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FISCAL IMPACT STATEMENT

LS 6763
BILL NUMBER: SB 8

NOTE PREPARED: Feb 1, 2024
BILL AMENDED: Feb 1, 2024

SUBJECT: Higher Education Matters.

FIRST AUTHOR: Sen. Leising
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Reverse Transfer:* This bill establishes the Reverse Transfer Program for Community College Associate Degrees.

Bachelors' Degrees in Three Years: The bill requires each institution that offers baccalaureate degrees to establish a policy to review each of the institution's four year baccalaureate degree program offerings to determine the feasibility of providing each in a specifically structured manner to allow a full-time student to complete the baccalaureate degree within three years. It requires, not later than July 1, 2025, each state educational institution (SEI) to offer at least one baccalaureate degree program specifically structured to allow a full-time student to complete the baccalaureate degree within three years. The bill also requires an SEI to provide an annual report to the Commission for Higher Education (CHE) regarding offering four year baccalaureate degree programs completed in three years.

Associate Degrees Granted by Four-Year SEIs: The bill requires each SEI to prepare and submit a report to CHE that includes information regarding a determination by the institution of the feasibility and advisability of establishing and conferring associate degrees to certain students. It also establishes certain requirements for CHE regarding the reports.

Indiana College Core: This bill changes the name of the Statewide Transfer General Education Core to the Indiana College Core (College Core). It requires CHE, in coordination with SEIs and the Department of Education (DOE), to maintain and post a list and syllabus of each eligible college core course.

This bill requires, beginning with the 2025-2026 school year, each high school to offer College Core or submit a College Core Implementation Plan to CHE. It provides that: (1) a student who successfully

completes an eligible course under the college core is entitled to secondary credit toward graduation requirements; and (2) the student's transcripts must reflect the secondary credit.

Secondary Credits: The bill expands the schools to which requirements regarding secondary credit apply.

Effective Date: July 1, 2024.

Explanation of State Expenditures: *Academic Performance Grant:* The FY 2024-FY 2025 state tuition support funding formula includes the Academic Performance Grant. The grant is distributed to public schools based on past academic performance on various measures, including associate degree, Indiana College Core 30, and dual credit attainment. Each of these measures could be impacted by the bill's requirement that all public high schools offer or have a plan to offer the Indiana College Core 30 by the 2025-2026 school year. Current state tuition support distributions would not be impacted since the distributions are based on past academic performance. However, future iterations of the funding formula may be impacted. Any future impact depends upon future funding formulas.

CHE: This bill requires CHE to set reporting requirements for SEIs regarding three year baccalaureate programs, the Reverse Transfer Associate Degree Program, and the establishment of associate degree programs at "four year" universities. This bill requires CHE to produce reports for the Governor and Legislative Council and for publication on its website. It also requires CHE to coordinate with DOE and SEIs to maintain a list of eligible College Core courses and to review implementation plans of public high schools that do not yet offer College Core curriculum. CHE will work with SEIs to identify and notify students eligible for the Reverse Transfer Associate Degree Program on a semiannual basis beginning in 2025. These requirements constitute a workload increase for CHE, but it is expected to be met within existing resources.

SEIs: This bill requires SEIs that grant bachelor's degrees to analyze what baccalaureate programs can be structured to facilitate completion in three years, to implement at least one three year bachelor's degree program, and to make annual reports regarding the feasibility of implementing three year program designs more broadly. SEIs are also required to submit a report to CHE on the feasibility of establishing associate's degree programs. SEIs will be required to provide information to CHE regarding students and former students who are eligible for the Reverse Transfer Associate Degree Program. SEIs are also required to coordinate with CHE to maintain a list of eligible College Core courses. These requirements constitute an increase in workload for SEIs, but each SEI should be able to meet them within existing resources.

Ivy Tech and Vincennes University will experience a workload increase associated with granting degrees under the Reverse Transfer Associate Degree Program. These schools are also likely to experience short-term workload increases associated with the requirement that public high schools offer the Indiana College Core Curriculum. Of the 209 public schools that offer College Core, 155 are partnered with Ivy Tech to offer dual-credit courses and 16 are partnered with Vincennes. It is likely that the trend will continue as 241 additional schools strive to meet the College Core standard. Existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Associate degrees awarded under the Reverse Transfer Program can be incorporated into CHE's outcomes-based formula for operating funding, which is likely to result in increased distributions to SEIs in future biennia. *[SEIs receive general fund appropriations.]*

DOE: The bill requires that DOE review the implementation plans submitted by public high schools that do

not offer College Core as of September 1, 2025, and each year thereafter until the school implements College Core. DOE is also required to coordinate with CHE to maintain a list of eligible College Core courses. Both of these requirements are to be completed in cooperation with CHE and should be met within existing resources.

Explanation of State Revenues:

Explanation of Local Expenditures: *Public Schools:* Public high schools will be required to offer an Indiana College Core curriculum by academic year 2025-2026 or else submit a plan for implementing College Core to CHE each year until it is complete. Currently, 209 of 450 Indiana public high schools offer a College Core curriculum. This requirement constitutes an additional workload on public high schools that do not offer College Core, as well as some potential expenses in credentialing teachers to teach dual-credit courses. *[A substantial portion of these costs can be covered by grants from Teach Dual Credit Indiana and STEM Teach Indiana, which provide funding for tuition, textbooks and materials to help teachers meet credentialing requirements.]* Any additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Charter schools will have to meet the same requirements to annotate secondary credits on student transcripts as school corporations currently do. This constitutes a workload increase on charter schools, but this requirement can be met within existing resources.

Explanation of Local Revenues: *Academic Performance Grants:* Public schools that currently do not offer the Indiana College Core curriculum that would offer it under the bill may experience a revenue increase in the future from Academic Performance Grants. Any revenue increase is dependent upon future state tuition support funding formulas. *[See Explanation of State Expenditures for further details].*

State Agencies Affected: Commission for Higher Education, state educational institutions, Department of Education.

Local Agencies Affected: Public schools.

Information Sources: Greg Harrell, Director of Legislation and Program Implementation, CHE; <https://mycollegecore.org/>; <https://transferin.net/>.

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