



February 18, 2014

ENGROSSED

SENATE BILL No. 330

DIGEST OF SB 330 (Updated February 13, 2014 10:16 am - DI 116)

Citations Affected: IC 20-24.2; IC 21-12; IC 21-13; IC 21-18.5; IC 22-4.1.

Synopsis: Better skills for adult learners. Makes changes to what is included as instructional time for a performance qualified school district or qualified high school. Provides that a highly qualified school district or high school may replace high school courses on the high school transcript with dual credit courses or advanced placement courses on the same subject matter with equal or greater rigor to the required high school course and may count such course as satisfying academic honors or another special diploma requirement. Requires the commission for higher education (commission) to award part-time student grants totaling at least 50% of the available appropriation each fiscal year to students who are identified by the commission as financially independent from their parents and who are pursuing a
(Continued next page)

Effective: July 1, 2014.

Boots, Buck, Kruse, Tallian

(HOUSE SPONSORS — HEUER, THOMPSON, BEHNING, MOED,
ERRINGTON)

January 14, 2014, read first time and referred to Committee on Pensions and Labor.

January 23, 2014, amended, reported favorably — Do Pass.

January 27, 2014, read second time, ordered engrossed.

January 28, 2014, engrossed.

January 30, 2014, read third time, passed. Yeas 46, nays 0.

HOUSE ACTION

February 4, 2014, read first time and referred to Committee on Education.

February 17, 2014, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

ES 330—LS 6893/DI 102



Digest Continued

program of study that will lead to a specific high demand, high wage job. Requires the commission to submit not later than November 1, 2014, to the legislative council a report that provides information about the part-time student population in Indiana, including the population's size, its financial need, its completion rates, and recommendations for increasing the population's completion rates using financial support and student incentives. Provides that, for state fiscal years beginning after June 30, 2014, the state workforce innovation council shall allocate a percentage of the funds made available to Indiana under the Workforce Investment Act for adult and dislocated worker training for performance based funding training that leads to occupations that the department of workforce development has categorized as high demand, high wage jobs and that are tied to existing employer demand in the region in which the training is offered. Provides an educational loan repayment for a public elementary or high school teacher who: (1) was in the highest 20% of the individual's high school graduating class or in the top twentieth percentile on the SAT or ACT examination; (2) graduated from college with at least a 3.5 grade point average; and (3) teaches science, technology, engineering, mathematics, or special education, or teaches in a critical shortage geographic area; in a public school in Indiana. Provides that at the end of the third consecutive year the teacher teaches, the commission for higher education shall make a payment of an amount determined by the commission based on the funds appropriated for the repayments or the balance of the teacher's student loans (whichever is less) directly to the financial institution that holds the teacher's student loans if a specific appropriation has been made to fund teacher student loan repayments.



February 18, 2014

Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

ENGROSSED SENATE BILL No. 330

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

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

- 1 SECTION 1. IC 20-24.2-4-2, AS ADDED BY P.L.201-2013,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 2. (a) During each school year, a qualified district
4 or qualified high school shall provide at least sixty-four thousand eight
5 hundred (64,800) minutes of instruction and learning for grades 9
6 through 12.
7 (b) A qualified district or qualified high school is not required to
8 provide at least one hundred eighty (180) student instructional days.
9 However, the total number of minutes of instruction provided in a
10 school year under subsection (a) may not be less than the greatest total
11 number of minutes provided during any one (1) school year of the five
12 (5) school years immediately preceding the school year.
13 (c) Student activities that:
14 (1) are organized by the qualified district or qualified high school;
15 (2) occur outside the traditional classroom; and
16 (3) are designed to provide instruction, or academic enrichment,

