

HOUSE BILL No. 1008

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-35; IC 20-19-2; IC 20-20-38; IC 20-37-1-1; IC 21-12-8; IC 22-4.1.

Synopsis: Workforce development. Provides a credit against state tax liability equal to the lesser of \$25,000 or 50% of a training program's expenses for an employer that employs not more than 250 employees and provides a training program that results in: (1) an incumbent employee receiving an industry level certification and an increase of at least 5% in the employee's compensation; or (2) full-time employment with the employer in a high wage, high demand job for a participant who completes the training program. Limits the amount of the tax credit to \$2,500 per employee whenever an employer sends an incumbent employee to an existing training program. Requires the state board of education to work in conjunction with the department of workforce development to provide oversight and administration of career and technical education. Repeals provisions establishing the advisory committee on career and technical education. Establishes the eligibility requirements for a workforce ready grant and the amount of the grant. Establishes conditions for the renewal of a workforce ready grant, and provides alternatives to maintenance of satisfactory academic progress that allow a student to qualify for and renew an adult student grant and a workforce ready grant. Establishes the maximum period during which a student may receive an adult study grant and a workforce ready grant. Establishes an annual reporting requirement to the governor and the legislative council by state providers of workforce related programs concerning the results of each of those programs. Provides that, before establishing a new workforce related program, a state provider must present to the state workforce innovation council the details of the proposed program,
(Continued next page)

Effective: July 1, 2017; January 1, 2018.

Huston, Clere, Braun

January 10, 2017, read first time and referred to Committee on Ways and Means.



Digest Continued

including: (1) how the program will coordinate with existing workforce related programs; and (2) the funding source or sources of the program. Appropriates \$250,000 to the governor's office to develop a comprehensive workforce development plan. Makes conforming amendments.



Introduced

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1008

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

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

1 SECTION 1. IC 6-3.1-35 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2018]:

4 **Chapter 35. Workforce Training Tax Credit**

5 **Sec. 1. This chapter applies to an eligible employer that employs**
6 **not more than two hundred fifty (250) employees.**

7 **Sec. 2. As used in this chapter, "approved program" means a**
8 **training program approved by the department of workforce**
9 **development.**

10 **Sec. 3. As used in this chapter, "department of workforce**
11 **development" means the department of workforce development**
12 **established by IC 22-4.1-2-1.**

13 **Sec. 4. As used in this chapter, "eligible employer" means an**
14 **employer that has at least one (1) employee and is legally doing**
15 **business in Indiana.**

16 **Sec. 5. As used in this chapter, "pass through entity" means:**

17 **(1) a corporation that is exempt from the adjusted gross**



- 1 income tax under IC 6-3-2-2.8(2);
 2 (2) a partnership;
 3 (3) a trust;
 4 (4) a limited liability company; or
 5 (5) a limited liability partnership.
- 6 Sec. 6. As used in this chapter, "state provider" means any of
 7 the following:
 8 (1) A state agency (as defined by IC 4-13-1-1(b)).
 9 (2) A state educational institution (as defined by
 10 IC 21-7-13-32).
 11 (3) A school corporation (as defined by IC 20-18-2-16(a)),
 12 including a charter school (as defined by IC 20-24-1-4).
 13 (4) A body corporate and politic created by statute.
- 14 Sec. 7. As used in this chapter, "state tax liability" means the
 15 taxpayer's total tax liability that is incurred under:
 16 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
 17 (2) IC 6-5.5 (the financial institutions tax); and
 18 (3) IC 27-1-18-2 (the insurance premiums tax);
 19 as computed after the application of the credits that under
 20 IC 6-3.1-1-2 are to be applied before the credit provided under this
 21 chapter.
- 22 Sec. 8. As used in this chapter, "taxpayer" means an individual
 23 or entity that has state tax liability.
- 24 Sec. 9. (a) As used in this chapter, "training expenses" means
 25 any of the following:
 26 (1) An eligible employer's labor costs for employee time spent
 27 in:
 28 (A) the receipt of instruction in an approved program;
 29 (B) preparing for the receipt of instruction in an approved
 30 program; and
 31 (C) other activities included in or related to the delivery of
 32 instruction in an approved program.
 33 (2) Tuition paid by an eligible employer to a training provider
 34 conducting an approved program for an eligible employer.
 35 (3) Facility costs paid by an eligible employer in providing an
 36 approved program.
 37 (4) The cost of equipment:
 38 (A) paid for by an eligible employer in providing an
 39 approved program; and
 40 (B) not claimed as a charitable contribution by the eligible
 41 employer.
 42 (5) Transportation costs paid by an eligible employer for a



1 participant in an approved program to travel to and from the
 2 facility where the approved program is provided and the
 3 participant's workplace.

4 (b) The term does not include the following costs incurred by an
 5 eligible employer as the result of a participant who completes an
 6 approved program:

7 (1) Additional compensation earned by an incumbent
 8 employee.

9 (2) The compensation package earned by a new full-time
 10 employee.

11 Sec. 10. As used in this chapter, "training program" means a
 12 cooperative arrangement between an eligible employer and a
 13 training provider.

14 Sec. 11. As used in this chapter, "training provider" means any
 15 of the following:

16 (1) A state educational institution (as defined by
 17 IC 21-7-13-32).

18 (2) A postsecondary proprietary educational institution (as
 19 defined by IC 22-4.1-21-9).

