

HOUSE BILL No. 1633

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-12.5; IC 16-37-2-2.

Synopsis: Student 529 account funding. Provides that when a person who receives Medicaid has a child born after December 31, 2023, the treasurer of state (treasurer) shall open a college choice 529 education savings plan (529 plan) in the child's name and make a deposit of \$250 into the account. Provides that if the student completes one or more age appropriate career exploration activities as determined by the state board of education, and if the child's parent makes certain contributions to the 529 plan, the treasurer shall continue to make intermittent deposits into the 529 plan throughout the child's kindergarten through grade 12 education. Provides that contributions made by a parent to a 529 plan are eligible for a credit against a taxpayer's adjusted gross income. Provides that a parent making a contribution to a 529 plan shall report the contribution to the treasurer. Provides that if a parent contributes volunteer hours to the child's school in lieu of making a contribution to a 529 plan, the child's school shall report the contribution of volunteer hours to the treasurer. Provides that a person in attendance at a live birth shall report to the local health officer whether or not the mother is receiving Medicaid and advise the mother that a 529 plan is being established. Provides that the treasurer shall provide all relevant information to a parent receiving Medicaid regarding the 529 plan contribution program available to a parent receiving Medicaid.

Effective: January 1, 2024.

Behning, Goodrich, Teshka

January 19, 2023, read first time and referred to Committee on Education.



First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1633

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

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

1 SECTION 1. IC 6-3-3-12.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2024]: **Sec. 12.5. (a) This section applies only to**
4 **children born after December 31, 2023.**
5 **(b) If a person who receives Medicaid has a child as recognized**
6 **under IC 16-37-1-3.1, the treasurer of state shall open a college**
7 **choice 529 education savings plan in the child's name and make a**
8 **deposit of two hundred fifty dollars (\$250) into the account.**
9 **(c) If a person who receives Medicaid has a child in**
10 **kindergarten through grade 5, the treasurer of state shall make a**
11 **one (1) time two hundred fifty dollar (\$250) contribution during**
12 **the student's kindergarten through grade 5 period to the college**
13 **choice 529 education savings plan established under subsection (b)**
14 **if the student completes one (1) or more age appropriate career**
15 **exploration activities as determined by the state board of**
16 **education. In order to receive this additional amount, the parent of**
17 **the student must also make contributions totaling at least five**



1 hundred dollars (\$500) during the student's kindergarten through
 2 grade 5 period or contribute three (3) volunteer hours per year at
 3 the child's school during that period.

4 (d) If a person who receives Medicaid has a child in grades 6
 5 through 8, the treasurer of state shall make a one (1) time two
 6 hundred fifty dollar (\$250) contribution during the student's grade
 7 6 through grade 8 period to the college choice 529 education
 8 savings plan established under subsection (b) if the student
 9 completes one (1) or more age appropriate career exploration
 10 activities as determined by the state board of education. In order
 11 to receive this additional amount, the parent of the student must
 12 also make contributions totaling at least five hundred dollars
 13 (\$500) during the student's grade 6 through grade 8 period or
 14 contribute three (3) volunteer hours per year at the child's school
 15 during that period.

16 (e) If a person who receives Medicaid has a child in grades 9
 17 through 12, the treasurer of state shall make a one (1) time two
 18 hundred fifty dollar (\$250) contribution during the student's grade
 19 9 through grade 12 period to the college choice 529 education
 20 savings plan established under subsection (b) if the student
 21 completes one (1) or more age appropriate career exploration
 22 activities as determined by the state board of education. In order
 23 to receive this additional amount, the parent of the student must
 24 also make contributions totaling at least five hundred dollars
 25 (\$500) during the student's grade 9 through grade 12 period or
 26 contribute three (3) volunteer hours per year at the child's school
 27 during that period.

28 (f) A contribution made by the parent of a student under this
 29 section is eligible for the credit against a taxpayer's adjusted gross
 30 income allowed under section 12 of this chapter for a contribution
 31 to a college choice 529 education savings plan.

32 (g) A parent making a contribution to a college choice 529
 33 education savings plan under this section shall report the
 34 contribution to the treasurer of state in a manner prescribed by the
 35 treasurer of state.

36 (h) If a parent contributes volunteer hours to the child's school
 37 in lieu of making a contribution to a college choice 529 education
 38 savings plan under this section, the school shall report the
 39 contribution of volunteer hours to the treasurer of state in a
 40 manner prescribed by the treasurer of state.

41 SECTION 2. IC 16-37-2-2, AS AMENDED BY P.L.138-2019,
 42 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JANUARY 1, 2024]: Sec. 2. (a) A person in attendance at a live birth
2 shall do the following:

3 (1) File with the local health officer the following:

4 (A) A certificate of birth.

5 (B) Any paternity affidavit executed under section 2.1(c)(1) of
6 this chapter.

7 Except as provided in IC 16-37-1-3.1(f), the person in attendance
8 at a live birth shall use the Indiana birth registration system
9 established under IC 16-37-1-3.1 to electronically file a birth
10 certificate or paternity affidavit under this subdivision.

11 (2) Advise the mother of a child born out of wedlock of:

12 (A) the availability of paternity affidavits under section 2.1 of
13 this chapter; and

14 (B) the existence of the putative father registry established by
15 IC 31-19-5-2.

16 **(3) Report to the local health officer whether or not the**
17 **mother is receiving Medicaid.**

18 **(4) If the mother is receiving Medicaid, advise the mother that**
19 **a college choice 529 education savings plan is being**
20 **established under IC 6-3-3-12.5.**

21 (b) If there was no person in attendance at the birth, one (1) of the
22 parents shall file with the local health officer the following:

23 (1) A certificate of birth.

24 (2) Any paternity affidavit executed under section 2.1 of this
25 chapter.

26 (c) If:

27 (1) no person was in attendance at the birth and neither parent is
28 able to prepare the certificate; or

29 (2) the local health officer does not receive a certificate of birth;
30 the local health officer shall prepare a certificate of birth from
31 information secured from any person who has knowledge of the birth.

32 (d) A local health department shall inform the Title IV-D agency (as
33 defined in IC 31-9-2-130) regarding each paternity affidavit executed
34 under section 2.1 of this chapter that the local health department
35 receives under this section.

36 (e) A paternity affidavit executed under section 2.1(c)(1) of this
37 chapter shall be filed with the local health officer not more than five (5)
38 days after the child's birth.

39 (f) An attorney or agency that arranges an adoption may at any time
40 request that the state department search its records to determine
41 whether a man executed a paternity affidavit under section 2.1 of this
42 chapter in relation to a child who is or may be the subject of an



1 adoption that the attorney or agency is arranging.

2 (g) Not more than ten (10) days after receiving a request from an
3 attorney or agency under subsection (f), the state department shall
4 submit an affidavit to the attorney or agency verifying whether a
5 paternity affidavit has been filed under this section. If a paternity
6 affidavit has been filed regarding a child who is the subject of a request
7 under subsection (f), the state department shall release a copy of the
8 paternity affidavit to the requesting attorney or agency.

9 **(h) The treasurer of state shall, in a manner determined by the**
10 **treasurer of state, provide all relevant information to a parent**
11 **receiving Medicaid regarding the college choice 529 education**
12 **savings plan contribution program under IC 6-3-3-12.5 available**
13 **to a parent receiving Medicaid.**