ES 330—LS 6893/DI 102



- 1 **or college and career readiness training;**
 2 are included as student instructional time under subsection (a).
 3 SECTION 2. IC 20-24.2-4-4, AS ADDED BY P.L.201-2013,
 4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2014]: Sec. 4. **(a)** The following provisions of this title and
 6 rules and guidelines adopted under the following provisions of this title
 7 apply to a qualified district or qualified high school:
 8 IC 20-20-1 (educational service centers).
 9 IC 20-20-8 (school corporation annual performance report).
 10 IC 20-23 (organization of school corporations).
 11 IC 20-26 (school corporation general administrative provisions).
 12 IC 20-27 (school transportation).
 13 IC 20-28-3-4 (teacher continuing education).
 14 IC 20-28-4-8 (hiring of transition to teaching participants;
 15 restrictions).
 16 IC 20-28-4-11 (transition to teaching participants; school
 17 corporation or subject area; transition to teaching permit).
 18 IC 20-28-5-8 (conviction of certain felonies; notice and hearing;
 19 permanent revocation of license; data base of school employees
 20 who have been reported).
 21 IC 20-28-6 (teacher contracts).
 22 IC 20-28-7.5 (cancellation of teacher contracts).
 23 IC 20-28-8 (contracts with school administrators).
 24 IC 20-28-9 (teacher salary and related payments).
 25 IC 20-28-10 (conditions of employment).
 26 IC 20-28-11.5 (staff performance evaluations).
 27 IC 20-29 (collective bargaining for teachers).
 28 IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative
 29 observances).
 30 IC 20-30-5-13 (human sexuality instructional requirements).
 31 IC 20-30-5-17 (access to materials relating to personal analysis,
 32 evaluation, or survey of students; consent for participation).
 33 IC 20-30-5-19 (personal financial responsibility instruction).
 34 IC 20-31 (accountability for school performance and
 35 improvement).
 36 IC 20-32-4, IC 20-32-5, and IC 20-32-8 (accreditation,
 37 assessment, and remediation), or any other statute, rule, or
 38 guideline related to standardized assessments.
 39 IC 20-33 (students: general provisions).
 40 IC 20-34-3 (health and safety measures).
 41 IC 20-35 (special education).
 42 IC 20-39 (accounting and financial reporting procedures).



- 1 IC 20-40 (government funds and accounts).
- 2 IC 20-41 (extracurricular funds and accounts).
- 3 IC 20-42.5 (allocation of expenditures to student instruction).
- 4 IC 20-43 (state tuition support).
- 5 IC 20-44 (property tax levies).
- 6 IC 20-45 (general fund levies).
- 7 IC 20-46 (levies other than general fund levies).
- 8 IC 20-47 (related entities; holding companies; lease agreements).
- 9 IC 20-48 (borrowing and bonds).
- 10 IC 20-49 (state management of common school funds; state
- 11 advances and loans).
- 12 IC 20-50 (homeless children and foster care children).

13 **(b) Notwithstanding any other provision of this section, a highly**
 14 **qualified school district or high school may replace high school**
 15 **courses on the high school transcript with dual credit courses (as**
 16 **defined in IC 21-43-1-2.5) or advanced placement courses on the**
 17 **same subject matter with equal or greater rigor to the required**
 18 **high school course and may count such a course as satisfying**
 19 **academic honors or another special diploma requirement. A dual**
 20 **credit course must be authorized by an eligible institution (as**
 21 **described in IC 21-43-4-3.5) that is a member of a national dual**
 22 **credit accreditation organization, or the eligible institution must**
 23 **make assurances that the final assessment for the course given for**
 24 **dual credit under this subsection is substantially equivalent to the**
 25 **final assessment given in the college course in that subject.**

26 SECTION 3. IC 21-12-8-2, AS ADDED BY P.L.2-2007, SECTION
 27 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
 28 1, 2014]: Sec. 2. The commission shall do the following:

- 29 (1) Adopt rules under IC 4-22-2 governing the operation of the
- 30 fund, including rules specifying the procedures that applicants
- 31 must follow to appeal determinations made under subdivisions (3)
- 32 and (4).
- 33 (2) Prescribe the form and manner in which applications for
- 34 part-time student grants may be submitted.
- 35 (3) Determine the eligibility of applicants.
- 36 (4) Determine the amount of a part-time student grant awarded to
- 37 a recipient.
- 38 **(5) Award part-time student grants totaling at least fifty**
- 39 **percent (50%) of the available appropriation each fiscal year**
- 40 **to students who are identified by the commission as:**
- 41 **(A) financially independent from their parents; and**
- 42 **(B) pursuing a program of study that will lead to a specific**