20 (3) A career and technical education provider established by
 21 a governing body (as defined by IC 20-18-2-5) under IC 20-37.

22 Sec. 12. As used in this chapter, "workforce related program"
 23 has the meaning set forth in IC 22-4.1-1-7.

24 Sec. 13. The department of workforce development shall do the
 25 following:

26 (1) Evaluate a taxpayer's training program for the taxpayer's
 27 eligibility for a tax credit under this chapter.

28 (2) Certify the eligibility of taxpayers that meet the
 29 requirements for a tax credit under this chapter.

30 (3) Certify the information required under section 14 of this
 31 chapter.

32 Sec. 14. (a) A taxpayer is entitled to a credit against the
 33 taxpayer's state tax for the taxable year in which the training
 34 expenses are incurred, if the following conditions, as certified by
 35 the department of workforce development, are satisfied:

36 (1) The taxpayer is an eligible employer.

37 (2) The taxpayer offers a training program.

38 (3) The taxpayer incurs training expenses.

39 (4) The training program provides one (1) of the following
 40 outcomes to at least one (1) participant completing the
 41 training program:

42 (A) A participant who is an incumbent employee receives:



- 1 (i) an industry level certification; and
 2 (ii) additional compensation from the eligible employer
 3 equal to at least five percent (5%) of the incumbent
 4 employee's compensation before the beginning of the
 5 training program.

6 (B) A participant who is not an incumbent employee
 7 receives full-time employment with the eligible employer
 8 in a high wage, high demand job, as defined in the
 9 department's labor market report described in
 10 IC 22-4.1-4-9.

11 (b) The credit allowed under subsection (a) is equal to the
 12 amount determined under section 15 of this chapter.

13 Sec. 15. (a) Subject to subsections (b) and (c), the amount of the
 14 credit to which the taxpayer is entitled under section 14 of this
 15 chapter is the lesser of:

- 16 (1) fifty percent (50%) of the amount of the taxpayer's
 17 training expenses in the taxable year; or
 18 (2) twenty-five thousand dollars (\$25,000).

19 (b) Whenever a taxpayer sends an incumbent employee to an
 20 existing training program, the maximum amount of the credit to
 21 which the taxpayer is entitled for the training is two thousand five
 22 hundred dollars (\$2,500) per employee.

23 (c) The credit to which a taxpayer is entitled under subsection
 24 (a) may not reduce the taxpayer's state tax liability below the
 25 amount of the taxpayer's state tax liability in the taxable year
 26 immediately preceding the taxable year in which the taxpayer first
 27 incurred training expenses.

28 Sec. 16. To receive the credit provided by this chapter, a
 29 taxpayer must claim the credit on the taxpayer's state tax return
 30 or returns in the manner prescribed by the department. The
 31 taxpayer shall submit to the department the department of
 32 workforce development's certification of the following
 33 information:

- 34 (1) Proof of the taxpayer's training expenses.
 35 (2) Proof of the outcomes described in section 14(a)(4) of this
 36 chapter for at least one (1) participant completing a training
 37 program offered by the taxpayer.
 38 (3) All other information that the department of workforce
 39 development determines is necessary to calculate the credit
 40 provided by this chapter.

41 Sec. 17. (a) For the calendar year that begins after December 31,
 42 2017, the total amount of tax credits that may be awarded under



1 this chapter is determined in STEP TWO of the following formula:

2 STEP ONE: Determine the difference between:

3 (i) the fiscal year 2017 state expenditures; and

4 (ii) the fiscal year 2018 appropriations included in the
5 state budget enacted during the 2017 session of the
6 general assembly;

7 for each state provider that operates a workforce related
8 program.

9 STEP TWO: Determine the sum of the STEP ONE results.

10 (b) For the calendar year that begins after December 31, 2018,
11 the total amount of tax credits that may be awarded under this
12 chapter is determined in STEP TWO of the following formula:

13 STEP ONE: Determine the difference between:

14 (i) the fiscal year 2017 state expenditures; and

15 (ii) the fiscal year 2019 appropriations included in the
16 state budget enacted during the 2017 session of the
17 general assembly;

18 for each state provider that operates a workforce related
19 program.

20 STEP TWO: Determine the sum of the STEP ONE results.

21 (c) The department shall record the time of filing of each
22 application of a tax credit under this chapter for a particular
23 calendar year and shall approve the applications, if they otherwise
24 qualify for a tax credit under this chapter, in chronological order
25 in which the applications are filed. When the total amount of tax
26 credit approved equals the maximum amount allowable in a
27 calendar year under subsection (a) or (b), no application filed
28 thereafter for the same calendar year may be approved. The
29 department may, if the applicant requests, approve a tax credit
30 application, in whole or in part, for the next succeeding calendar
31 year.

32 Sec. 18. (a) If the credit provided by this chapter exceeds the
33 taxpayer's state tax liability for the taxable year for which the
34 credit is first claimed, the excess may be carried forward to
35 succeeding taxable years and used as a credit against the
36 taxpayer's state tax liability during those taxable years. Each time
37 that the credit is carried forward to a succeeding taxable year, the
38 credit is to be reduced by the amount that was used as a credit
39 during the immediately preceding taxable year. The credit
40 provided by this chapter may be carried forward and applied to
41 succeeding taxable years for nine (9) consecutive taxable years
42 following the unused credit year.



1 (b) A taxpayer is not entitled to any carryback or refund of any
2 unused credit.

