

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 ENROLLED ACT No. 1637

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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 21-12-16-5, AS AMENDED BY P.L.63-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) An applicant who is enrolled in an accredited postsecondary educational institution after June 30, 2017, may qualify for a scholarship under this chapter. To qualify for a scholarship, an applicant must:

- (1) apply for a scholarship on a form supplied by the commission;
- (2) except as provided in subsection (b), have graduated from an Indiana nonaccredited nonpublic or state accredited high school accredited under IC 20-31-4.1 and:
  - (A) graduated in the highest twenty percent (20%) of students in the applicant's high school graduating class;
  - (B) received a score in the top twentieth percentile on the SAT or ACT examination; or
  - (C) achieved a cumulative grade point average upon graduation of at least ~~3.5~~ **3.0** on a 4.0 grading scale (or its equivalent if another grading scale is used) for courses taken during grades 9, 10, 11, and 12;
- (3) have participated in school activities and community service activities during high school;
- (4) have applied to and been accepted for enrollment in an accredited postsecondary educational institution approved by the

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commission under section 10 of this chapter;

(5) agree in writing to:

(A) obtain a license to teach under IC 20-28-5; and

(B) teach for at least five (5) consecutive years in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana after graduating with a baccalaureate degree from the accredited postsecondary educational institution described in subdivision (4); and

(6) meet any other criteria established by the commission.

(b) A student who graduates from a nonaccredited nonpublic school must meet the requirement described in subsection (a)(2)(B) in order to meet the eligibility requirement described in subsection (a)(2).

SECTION 2. IC 21-12-16-8, AS ADDED BY P.L.105-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) Subject to subsections (b) and (c), if an applicant meets the requirements under this chapter, the commission may award, for not more than four (4) academic years, a scholarship to the applicant in an amount of ~~seven ten thousand five hundred~~ dollars (~~\$7,500~~) (**\$10,000**) for each academic year that the applicant attends the accredited postsecondary educational institution approved by the commission under section 10 of this chapter.

(b) The commission may not ~~do the following~~:

(1) award a scholarship under this chapter in an amount of more than a total of ~~thirty forty~~ thousand dollars (~~\$30,000~~) (**\$40,000**) to an individual applicant.

(2) ~~Award scholarships under this chapter to more than two hundred (200) new applicants each academic year.~~

(c) If the total amount to be distributed from the fund in a state fiscal year exceeds the amount available for distribution, the amount to be distributed to each eligible applicant shall be proportionately reduced so that the total reductions equal the amount of the excess.

SECTION 3. IC 21-12-16.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

**Chapter 16.5. Next Generation Hoosier Minority Educators Scholarship**

**Sec. 1.** As used in this chapter, "program" means the next generation Hoosier minority educators scholarship program established by section 2 of this chapter.

**Sec. 2. (a)** The next generation Hoosier minority educators scholarship program is established.

**(b)** The commission shall receive and consider applications for



a next generation Hoosier minority educators scholarship under this chapter.

**Sec. 3. (a)** The next generation Hoosier minority educators scholarship fund is established for the purpose of providing scholarships to attract and retain eligible applicants to the teaching profession.

**(b)** The fund consists of the following:

**(1)** Appropriations made by the general assembly.

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

**(c)** The commission shall administer the fund.

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

**(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 may be invested. Interest that accrues from these investments shall be deposited in the fund.

**(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 the purposes of this chapter.

**Sec. 4.** The commission shall do all the following:

**(1)** Develop a promotional program to inform and attract students to participate in the next generation Hoosier minority educators scholarship program.

**(2)** Establish protocols and procedures concerning the application process for the program.

**(3)** Develop protocols, in consultation with accredited postsecondary educational institutions approved by the commission under section 10 of this chapter, to ensure successful completion of the program and assist graduates in completing the requirements of the program.

**(4)** Establish, in coordination with the governor's office, a guide for the management of the program by commission personnel.