- 1 **high demand, high wage job.**
 2 **(6) Submit not later than November 1, 2014, to the legislative**
 3 **council, in an electronic format under IC 5-14-6, a report that**
 4 **includes the following:**
 5 **(A) The size of student populations in Indiana that:**
 6 **(i) attend a postsecondary educational institution**
 7 **part-time; or**
 8 **(ii) combine part-time and full-time enrollment in a**
 9 **postsecondary educational institution.**
 10 **(B) The financial need of the student populations described**
 11 **in clause (A).**
 12 **(C) The completion rates of the student populations**
 13 **described in clause (A).**
 14 **(D) Recommendations for increasing the completion rates**
 15 **of the student populations described in clause (A) by using**
 16 **financial support and student incentives.**
 17 SECTION 4. IC 21-13-10 IS ADDED TO THE INDIANA CODE
 18 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2014]:
 20 **Chapter 10. Teacher Loan Repayment Program and Fund**
 21 **Sec. 1. As used in this chapter, "critical shortage area" means**
 22 **a geographic area determined annually by the department of**
 23 **education established by IC 20-19-3-1 to have, or projected within**
 24 **the next twelve (12) months to have, a shortage of licensed,**
 25 **full-time elementary or high school teachers.**
 26 **Sec. 2. As used in this chapter, "fund" refers to the teacher loan**
 27 **repayment fund established by section 3 of this chapter.**
 28 **Sec. 3. (a) The teacher loan repayment fund is established.**
 29 **(b) The purpose of the fund is to attract qualified teachers who:**
 30 **(1) graduated from an accredited Indiana high school after**
 31 **June 30, 2014, and either:**
 32 **(A) were in the highest twenty percent (20%) of students**
 33 **in their high school graduating classes; or**
 34 **(B) received scores in the top twentieth percentile on the**
 35 **SAT or ACT examination;**
 36 **(2) graduated from a four (4) year postsecondary educational**
 37 **institution with at least a 3.5 grade point average on a 4.0**
 38 **scale or its equivalent; and**
 39 **(3) teach, for at least three (3) consecutive years in public**
 40 **schools in Indiana:**
 41 **(A) science, technology, engineering, mathematics, or**
 42 **special education classes; or**



1 **(B) in a critical shortage area;**
 2 **by granting loan repayment assistance authorized under this**
 3 **chapter to eligible applicants.**

4 **(c) The fund consists of appropriations to the fund and gifts,**
 5 **grants, devises, or bequests made to the state to achieve the**
 6 **purposes of the fund.**

7 **(d) The fund shall be administered by the commission. The**
 8 **expenses of administering the fund shall be paid from money in the**
 9 **fund.**

10 **(e) Loan repayment assistance payments shall be made from the**
 11 **fund by the treasurer of state upon a warrant issued by the auditor**
 12 **of state in accordance with rules adopted by the commission.**

13 **Sec. 4. The commission shall receive and consider all**
 14 **applications for loan repayment assistance received from qualified**
 15 **teachers with outstanding guaranteed student loans made, issued,**
 16 **or guaranteed under a program authorized by Title IV of the**
 17 **federal Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).**

18 **Sec. 5. (a) To qualify for loan repayment assistance for student**
 19 **loans under this chapter, an applicant must:**

20 **(1) hold a license to teach under IC 20-28-5;**

21 **(2) agree in writing to the employment requirements set forth**
 22 **in section 7 of this chapter; and**

23 **(3) meet any additional criteria established by the**
 24 **commission.**

25 **(b) At the end of the third consecutive school year in which a**
 26 **teacher who qualifies under subsection (a) has taught, the**
 27 **commission shall pay directly to the financial institution that holds**
 28 **the qualified teacher's student loans an amount not to exceed the**
 29 **lesser of:**

30 **(1) the total principal and interest of the guaranteed student**
 31 **loans owed by the teacher at the end of the third year; or**

32 **(2) an amount determined by the commission based on the**
 33 **funds appropriated to the program;**

34 **which must be used to reduce the principal and interest on a**
 35 **guaranteed student loan owed by that qualified teacher.**

36 **(c) The commission may pay a qualified teacher's student loans**
 37 **under subsection (b) only if the following requirements are met:**