3 Sec. 19. If a pass through entity is entitled to a credit under
4 section 14 of this chapter but does not have state tax liability
5 against which the tax credit may be applied, a shareholder,
6 partner, or member of the pass through entity is entitled to a tax
7 credit equal to:

8 (1) the tax credit determined for the pass through entity for
9 the taxable year; multiplied by

10 (2) the percentage of the pass through entity's distributive
11 income to which the shareholder, partner, or member is
12 entitled.

13 Sec. 20. This chapter expires December 31, 2020.

14 SECTION 2. IC 20-19-2-4.5 IS REPEALED [EFFECTIVE JULY
15 1, 2017]. Sec. 4.5: (a) The advisory committee on career and technical
16 education is established to advise the state board on policy matters
17 concerning career and technical education. The advisory committee on
18 career and technical education consists of:

19 (1) the state superintendent or the state superintendent's designee;
20 and

21 (2) seven (7) members appointed by the state superintendent.

22 (b) The following provisions apply to members of the advisory
23 committee on career and technical education:

24 (1) At least four (4) of the members must be actively employed as
25 area career and technical education directors in schools in Indiana
26 and hold a valid career and technical education director license.

27 (2) Not more than one (1) member may be from any secondary
28 area district in Indiana.

29 (3) Members serve at the pleasure of the state superintendent.

30 (c) The state superintendent or the state superintendent's designee
31 serves as the chairperson of the advisory committee on career and
32 technical education.

33 SECTION 3. IC 20-19-2-19, AS AMENDED BY P.L.7-2011,
34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2017]: Sec. 19. (a) The state board shall, **in conjunction with**
36 **the department of workforce development**, receive, distribute, and
37 account for all funds received for career and technical education under
38 the Carl D. Perkins Vocational and Applied Technology Career and
39 **Technical Education Improvement Act** (20 U.S.C. 2301 et seq.).

40 (b) The state board may not expend or distribute funds received
41 under subsection (a) unless those funds have been allocated by the
42 general assembly.



1 SECTION 4. IC 20-20-38-3, AS ADDED BY P.L.7-2011,
 2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2017]: Sec. 3. As used in this chapter, "**employment training**"
 4 means all programs administered by the following:

- 5 (1) The council.
- 6 (2) The Indiana jobs training program.
- 7 (3) The department.

8 "**workforce related program**" has the meaning set forth in
 9 IC 22-4.1-1-7.

10 SECTION 5. IC 20-20-38-4, AS AMENDED BY P.L.141-2016,
 11 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2017]: Sec. 4. (a) The state board, **in conjunction with the**
 13 **department of workforce development**, shall develop and implement
 14 a long range state plan for a comprehensive secondary level career and
 15 technical education program in Indiana.

16 (b) The plan developed under this section must be updated as
 17 changes occur. The state board shall make the plan and any revisions
 18 made to the plan available to:

- 19 (1) the governor;
- 20 (2) the general assembly;
- 21 (3) the department of workforce development;
- 22 (4) the commission for higher education;
- 23 (5) the council;
- 24 (6) the state workforce innovation council;
- 25 (7) (6) the board for proprietary education; and
- 26 (8) (7) any other appropriate state or federal agency.

27 A plan or revised plan submitted under this section to the general
 28 assembly must be in an electronic format under IC 5-14-6.

29 (c) The plan developed under this section must set forth specific
 30 goals for secondary level public career and technical education and
 31 must include the following:

- 32 (1) The preparation of each graduate for both employment and
 33 further education.
- 34 (2) Accessibility of career and technical education to individuals
 35 of all ages who desire to explore and learn for economic and
 36 personal growth.
- 37 (3) Projected employment opportunities in various career and
 38 technical education fields.
- 39 (4) A study of the supply of and the demand for a labor force
 40 skilled in particular career and technical education areas.
- 41 (5) A study of technological and economic change affecting
 42 Indiana.



- 1 (6) An analysis of the private career and education sector in
 2 Indiana.
- 3 (7) Recommendations for improvement in the state career and
 4 technical education program.
- 5 (8) The educational levels expected of career and technical
 6 education programs proposed to meet the projected employment
 7 needs.
- 8 (d) When making any revisions to the plan, the state board shall
 9 consider the workforce needs and training and education needs
 10 identified in the occupational demand report prepared by the
 11 department of workforce development under IC 22-4.1-4-10.
- 12 SECTION 6. IC 20-20-38-5, AS AMENDED BY P.L.69-2015,
 13 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2017]: Sec. 5. The state board shall, **in conjunction with the**
 15 **department of workforce development**, do the following:
- 16 (1) Prepare biennially a plan for implementing career and
 17 technical education.
- 18 (2) Implement, to the best of its ability, the career and technical
 19 education plan prepared under subdivision (1).
- 20 (3) Investigate the funding of career and technical education on
 21 a cost basis.
- 22 (4) Establish and monitor the operation of secondary level career
 23 and technical education in Indiana in accordance with the
 24 comprehensive long range state plan developed under section 4
 25 of this chapter.
- 26 (5) In consultation with the Indiana professional licensing agency
 27 adopt rules concerning secondary level career and technical
 28 education programs, courses, and classes in the areas of
 29 cosmetology, electrology, esthetics, barbering, and manicuring.
- 30 (6) To comply with this section and any federal law or regulation:
- 31 (A) adopt rules under IC 4-22-2; and
- 32 (B) develop policies and administrative procedures.
- 33 SECTION 7. IC 20-20-38-6, AS AMENDED BY P.L.107-2012,
 34 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2017]: Sec. 6. The state board shall, **in conjunction with the**
 36 **department of workforce development**, do the following:
- 37 (1) Make recommendations to the general assembly concerning
 38 the development, duplication, and accessibility of **employment**
 39 **training workforce related programs** and career and technical
 40 education on a regional and statewide basis.
- 41 (2) Consult with any state agency, commission, or organization
 42 that supervises or administers programs of career and technical



1 education concerning the coordination of career and technical
2 education, including the following:

3 (A) The Indiana economic development corporation.