**(5)** Designate personnel to manage the program.

**Sec. 5. (a)** An applicant who is enrolled in an accredited postsecondary educational institution may qualify for a scholarship under this chapter. To qualify for a scholarship, an applicant must:

**(1)** apply for a scholarship on a form supplied by the commission;

**(2)** except as provided in subsection (b), have graduated from an Indiana nonaccredited nonpublic or state accredited high



**school accredited under IC 20-31-4.1 and:**

- (A) graduated in the highest twenty percent (20%) of students in the applicant's high school graduating class;**
- (B) received a score in the top twentieth percentile on the SAT or ACT examination; or**
- (C) achieved a cumulative grade point average upon graduation of at least 3.0 on a 4.0 grading scale (or its equivalent if another grading scale is used) for courses taken during grades 9, 10, 11, and 12;**
- (3) have participated in school activities and community service activities during high school;**
- (4) have applied to and been accepted for enrollment in an accredited postsecondary educational institution approved by the commission under section 10 of this chapter;**
- (5) agree in writing to:**
  - (A) obtain a license to teach under IC 20-28-5; and**
  - (B) teach for at least five (5) consecutive years in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana after graduating with a baccalaureate degree from the accredited postsecondary educational institution described in subdivision (4);**
- (6) meet the definition of a minority under IC 21-13-1-6; and**
- (7) meet any other criteria established by the commission.**

**(b) A student who graduates from a nonaccredited nonpublic school must meet the requirement described in subsection (a)(2)(B) in order to meet the eligibility requirement described in subsection (a)(2).**

**Sec. 6. (a) The commission shall consider each application and determine the eligibility of the applicant for the scholarship. The commission shall give priority to recent high school graduates, students pursuing teacher shortage areas as described in 34 CFR 682.210(q)(6), and students showing significant financial need when selecting applicants.**

**(b) The commission shall also give priority to an individual who is a member of a household with an annual income of not more than the amount required for the individual to qualify for the free or reduced price lunch program under the national school lunch program as determined for the immediately preceding taxable year for the household for which the individual was claimed as a dependent.**

**Sec. 7. Before receiving a scholarship under this chapter, the applicant must enter into a contract with the commission agreeing**



to:

- (1) the terms and conditions described in section 5(a)(5) of this chapter; and
- (2) any other terms and conditions established by the commission.

**Sec. 7.5. A student who:**

- (1) is at least seventeen (17) years of age; and
- (2) enters into a contract for a scholarship under this chapter to defray the expense of attending any postsecondary educational institution;

has full legal capacity to act in the student's own behalf in this transaction and is subject to any obligation that arises from the contract.

**Sec. 8. (a)** Subject to subsections (b) and (c), if an applicant meets the requirements under this chapter, the commission may award, for not more than four (4) academic years, a scholarship to the applicant in an amount of ten thousand dollars (\$10,000) for each academic year that the applicant attends the accredited postsecondary educational institution approved by the commission under section 10 of this chapter.

(b) The commission may not award a scholarship under this chapter in an amount of more than a total of forty thousand dollars (\$40,000) to an individual applicant.

(c) If the total amount to be distributed from the fund in a state fiscal year exceeds the amount available for distribution, the amount to be distributed to each eligible applicant shall be proportionately reduced so that the total reductions equal the amount of the excess.

**Sec. 9. (a)** Except as provided in subsection (b), the commission shall establish standards that a student must meet to remain eligible to receive a scholarship under this chapter. The standards must include the following:

- (1) Maintaining a cumulative minimum grade point average of at least 3.0 on a 4.0 scale.
- (2) Enrolling in and completing at least fifteen (15) credit hours each semester or its equivalent.
- (3) Any other requirements the commission considers necessary.

(b) The commission may allow a student who fails to meet the standards described in subsection (a) and is ineligible for an award during the next academic year to maintain eligibility if the student submits a petition to the commission in a manner prescribed by the



commission so that the commission may make a determination that extenuating circumstances, as determined by the commission, prevented the student from meeting the standards described in subsection (a).

(c) If the commission grants a waiver under subsection (b), the commission may:

- (1) place the student on probationary status; and
- (2) establish additional requirements for the student.

**Sec. 10. (a)** The commission may not award a scholarship under this chapter to an applicant unless the applicant has applied to and been accepted for enrollment in an accredited postsecondary educational institution approved by the commission under this section.