38 **(1) The qualified teacher received the student loans for an**
 39 **undergraduate degree that was necessary for either the**
 40 **subject area in which the qualified teacher teaches or for the**
 41 **qualified teacher to receive a teaching license.**

42 **(2) The qualified teacher's repayment of the loans is current**



- 1 at the time the commission makes the payment under
2 subsection (b).
- 3 **The requirements under this subsection are in addition to the**
4 **requirements set forth in section 7 of this chapter.**
- 5 **Sec. 6. A qualified teacher must apply for a loan repayment on**
6 **a form supplied by the commission. The commission shall consider**
7 **each application and determine the eligibility of the applicant for**
8 **the loan repayment assistance.**
- 9 **Sec. 7. (a) Before being granted loan repayment assistance**
10 **under this chapter, a teacher must:**
- 11 **(1) apply for the loan repayment assistance not later than**
12 **twenty-four (24) months after graduating from a**
13 **postsecondary educational institution; and**
- 14 **(2) enter into a contract with the commission agreeing to the**
15 **terms and conditions upon which the loan repayment**
16 **assistance will be granted to the teacher.**
- 17 **(b) As a condition of being granted loan repayment assistance**
18 **under this chapter, a teacher must agree to employment for a**
19 **period of at least three (3) consecutive years as a licensed teacher**
20 **in a public school in Indiana in science, technology, engineering,**
21 **mathematics, or special education, or in a critical shortage area.**
22 **The teacher is not required to teach at the same public school for**
23 **three (3) consecutive years.**
- 24 **(c) Service rendered by a teacher in a public school before the**
25 **teacher becomes a participant in the program may not be**
26 **considered to have fulfilled the employment commitment required**
27 **by subsection (b).**
- 28 **Sec. 8. A teacher is eligible to receive loan repayment assistance**
29 **under this chapter only if an appropriation has been made to carry**
30 **out the specific purposes of this chapter.**
- 31 **Sec. 9. The commission shall maintain complete and accurate**
32 **records in implementing the fund, including records of the**
33 **following:**
- 34 **(1) The receipt, disbursement, and uses of money from the**
35 **fund.**
- 36 **(2) The number of applications for loan repayment assistance.**
- 37 **(3) The number and amount of loans for which loan**
38 **repayment assistance has been provided by the department.**
- 39 **(4) Other pertinent information requested by the commission.**
- 40 **Sec. 10. The commission may adopt rules under IC 4-22-2**
41 **necessary to carry out this chapter, including rules governing the**
42 **enforcement of any employment requirements.**



1 SECTION 5. IC 21-18.5-4-3, AS ADDED BY P.L.107-2012,
 2 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2014]: Sec. 3. For purposes of administering this chapter, the
 4 commission shall do the following:

5 (1) Prepare and supervise the issuance of public information
 6 concerning this chapter, IC 21-12-2, IC 21-12-3, IC 21-12-4, and
 7 IC 21-12-5.

8 (2) Prescribe the form and regulate the submission of applications
 9 for higher education awards and the commission's programs.

10 (3) Conduct conferences and interviews with applicants as
 11 appropriate.

12 (4) Determine the eligibility of applicants.

13 (5) Select qualified applicants.

14 (6) Determine annually the maximum higher education award
 15 (IC 21-12-3) and freedom of choice award (IC 21-12-4), subject
 16 to approval by the budget agency with review by the budget
 17 committee.

18 (7) Determine the respective amounts of, and award, the
 19 appropriate higher education awards, grants, and scholarships.

20 (8) Determine eligibility for, and award, annual renewals of
 21 higher education awards, grants, and scholarships.

22 (9) Act as the designated state agency for participation in any
 23 federal program for reinsurance of student loans.

24 (10) Receive federal funds made available to the commission for
 25 awards, grants, and scholarships, and disburse these funds in the
 26 manner prescribed by federal law.

27 (11) One (1) time every year, submit a report to the legislative
 28 council that provides data and statistical information regarding
 29 the number of individuals who received assistance under
 30 IC 21-12-6 and IC 21-12-6.5. The report made to the legislative
 31 council must be in an electronic format under IC 5-14-6.

32 (12) One (1) time every year, submit a report to the budget
 33 committee that provides data and statistical information regarding
 34 the number of individuals who received assistance under
 35 IC 21-12, IC 21-13, and IC 21-14.