4 (B) The council.

5 (C) A private industry council (as defined in 29 U.S.C. 1501
6 et seq.).

7 (D) The department of labor.

8 (E) The commission for higher education.

9 (F) The department of workforce development.

10 ~~(G) The state workforce innovation council.~~

11 ~~(H)~~ (G) The board for proprietary education.

12 (3) Review and make recommendations concerning plans
13 submitted by the commission for higher education and the
14 council. The state board may request the resubmission of plans or
15 parts of plans that:

16 (A) are not consistent with the long range state plan of the
17 state board;

18 (B) are incompatible with other plans within the system; or

19 (C) duplicate existing services.

20 (4) Report to the general assembly on the state board's
21 conclusions and recommendations concerning interagency
22 cooperation, coordination, and articulation of career and technical
23 education and ~~employment training~~; **workforce related**
24 **programs**. A report under this subdivision must be in an
25 electronic format under IC 5-14-6.

26 (5) Study and develop a plan concerning the transition between
27 secondary level career and technical education and postsecondary
28 level career and technical education.

29 (6) Enter into agreements with the federal government that may
30 be required as a condition of receiving federal funds under the
31 Carl D. Perkins ~~Vocational and Applied Technology Career and~~
32 **Technical Education Improvement Act** (20 U.S.C. 2301 et
33 seq.). An agreement entered into under this subdivision is subject
34 to the approval of the budget agency.

35 SECTION 8. IC 20-20-38-7, AS ADDED BY P.L.7-2011,
36 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2017]: Sec. 7. The state board, **in conjunction with the**
38 **department of workforce development**, may do the following:

39 (1) Make recommendations, including recommendations for
40 policies to encourage involvement of minority groups in the
41 career and technical education system in Indiana, to:

42 (A) the governor;



- 1 (B) the general assembly, in an electronic format under
 2 IC 5-14-6; and
 3 (C) the various agencies, commissions, or organizations that
 4 administer career and technical education programs
 5 concerning all facets of career and technical education
 6 programming.
- 7 (2) Establish a regional planning and coordination system for
 8 career and technical education and **employment training**
 9 **workforce related programs** that will, either in whole or in part,
 10 serve career and technical education and **employment training**
 11 **workforce related programs** in Indiana.
- 12 (3) Appoint advisory committees whenever necessary.
- 13 (4) Contract for services necessary to carry out this chapter.
- 14 (5) Provide information and advice on career and technical
 15 education to a business, an industry, or a labor organization
 16 operating a job training program in the private sector.
- 17 SECTION 9. IC 20-20-38-8, AS ADDED BY P.L.7-2011,
 18 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2017]: Sec. 8. The state board, **in conjunction with the**
 20 **department of workforce development**, shall adopt statewide systems
 21 or policies concerning the following as the systems or policies relate to
 22 the implementation of career and technical education programs:
- 23 (1) Student records.
 24 (2) Data processing at the secondary level.
 25 (3) An evaluation system that must be conducted by the state
 26 board at least annually and that evaluates the following as each
 27 relates to the career and technical education programs and courses
 28 offered at the secondary level:
 29 (A) Graduation rates.
 30 (B) Student placement rates.
 31 (C) Retention rates.
 32 (D) Enrollment.
 33 (E) Student transfer rates to postsecondary educational
 34 institutions.
 35 (F) When applicable, student performance on state licensing
 36 examinations or other external certification examinations.
 37 (G) Cost data study.
 38 (4) A system of financial audits to be conducted at least biennially
 39 at the secondary level.
- 40 SECTION 10. IC 20-20-38-9, AS ADDED BY P.L.7-2011,
 41 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2017]: Sec. 9. (a) The state board, **in conjunction with the**



1 **department of workforce development**, shall establish career and
2 technical education evaluation criteria.

3 (b) Using the criteria established under subsection (a), the state
4 board, **in conjunction with the department of workforce**
5 **development**, shall evaluate the effectiveness of career and technical
6 education relative to the goals of the long range plan developed under
7 section 4 of this chapter.

8 SECTION 11. IC 20-20-38-10, AS ADDED BY P.L.7-2011,
9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2017]: Sec. 10. The state board, **in conjunction with the**
11 **department of workforce development**, shall develop a definition for
12 and report biennially to:

- 13 (1) the general assembly; and
14 (2) the governor;

15 on attrition and persistence rates by students enrolled in secondary
16 career and technical education. A biennial report under this section to
17 the general assembly must be in an electronic format under IC 5-14-6.

18 SECTION 12. IC 20-20-38-11, AS ADDED BY P.L.7-2011,
19 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2017]: Sec. 11. Upon request of the budget director, the state
21 board, **in conjunction with the department of workforce**
22 **development**, shall prepare a legislative budget request for state and
23 federal funds for secondary and postsecondary career and technical
24 education. The budget director shall determine the period to be covered
25 by the budget request. This budget request must be made available to
26 the council before the request's review by the budget committee.

