

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6594
BILL NUMBER: SB 101

NOTE PREPARED: Feb 15, 2021
BILL AMENDED:

SUBJECT: Education and Higher Education Matters.

FIRST AUTHOR: Sen. Raatz
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill amends requirements regarding the development of a student's graduation plan. It provides that a student who is at least 17 years of age has full legal capacity to enter into a contract for a Next Generation Hoosier Educators Scholarship. This bill provides that the requirement that a postsecondary credit bearing proprietary educational institution that ceases operation submit student records to the Indiana Archives and Records Administration applies regardless of any outstanding debts owed to the institution. It repeals a provision that requires a student to develop an initial graduation plan in grade 6.

Effective Date: July 1, 2021.

Explanation of State Expenditures: *Next Generation Hoosier Educators Scholarship:* The bill could increase expenditures from the Next Generation Hoosier Educators Scholarship if eligible students receive the scholarship for additional semesters because they are able to access scholarship funds as a 17 year old. If distributions from the fund were to exceed the fund balance, the awarded scholarships would be proportionally reduced among all scholarship recipients.

[In order to obtain the scholarship students must sign a promissory note agreeing to repay scholarship funds if they do not complete their education or teach at an Indiana school for five years after obtaining their degree. Under current law a student must be 18 years old in order to sign a promissory note, which prevents awards from being given to students younger than 18 years old.]

Commission for Higher Education (CHE): CHE administers the Next Generation Hoosier Educators Scholarship and would be required to make minor administrative changes. The bills' requirements should be able to be implemented with no additional appropriations, assuming near customary agency staffing and

resource levels.

Indiana Archives and Records Administration: Collecting student records from defunct postsecondary credit bearing proprietary educational institutions is within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues:

Explanation of Local Expenditures: *Schools:* The provisions of the bill regarding student graduation plans would result in a minor workload decrease for public schools. The bill combines requirements for student graduation plans required under current law in sixth and ninth grades and shifts them to eighth grade.

Explanation of Local Revenues:

State Agencies Affected: Commission for Higher Education; Indiana Archives and Records Administration.

Local Agencies Affected: Schools.

Information Sources:

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