36 **(13) Administer and determine the eligibility of applicants for,
 37 and award amounts under, the teacher loan repayment
 38 program established under IC 21-13-10.**

39 SECTION 6. IC 22-4.1-4-6 IS ADDED TO THE INDIANA CODE
 40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 41 1, 2014]: **Sec. 6. (a) This section applies to state fiscal years
 42 beginning after June 30, 2014.**



1 (b) The council shall allocate as provided in this section a
2 percentage of the funds made available to Indiana under the
3 Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) for
4 adult and dislocated worker training described in 29 U.S.C.
5 2864(d)(4)(D) for performance based funding training.

6 (c) The following conditions apply to amounts awarded under
7 subsection (b):

8 (1) Only a provider approved by the council is eligible to
9 provide the performance based funding training described in
10 subsection (b), with priority given to a provider that assists in
11 job placement activities after the training is completed.

12 (2) The council shall establish performance based funding
13 criteria for eligible training providers.

14 (3) Training is limited to training that leads to occupations:

15 (A) that the department has categorized as high demand,
16 high wage jobs; and

17 (B) that are tied to existing employer demand in the region
18 in which the training is offered.

19 (4) Training must be available to eligible individuals who have
20 received a high school diploma or equivalency certificate.

21 (5) Training is limited to training that leads to:

22 (A) industry recognized credentials as designated by the
23 department; or

24 (B) associate degrees.

25 (d) The department shall report to the Indiana workforce
26 intelligence system established by IC 22-4.5-10-3 the following data
27 for each individual who receives training provided under this
28 section:

29 (1) The name and address of the training provider.

30 (2) The amount of funding that was provided for the training.

31 (3) The outcome or results of the training, including any
32 license, credential, or degree awarded, or the job obtained by
33 the individual.



COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 330, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, between lines 2 and 3, begin a new line block indented and insert:

"(6) Submit not later than November 1, 2014, to the legislative council, in an electronic format under IC 5-14-6, a report that includes the following:

- (A) The size of student populations in Indiana that:
 - (i) attend a postsecondary educational institution part-time; or**
 - (ii) combine part-time and full-time enrollment in a postsecondary educational institution.****
- (B) The financial need of the student populations described in clause (A).**
- (C) The completion rates of the student populations described in clause (A).**
- (D) Recommendations for increasing the completion rates of the student populations described in clause (A) by using financial support and student incentives."**

and when so amended that said bill do pass.

(Reference is to SB 330 as introduced.)

BOOTS, Chairperson

Committee Vote: Yeas 9, Nays 0.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 330, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-24.2-4-2, AS ADDED BY P.L.201-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) During each school year, a qualified district or qualified high school shall provide at least sixty-four thousand eight hundred (64,800) minutes of instruction and learning for grades 9 through 12.

(b) A qualified district or qualified high school is not required to provide at least one hundred eighty (180) student instructional days. However, the total number of minutes of instruction provided in a school year under subsection (a) may not be less than the greatest total number of minutes provided during any one (1) school year of the five (5) school years immediately preceding the school year.

(c) Student activities that:

- (1) are organized by the qualified district or qualified high school;
- (2) occur outside the traditional classroom; and
- (3) are designed to provide instruction, ~~or~~ **academic enrichment, or college and career readiness training;**

are included as student instructional time under subsection (a).

SECTION 2. IC 20-24.2-4-4, AS ADDED BY P.L.201-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The following provisions of this title and rules and guidelines adopted under the following provisions of this title apply to a qualified district or qualified high school:

IC 20-20-1 (educational service centers).

IC 20-20-8 (school corporation annual performance report).

IC 20-23 (organization of school corporations).

IC 20-26 (school corporation general administrative provisions).

IC 20-27 (school transportation).

IC 20-28-3-4 (teacher continuing education).

IC 20-28-4-8 (hiring of transition to teaching participants; restrictions).

IC 20-28-4-11 (transition to teaching participants; school corporation or subject area; transition to teaching permit).

IC 20-28-5-8 (conviction of certain felonies; notice and hearing;



permanent revocation of license; data base of school employees who have been reported).

IC 20-28-6 (teacher contracts).

