under IC 21-12-1.2-2.

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

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

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

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available to be used for providing money for ~~part-time adult~~ student grants under this chapter, **or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.**

SECTION 16. IC 21-12-8-2, AS AMENDED BY P.L.46-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The commission shall do the following:

~~(1) Adopt rules under IC 4-22-2 governing the operation of the fund, including rules specifying the procedures that applicants must follow to appeal determinations made under subdivisions (3) and (4).~~

~~(2) (1) Prescribe the form and manner in which applications for part-time adult student grants may be submitted.~~

~~(3) (2) Determine the eligibility of applicants.~~

~~(4) (3) Determine the amount of a part-time an adult student grant awarded to a recipient.~~

~~(5) Award part-time student grants totaling at least fifty percent (50%) of the available appropriation each fiscal year to students who are identified by the commission as:~~

~~(A) financially independent from their parents; and~~

~~(B) pursuing a program of study that will lead to a specific high demand, high wage job.~~

~~(6) Submit not later than November 1, 2014, to the legislative council, in an electronic format under IC 5-14-6, a report that includes the following:~~

~~(A) The size of student populations in Indiana that:~~

~~(i) attend a postsecondary educational institution part-time;~~

~~or~~

~~(ii) combine part-time and full-time enrollment in a postsecondary educational institution.~~

~~(B) The financial need of the student populations described in clause (A).~~

~~(C) The completion rates of the student populations described~~



in clause (A):

(D) Recommendations for increasing the completion rates of the student populations described in clause (A) by using financial support and student incentives:

(4) Award an additional amount not to exceed five hundred dollars (\$500) in a recipient's final semester to a recipient graduating with a degree aligned to priority economic sectors as identified by the department of workforce development at any time during the four (4) year period ending on the recipient's graduation date.

SECTION 17. IC 21-12-8-3, AS AMENDED BY P.L.281-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) An applicant is eligible to receive a ~~part-time~~ **an adult** student grant if the following conditions are met:

(1) The applicant is domiciled in Indiana, as defined by the commission.

(2) The applicant:

(A) has received a diploma of graduation from an approved secondary school;

(B) has been granted a:

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

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

(C) is a student in good standing who is completing a final year of study at an approved secondary school and will be eligible upon graduation to attend an approved institution of higher learning.

(3) The applicant declares, in writing, a specific educational objective or course of study and enrolls in:

(A) a course that applies toward the requirements for completion of that objective or course of study; or

(B) a course designed to help the applicant develop the basic skills the applicant needs to successfully achieve that objective or continue in that course of study.

(4) The applicant enrolls in at least six (6) ~~but fewer than twelve~~ **(12)** credit hours in any academic term.

(5) The commission or an approved postsecondary educational institution acting as the commission's agent determines that the financial resources available to the applicant are such that in the absence of a grant under this chapter the applicant would be



deterred from beginning or completing the applicant's declared educational objective or course of study.

(6) The applicant has not received a Frank O'Bannon grant for the maximum number of academic terms.

(7) The applicant is identified as financially independent from the applicant's parents as determined by the Free Application for Federal Student Aid (FAFSA).

(b) The commission ~~shall~~ **may** reduce an award offered under this section by the amount the applicant is eligible to receive in tuition reimbursement from an employer or another outside source.

SECTION 18. IC 21-12-8-4 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 4. The commission may establish accumulated credit requirements as a condition of eligibility for an award made under this chapter.~~

SECTION 19. IC 21-12-8-5, AS AMENDED BY P.L.281-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. Subject to this chapter, a student's ~~part-time~~ **adult** student grant may be renewed if the student does the following:

~~(1) For a student who initially enrolls in an eligible institution before September 1, 2013:~~

~~(A) makes satisfactory progress toward a certificate, nursing diploma, associate degree, or baccalaureate degree; and~~

~~(B) demonstrates continuing financial need.~~

~~(2) For a student who initially enrolls in an eligible institution for an academic year beginning after August 31, 2013:~~

~~(A) (1) Successfully completes at least eighteen (18) credit hours or their equivalent toward a certificate, nursing diploma, associate degree, or baccalaureate degree in the previous academic year.~~

~~(B) (2) Demonstrates continuing financial need. and~~

~~(C) (3) Maintains at least a cumulative grade point average that the eligible institution determines is satisfactory academic progress.~~

SECTION 20. IC 21-12-8-8 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 8. The commission may permit an approved postsecondary educational institution to act as its agent in accepting applications from; determining eligibility for; and making awards to eligible applicants of the approved postsecondary educational institution. The approved postsecondary educational institution shall provide to the commission on a timely basis any information; reports; and accounting the commission requires.~~



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

SEA 509 — CC 1