27 SECTION 13. IC 20-20-38-12, AS ADDED BY P.L.7-2011,
28 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2017]: Sec. 12. (a) The state board, **in conjunction with the**
30 **department of workforce development**, shall review the legislative
31 budget requests for secondary and postsecondary career and technical
32 education prepared by the state educational institutions.

33 (b) After the review under subsection (a) and a review of any
34 recommendations from the council, the state board, **in conjunction**
35 **with the department of workforce development**, shall make
36 recommendations to the budget committee concerning the
37 appropriation of state funds and the allocation of federal funds for
38 secondary and postsecondary career and technical education, including
39 federal funds available under the Carl D. Perkins ~~Vocational and~~
40 ~~Applied Technology~~ **Career and Technical Education Improvement**
41 Act (20 U.S.C. 2301 et seq.). The state board's recommendations
42 concerning appropriations and allocations for secondary and



1 postsecondary career and technical education by secondary schools and
2 state educational institutions must specify:

- 3 (1) the minimum funding levels required by 20 U.S.C. 2301 et
4 seq.;
- 5 (2) the categories of expenditures and the distribution plan or
6 formula for secondary schools; and
- 7 (3) the categories of expenditures for each state educational
8 institution.

9 (c) After reviewing the state board's recommendations and each
10 agency's budget request, the budget committee shall make
11 recommendations to the general assembly for funding to implement
12 secondary and postsecondary career and technical education. The
13 general assembly shall biennially appropriate state funds for secondary
14 and postsecondary career and technical education and allocate federal
15 funds available under 20 U.S.C. 2301 et seq. for secondary and
16 postsecondary career and technical education. At least sixty percent
17 (60%) of the federal funds available under 20 U.S.C. 2301 et seq. must
18 be allocated to secondary level career and technical education to
19 implement the long range state plan developed under section 4 of this
20 chapter.

21 (d) The budget agency, with the advice of the state board, **the**
22 **department of workforce development**, and the budget committee,
23 may augment or proportionately reduce an allocation of federal funds
24 made under subsection (c).

25 SECTION 14. IC 20-20-38-13, AS ADDED BY P.L.7-2011,
26 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2017]: Sec. 13. The state board, **in conjunction with the**
28 **department of workforce development**, shall distribute state funds
29 made available for secondary and postsecondary career and technical
30 education that have been appropriated by the general assembly and in
31 accordance with the plan prepared by:

- 32 (1) the state board under section 5 of this chapter; and
33 (2) the council under IC 22-4.1-19-4.

34 SECTION 15. IC 20-37-1-1, AS AMENDED BY P.L.234-2007,
35 SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) Two (2) or more school
36 corporations may cooperate to:

- 37 (1) establish; and
38 (2) maintain or supervise;

39 schools or departments for career and technical education if the
40 governing bodies of the school corporations agree to cooperate and
41 apportion the cost of the schools or departments among the school
42



- 1 corporations.
- 2 (b) If the cooperating school corporations agree to:
- 3 (1) establish; and
- 4 (2) maintain or supervise;
- 5 the schools or departments under subsection (a), the designated
- 6 representatives of the school corporations constitute a board for the
- 7 management of the schools or departments. The board may adopt a
- 8 plan of organization, administration, and support for the schools or
- 9 departments. The plan, if approved by the state board **in conjunction**
- 10 **with the department of workforce development**, is a binding
- 11 contract between the cooperating school corporations.
- 12 (c) The governing bodies of the cooperating school corporations
- 13 may cancel or annul the plan described in subsection (b) by the vote of
- 14 a majority of the governing bodies and upon the approval of the state
- 15 board **in conjunction with the department of workforce**
- 16 **development**. However, if a school corporation desires to withdraw a
- 17 course offering from the cooperative agreement after:
- 18 (1) attempting to withdraw the course offering under a withdrawal
- 19 procedure authorized by the school corporation's cooperative
- 20 agreement or bylaw; and
- 21 (2) being denied the authority to withdraw the course offering;
- 22 the school corporation may appeal the denial to the state board **in**
- 23 **conjunction with the department of workforce development**. In the
- 24 appeal, a school corporation must submit a proposal requesting the
- 25 withdrawal to the state board, **in conjunction with the department or**
- 26 **workforce development**, for approval.
- 27 (d) The proposal under subsection (c) must do the following:
- 28 (1) Describe how the school corporation intends to implement the
- 29 particular career and technical education course.
- 30 (2) Include a provision that provides for at least a two (2) year
- 31 phaseout of the educational program or course offering from the
- 32 cooperative agreement.
- 33 Upon approval of the proposal by the state board, **in conjunction with**
- 34 **the department of workforce development**, the school corporation
- 35 may proceed with the school corporation's withdrawal of the course
- 36 offering from the cooperative agreement and shall proceed under the
- 37 proposal.
- 38 (e) The withdrawal procedure under subsections (c) and (d) may not
- 39 be construed to permit a school corporation to change any other terms
- 40 of the plan described in subsection (b) except those terms that require
- 41 the school corporation to provide the particular course offering sought
- 42 to be withdrawn.