IC 20-28-7.5 (cancellation of teacher contracts).

IC 20-28-8 (contracts with school administrators).

IC 20-28-9 (teacher salary and related payments).

IC 20-28-10 (conditions of employment).

IC 20-28-11.5 (staff performance evaluations).

IC 20-29 (collective bargaining for teachers).

IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative observances).

IC 20-30-5-13 (human sexuality instructional requirements).

IC 20-30-5-17 (access to materials relating to personal analysis, evaluation, or survey of students; consent for participation).

IC 20-30-5-19 (personal financial responsibility instruction).

IC 20-31 (accountability for school performance and improvement).

IC 20-32-4, IC 20-32-5, and IC 20-32-8 (accreditation, assessment, and remediation), or any other statute, rule, or guideline related to standardized assessments.

IC 20-33 (students: general provisions).

IC 20-34-3 (health and safety measures).

IC 20-35 (special education).

IC 20-39 (accounting and financial reporting procedures).

IC 20-40 (government funds and accounts).

IC 20-41 (extracurricular funds and accounts).

IC 20-42.5 (allocation of expenditures to student instruction).

IC 20-43 (state tuition support).

IC 20-44 (property tax levies).

IC 20-45 (general fund levies).

IC 20-46 (levies other than general fund levies).

IC 20-47 (related entities; holding companies; lease agreements).

IC 20-48 (borrowing and bonds).

IC 20-49 (state management of common school funds; state advances and loans).

IC 20-50 (homeless children and foster care children).

(b) Notwithstanding any other provision of this section, a highly qualified school district or high school may replace high school courses on the high school transcript with dual credit courses (as defined in IC 21-43-1-2.5) or advanced placement courses on the same subject matter with equal or greater rigor to the required high school course and may count such a course as satisfying



academic honors or another special diploma requirement. A dual credit course must be authorized by an eligible institution (as described in IC 21-43-4-3.5) that is a member of a national dual credit accreditation organization, or the eligible institution must make assurances that the final assessment for the course given for dual credit under this subsection is substantially equivalent to the final assessment given in the college course in that subject."

Page 2, between lines 17 and 18, begin a new paragraph and insert:
"SECTION 2. IC 21-13-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 10. Teacher Loan Repayment Program and Fund

Sec. 1. As used in this chapter, "critical shortage area" means a geographic area determined annually by the department of education established by IC 20-19-3-1 to have, or projected within the next twelve (12) months to have, a shortage of licensed, full-time elementary or high school teachers.

Sec. 2. As used in this chapter, "fund" refers to the teacher loan repayment fund established by section 3 of this chapter.

Sec. 3. (a) The teacher loan repayment fund is established.

(b) The purpose of the fund is to attract qualified teachers who:

(1) graduated from an accredited Indiana high school after June 30, 2014, and either:

(A) were in the highest twenty percent (20%) of students in their high school graduating classes; or

(B) received scores in the top twentieth percentile on the SAT or ACT examination;

(2) graduated from a four (4) year postsecondary educational institution with at least a 3.5 grade point average on a 4.0 scale or its equivalent; and

(3) teach, for at least three (3) consecutive years in public schools in Indiana:

(A) science, technology, engineering, mathematics, or special education classes; or

(B) in a critical shortage area;

by granting loan repayment assistance authorized under this chapter to eligible applicants.

(c) The fund consists of appropriations to the fund and gifts, grants, devises, or bequests made to the state to achieve the purposes of the fund.

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



fund.

(e) Loan repayment assistance payments shall be made from the fund by the treasurer of state upon a warrant issued by the auditor of state in accordance with rules adopted by the commission.

Sec. 4. The commission shall receive and consider all applications for loan repayment assistance received from qualified teachers with outstanding guaranteed student loans made, issued, or guaranteed under a program authorized by Title IV of the federal Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

Sec. 5. (a) To qualify for loan repayment assistance for student loans under this chapter, an applicant must:

- (1) hold a license to teach under IC 20-28-5;
- (2) agree in writing to the employment requirements set forth in section 7 of this chapter; and
- (3) meet any additional criteria established by the commission.