(b) The commission shall establish standards for teacher education that an accredited postsecondary educational institution must meet to receive approval by the commission under this section, including the:

- (1) information an accredited postsecondary educational institution is required to submit to the commission regarding the institution's teacher education program; and
- (2) criteria and standards for approval.

**Sec. 11. An individual who:**

- (1) received a scholarship under this chapter;
- (2) is no longer enrolled in an accredited postsecondary educational institution approved by the commission under section 10 of this chapter; and
- (3) did not receive a baccalaureate degree from an accredited postsecondary educational institution approved by the commission under section 10 of this chapter;

shall repay the amount of the scholarship awarded to the individual under this chapter in a timely fashion, as determined by the commission.

**Sec. 12. (a)** Except as provided in subsections (b) and (c), if an individual:

- (1) receives a scholarship under this chapter; and
- (2) fails to teach in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana for at least five (5) consecutive years as described in section 5(a)(5) of this chapter;

the individual shall repay the total amount of the scholarship awarded to the individual under this chapter in a timely fashion. The total amount that an individual is required to repay shall be



reduced by twenty percent (20%), as determined by the commission, for each consecutive year the individual teaches at a public school or eligible school (as defined in IC 20-51-1-4.7).

(b) The commission may extend the length of time in which an individual must complete the requirements of an agreement described in section 5(a)(5) of this chapter if the individual submits a petition to the commission in a manner prescribed by the commission and the commission makes a determination that extenuating circumstances, as determined by the commission, prevented the individual from timely meeting the requirements described in section 5(a)(5) of this chapter.

(c) The commission may waive repayment under subsection (a) if the individual has been declared to be totally and permanently disabled under 34 CFR 685.213.

(d) The commission may enter into an agreement with the department of state revenue established by IC 6-8.1-2-1 or another third party vendor to assist in the enforcement of subsection (a) and section 11 of this chapter.

**Sec. 13.** An individual who receives a scholarship under this chapter is not required to teach at the same public school or eligible school (as defined in IC 20-51-1-4.7) in Indiana for five (5) consecutive years.

**Sec. 14.** The commission shall administer the scholarship awarded under this chapter as a financial aid award.

**Sec. 15. (a)** Subject to subsections (c) and (d), the amount of a scholarship awarded under this chapter may not be reduced because the student receives other scholarships or forms of financial aid.

(b) Except as otherwise provided under law and subject to subsection (c), the amount of any other state financial aid received by a student may not be reduced because the student receives a scholarship under this chapter.

(c) The total amount of scholarships or other financial aid a student receives may not exceed the total amount of expenses to attend the accredited postsecondary educational institution, including tuition, room, board, and other fees.

(d) The commission may not award a scholarship to an individual under this chapter if the individual receives an award under IC 21-12-16.

**Sec. 16.** An applicant is eligible to receive a scholarship under this chapter only if an appropriation has been made to carry out the specific purposes of this chapter.



**Sec. 17. (a) The commission shall maintain complete and accurate records in implementing the next generation Hoosier minority educators scholarship fund established by section 3 of this chapter, including records of the following:**

- (1) The receipt, disbursement, and uses of money from the fund.**
- (2) The number of applications for the next generation Hoosier minority educators scholarship.**
- (3) The number and amount of next generation Hoosier minority educators scholarships that have been provided by the commission.**
- (4) Any other information collected concerning the fund or next generation Hoosier minority educators scholarships awarded under this chapter.**

**(b) Not later than November 1, 2023, and each November 1 thereafter, the commission shall submit a report to the governor and, in an electronic format under IC 5-14-6, to the general assembly summarizing the records described in subsection (a).**

**Sec. 18. The commission shall notify all applicants approved under section 5 of this chapter of the requirements under sections 11 and 12 of this chapter.**

**Sec. 19. The commission may adopt rules under IC 4-22-2 necessary to carry out this chapter.**

SECTION 4. IC 21-13-8-2, AS AMENDED BY P.L.52-2022, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. A scholarship under section 1 of this chapter may not exceed ~~four~~ **five** thousand dollars (~~\$4,000~~): **(\$5,000)**.





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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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