1 (f) The board described in subsection (b) may do the following:

2 (1) Enter into an agreement to acquire by lease or purchase:

3 (A) sites;

4 (B) buildings; or

5 (C) equipment;

6 that is suitable for these schools or departments. This authority
7 extends to the acquisition of facilities available under IC 20-47-2.

8 (2) By resolution adopted by a majority of the board, designate
9 three (3) or more individuals from the board's membership to
10 constitute an executive committee.

11 (g) To the extent provided in a resolution adopted under subsection
12 (f)(2), an executive committee shall do the following:

13 (1) Exercise the authority of the full board in the management of
14 the schools or departments.

15 (2) Submit a written summary of its actions to the full board at
16 least semiannually.

17 SECTION 16. IC 21-12-8-1, AS AMENDED BY P.L.165-2016,
18 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2017]: Sec. 1. (a) The adult student grant fund is established
20 to make awards authorized under this chapter to ~~eligible~~ applicants
21 **eligible for:**

22 **(1) an adult student grant under section 3 of this chapter; or**

23 **(2) a workforce ready grant under section 9 of this chapter.**

24 (b) The fund consists of the following:

25 (1) Appropriations made by the general assembly.

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

28 (3) Amounts transferred to the fund as directed by the
29 commission under IC 21-12-1.2-2.

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

31 (d) The expenses of administering the fund shall be paid from
32 money in the fund.

33 (e) The fund must be separate and distinct from other funds
34 administered by the commission.

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

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



1 SECTION 17. IC 21-12-8-2, AS AMENDED BY P.L.234-2015,
 2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2017]: Sec. 2. The commission shall do the following:

4 (1) Prescribe the form and manner in which applications for adult
 5 student grants may be submitted.

6 (2) Determine the eligibility of applicants.

7 (3) Determine the amount of an adult student grant awarded to a
 8 recipient.

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

15 **(4) In conjunction with the department of workforce**
 16 **development, determine which certificate programs are**
 17 **eligible for the workforce ready grant after considering at**
 18 **least the following for each certificate program:**

19 **(A) Workforce needs.**

20 **(B) Wage data.**

21 **(C) Job placement data.**

22 **(D) Program completion data.**

23 SECTION 18. IC 21-12-8-3, AS AMENDED BY P.L.165-2016,
 24 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2017]: Sec. 3. (a) An applicant is eligible to receive an adult
 26 student grant if the following conditions are met:

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

29 (2) The applicant:

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

32 (B) has been granted a:

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

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

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

42 (3) The applicant declares, in writing, a specific educational



- 1 objective or course of study and enrolls in:
- 2 (A) a course that applies toward the requirements for
- 3 completion of that objective or course of study; or
- 4 (B) a course designed to help the applicant develop the basic
- 5 skills the applicant needs to successfully achieve that objective
- 6 or continue in that course of study.
- 7 (4) The applicant enrolls in at least six (6) credit hours in any
- 8 academic term.
- 9 (5) The commission or an approved postsecondary educational
- 10 institution acting as the commission's agent determines that the
- 11 financial resources available to the applicant are such that in the
- 12 absence of a grant under this chapter the applicant would be
- 13 deterred from beginning or completing the applicant's declared
- 14 educational objective or course of study.
- 15 (6) The applicant has not received a ~~Frank O'Bannon~~ **any** grant
- 16 for the maximum number of academic terms **listed in**
- 17 **IC 21-12-13-1(a) or IC 21-12-13-2(a).**
- 18 (7) The applicant is identified as financially independent from the
- 19 applicant's parents as determined by the Free Application for
- 20 Federal Student Aid (FAFSA).
- 21 (8) **Except as provided in subdivision (9),** the applicant
- 22 maintains satisfactory academic progress, as determined by the
- 23 eligible institution.
- 24 **(9) An applicant who does not maintain satisfactory academic**
- 25 **progress, as determined by the eligible institution, is still**
- 26 **eligible to receive an adult student grant if one (1) of the**
- 27 **following conditions is met:**
- 28 (A) **The applicant has not attended the eligible institution**
- 29 **for the previous two (2) academic years.**
- 30 (B) **The applicant:**
- 31 (i) **attended the eligible institution at any time during the**
- 32 **previous two (2) academic years; and**
- 33 (ii) **maintained satisfactory academic progress during**
- 34 **the period in which the applicant attended the eligible**
- 35 **institution.**
- 36 (b) The commission may reduce an award offered under this section
- 37 by the amount the applicant is eligible to receive in tuition
- 38 reimbursement from an employer or another outside source.
- 39 SECTION 19. IC 21-12-8-5, AS AMENDED BY P.L.165-2016,
- 40 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 41 JULY 1, 2017]: Sec. 5. (a) Subject to this chapter, a student's adult
- 42 student grant may be renewed if the student does the following:



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

4 (2) Demonstrates continuing financial need.