(b) At the end of the third consecutive school year in which a teacher who qualifies under subsection (a) has taught, the commission shall pay directly to the financial institution that holds the qualified teacher's student loans an amount not to exceed the lesser of:

- (1) the total principal and interest of the guaranteed student loans owed by the teacher at the end of the third year; or
- (2) an amount determined by the commission based on the funds appropriated to the program;

which must be used to reduce the principal and interest on a guaranteed student loan owed by that qualified teacher.

(c) The commission may pay a qualified teacher's student loans under subsection (b) only if the following requirements are met:

- (1) The qualified teacher received the student loans for an undergraduate degree that was necessary for either the subject area in which the qualified teacher teaches or for the qualified teacher to receive a teaching license.
- (2) The qualified teacher's repayment of the loans is current at the time the commission makes the payment under subsection (b).

The requirements under this subsection are in addition to the requirements set forth in section 7 of this chapter.

Sec. 6. A qualified teacher must apply for a loan repayment on a form supplied by the commission. The commission shall consider each application and determine the eligibility of the applicant for the loan repayment assistance.



Sec. 7. (a) Before being granted loan repayment assistance under this chapter, a teacher must:

- (1) apply for the loan repayment assistance not later than twenty-four (24) months after graduating from a postsecondary educational institution; and**
- (2) enter into a contract with the commission agreeing to the terms and conditions upon which the loan repayment assistance will be granted to the teacher.**

(b) As a condition of being granted loan repayment assistance under this chapter, a teacher must agree to employment for a period of at least three (3) consecutive years as a licensed teacher in a public school in Indiana in science, technology, engineering, mathematics, or special education, or in a critical shortage area. The teacher is not required to teach at the same public school for three (3) consecutive years.

(c) Service rendered by a teacher in a public school before the teacher becomes a participant in the program may not be considered to have fulfilled the employment commitment required by subsection (b).

Sec. 8. A teacher is eligible to receive loan repayment assistance under this chapter only if an appropriation has been made to carry out the specific purposes of this chapter.

Sec. 9. The commission shall maintain complete and accurate records in implementing the fund, including records of the following:

- (1) The receipt, disbursement, and uses of money from the fund.**
- (2) The number of applications for loan repayment assistance.**
- (3) The number and amount of loans for which loan repayment assistance has been provided by the department.**
- (4) Other pertinent information requested by the commission.**

Sec. 10. The commission may adopt rules under IC 4-22-2 necessary to carry out this chapter, including rules governing the enforcement of any employment requirements.

SECTION 3. IC 21-18.5-4-3, AS ADDED BY P.L.107-2012, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. For purposes of administering this chapter, the commission shall do the following:

- (1) Prepare and supervise the issuance of public information concerning this chapter, IC 21-12-2, IC 21-12-3, IC 21-12-4, and IC 21-12-5.**
- (2) Prescribe the form and regulate the submission of applications**



- for higher education awards and the commission's programs.
- (3) Conduct conferences and interviews with applicants as appropriate.
 - (4) Determine the eligibility of applicants.
 - (5) Select qualified applicants.
 - (6) Determine annually the maximum higher education award (IC 21-12-3) and freedom of choice award (IC 21-12-4), subject to approval by the budget agency with review by the budget committee.
 - (7) Determine the respective amounts of, and award, the appropriate higher education awards, grants, and scholarships.
 - (8) Determine eligibility for, and award, annual renewals of higher education awards, grants, and scholarships.
 - (9) Act as the designated state agency for participation in any federal program for reinsurance of student loans.
 - (10) Receive federal funds made available to the commission for awards, grants, and scholarships, and disburse these funds in the manner prescribed by federal law.
 - (11) One (1) time every year, submit a report to the legislative council that provides data and statistical information regarding the number of individuals who received assistance under IC 21-12-6 and IC 21-12-6.5. The report made to the legislative council must be in an electronic format under IC 5-14-6.
 - (12) One (1) time every year, submit a report to the budget committee that provides data and statistical information regarding the number of individuals who received assistance under IC 21-12, IC 21-13, and IC 21-14.
 - (13) Administer and determine the eligibility of applicants for, and award amounts under, the teacher loan repayment program established under IC 21-13-10."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 330 as printed January 24, 2014.)

BEHNING, Chair

Committee Vote: yeas 13, nays 0.