5 **(b) An adult student grant may not be renewed more than the**
 6 **number of terms that equals eight (8) undergraduate academic**
 7 **years, as determined by the commission.**

8 SECTION 20. IC 21-12-8-9 IS ADDED TO THE INDIANA CODE
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 10 1, 2017]: **Sec. 9. An applicant is eligible to receive a workforce**
 11 **ready grant if the following conditions are met:**

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

14 **(2) The applicant:**

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

17 **(B) has been granted a:**

18 **(i) high school equivalency certificate before July 1,**
 19 **1995; or**

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

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

27 **(3) The applicant is enrolled in an eligible certificate program,**
 28 **as determined under IC 21-12-8-2(4), at Ivy Tech Community**
 29 **College or Vincennes University.**

30 **(4) The applicant enrolls at least half-time for purposes of**
 31 **federal financial aid.**

32 **(5) The applicant has not received any grant for the maximum**
 33 **number of academic terms listed in IC 21-12-13-1(a) or**
 34 **IC 21-12-13-2(a).**

35 **(6) The applicant is not eligible for any state financial aid**
 36 **program described in IC 21-12-13-1(a) or IC 21-12-13-2(a).**

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

40 **(8) The applicant has correctly filed the FAFSA and accepts**
 41 **all offered federal scholarships and grants.**

42 **(9) The applicant maintains satisfactory academic progress,**



1 as determined by the eligible institution.

2 **(10) The applicant has not previously received an eligible**
 3 **high-value certificate.**

4 SECTION 21. IC 21-12-8-10 IS ADDED TO THE INDIANA
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2017]: **Sec. 10. (a) The amount of a**
 7 **workforce ready grant is equal to one (1) of the following:**

8 **(1) If the applicant does not receive financial assistance,**
 9 **excluding loans, the amount is equal to the educational costs**
 10 **(as defined in IC 21-7-13-14) of the institution that the**
 11 **applicant is attending.**

12 **(2) If the applicant receives financial assistance, excluding**
 13 **loans, the amount is equal to the educational costs (as defined**
 14 **in IC 21-7-13-14) of the institution that the applicant is**
 15 **attending minus the financial assistance received by the**
 16 **applicant.**

17 **(b) An applicant may use the workforce ready grant only to pay**
 18 **the educational costs (as defined by IC 21-7-13-14) of courses**
 19 **required for the applicant's certificate program.**

20 SECTION 22. IC 21-12-8-11 IS ADDED TO THE INDIANA
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2017]: **Sec. 11. (a) Subject to the conditions**
 23 **described in this chapter, a student's workforce ready grant may**
 24 **be renewed if the student:**

25 **(1) maintains satisfactory academic progress while receiving**
 26 **the grant; and**

27 **(2) is enrolled in an eligible certificate program that requires**
 28 **more than twelve (12) credit hours or its equivalent.**

29 **(b) The duration of the workforce ready grant may not exceed**
 30 **the lesser of:**

31 **(1) two (2) undergraduate academic years; or**

32 **(2) the number of credit hours required by the eligible**
 33 **certificate program in which the student is enrolled.**

34 **(c) A recipient of the workforce ready grant may not receive aid**
 35 **under IC 21-12-3, IC 21-12-4, or IC 21-12-6 unless the recipient**
 36 **has:**

37 **(1) received a high-value certificate, as determined by the**
 38 **commission; or**

39 **(2) met the requirements of IC 21-12-1.7-3(c),**
 40 **IC 21-12-3-9(a)(6), or IC 21-12-6-7(6).**

41 SECTION 23. IC 22-4.1-1-5.5 IS ADDED TO THE INDIANA
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2017]: **Sec. 5.5. "State provider" means any**
 2 **of the following:**

- 3 (1) **A state agency (as defined by IC 4-13-1-1(b)).**
 4 (2) **A state educational institution (as defined by**
 5 **IC 21-7-13-32).**
 6 (3) **A school corporation (as defined by IC 20-18-2-16(a)),**
 7 **including a charter school (as defined by IC 20-24-1-4).**
 8 (4) **A body corporate and politic created by statute.**

9 SECTION 24. IC 22-4.1-1-7 IS ADDED TO THE INDIANA CODE
 10 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY
 11 1, 2017]: **Sec. 7. "Workforce related program" means a program**
 12 **operated in whole or in part by a state provider using public funds**
 13 **to offer incentives, funding, support, or guidance for any of the**
 14 **following purposes:**

- 15 (1) **Job training.**
 16 (2) **The attainment of an industry certification.**
 17 (3) **The attainment of a postsecondary degree or certification.**
 18 (4) **The provision of other types of employment assistance.**
 19 (5) **The promotion of Indiana to workers or the provision of**
 20 **assistance to a worker relocating to Indiana for employment.**
 21 (6) **Any other program that:**
 22 (A) **has, at least in part, the goal of securing employment**
 23 **or better employment for an individual; and**
 24 (B) **receives funding through WIOA or a state**
 25 **appropriation.**

26 SECTION 25. IC 22-4.1-3-4, AS AMENDED BY P.L.234-2007,
 27 SECTION 145, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2017]: **Sec. 4. Funds necessary to support the**
 29 **operating costs of the department of workforce development beyond**
 30 **those approved and appropriated by the United States Congress or**
 31 **approved by federal agencies for the operation of the department and**
 32 **specifically authorized by other provisions of IC 22-4:**

- 33 (1) **must be specifically appropriated from the state general fund**
 34 **for this purpose; and**
 35 (2) **may not be derived from other state or federal funds directed**
 36 **for unemployment insurance programs under IC 22-4, including**
 37 **funds under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), any**
 38 **other grants or funds that are passed through for job training**
 39 **programs, the Carl D. Perkins ~~Vocational and Applied~~**
 40 **Technology Career and Technical Education Improvement**
 41 **Act of 2006 (20 U.S.C. 2301 et seq.), and any other grant or funds**
 42 **for career and technical education.**



1 SECTION 26. IC 22-4.1-19-2, AS AMENDED BY P.L.224-2015,
 2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2017]: Sec. 2. As used in this chapter, "state board" refers to
 4 the Indiana state board of education established by

- 5 ~~(1) before June 1, 2015; IC 20-19-2-2 (expired June 1, 2015); and~~
 6 ~~(2) after May 31, 2015; IC 20-19-2-2.1.~~

7 SECTION 27. IC 22-4.1-22-3, AS ADDED BY P.L.69-2015,
 8 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2017]: Sec. 3. The state workforce innovation council is
 10 established under the applicable federal programs to do the following:

- 11 (1) Review the services and use of funds and resources under
 12 applicable federal programs and advise the governor on methods
 13 of coordinating the services and use of funds and resources
 14 consistent with the laws and regulations governing the particular
 15 applicable federal programs.
 16 (2) Advise the governor on:
 17 (A) the development and implementation of state and local
 18 standards and measures; and
 19 (B) the coordination of the standards and measures;
 20 concerning the applicable federal programs.
 21 (3) Perform the duties as set forth in federal law of the particular
 22 advisory bodies for applicable federal programs described in
 23 section 4 of this chapter.
 24 (4) Identify the workforce needs in Indiana and recommend to the
 25 governor goals to meet the investment needs.
 26 (5) Recommend to the governor goals for the development and
 27 coordination of the human resource system in Indiana.
 28 (6) Prepare and recommend to the governor a strategic plan to
 29 accomplish the goals developed under subdivisions (4) and (5).
 30 (7) Monitor the implementation of and evaluate the effectiveness
 31 of the strategic plan described in subdivision (6).
 32 (8) Advise the governor on the coordination of federal, state, and
 33 local education and training programs and on the allocation of
 34 state and federal funds in Indiana to promote effective services,
 35 service delivery, and innovative programs.
 36 (9) Administer the minority training grant program established by
 37 section 11 of this chapter.
 38 (10) Administer the back home in Indiana program established by
 39 section 12 of this chapter.
 40 (11) Any other function assigned to the council by the governor
 41 with regard to the study and evaluation of Indiana's workforce
 42 development delivery system.



1 (12) Administer postsecondary proprietary educational institution
2 accreditation under IC 22-4.1-21.

3 **(13) Review all proposed workforce related programs**
4 **presented by a state provider as required by IC 22-4.1-24-3.**

5 SECTION 28. IC 22-4.1-24 IS ADDED TO THE INDIANA CODE
6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2017]:

8 **Chapter 24. Workforce Related Programs**

9 **Sec. 1. As used in this chapter, "program" refers to a workforce**
10 **related program (as defined in IC 22-4.1-1-7).**

11 **Sec. 2. (a) A state provider annually shall prepare a written**
12 **report concerning its workforce related programs. At a minimum,**
13 **the following information must be provided for each program:**

14 **(1) A description of the program that includes an explanation**
15 **of how the program aligns with Indiana's workforce needs.**

16 **(2) The amount of funding provided for the program and the**
17 **source or sources of the funding.**

18 **(3) The number of individuals participating in the program.**

19 **(4) Demographic information about the individuals**
20 **participating in the program, including:**

21 **(A) the age or ages of the program participants; and**

22 **(B) the education attainment level of the program**
23 **participants.**

24 **(5) The results of the program, including:**

25 **(A) the number of individuals completing the program;**

26 **(B) the number and types of degrees and certifications**
27 **awarded, if a degree or certification is awarded at the**
28 **completion of the program;**

29 **(C) the extent to which participants in the program**
30 **obtained employment, retained employment, or secured**
31 **better employment as the direct result of participating in**
32 **or completing the program;**

33 **(D) a description of the specific jobs that participants in**
34 **the program obtained or retained;**

35 **(E) the wages offered to and earned by the participants**
36 **both before and after participation in or completion of the**
37 **program; and**

38 **(F) the retention rates of participants who obtained**
39 **employment or secured better employment as the direct**
40 **result of participating in or completing the program.**

41 **(b) A state provider shall provide a copy of the report described**
42 **in subsection (a) to the:**



- 1 (1) governor; and
 2 (2) legislative council;
 3 on or before October 1 for the preceding state fiscal year. A report
 4 provided under this subsection to the legislative council must be in
 5 an electronic format under IC 5-14-6.
 6 **Sec. 3. After June 30, 2017, before a state provider establishes**
 7 **or creates a new program, the state provider must present to the**
 8 **state workforce innovation council (established by IC 22-4.1-22-3)**
 9 **the details of the proposed program, including:**
 10 (1) how the program will coordinate with existing programs;
 11 and
 12 (2) the funding source or sources of the program.
 13 SECTION 29. [EFFECTIVE JULY 1, 2017] (a) The terms of the
 14 members of the advisory committee on career and technical
 15 education established under IC 20-19-2-4.5, repealed by SECTION
 16 2 of this act, expire July 1, 2017.
 17 (b) This SECTION expires January 1, 2018.
 18 SECTION 30. [EFFECTIVE JULY 1, 2017] (a) There is
 19 appropriated to the governor's office two hundred fifty thousand
 20 dollars (\$250,000) from the state general fund for its use in
 21 developing a comprehensive workforce development plan to create,
 22 reconfigure, and align workforce development programs and
 23 funding in the areas of secondary, postsecondary, and adult
 24 training and retraining in order to focus on meeting the needs of
 25 Indiana employers.
 26 (b) This SECTION expires June 30, 2019.

