

IC 20-51

ARTICLE 51. SCHOOL SCHOLARSHIPS

IC 20-51-1

Chapter 1. Definitions

IC 20-51-1-1

Application

Sec. 1. The definitions in this chapter apply throughout this article.
As added by P.L.182-2009(ss), SEC.364.

IC 20-51-1-2

"Agreement"

Sec. 2. "Agreement" refers to an agreement between the department and an applicant that applies for certification of a school scholarship program.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-1-3

"Contribution"

Sec. 3. "Contribution" refers to a contribution to a scholarship granting organization for use in a school scholarship program.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-1-4

"Cost of education"

Sec. 4. (a) "Cost of education" means the tuition and fees that would otherwise be charged by a participating school to:

- (1) an eligible student; or
- (2) a parent of an eligible student.

(b) In the case of an eligible pupil who attends a public school, the term includes any transfer tuition charged to the eligible student or a parent of the eligible student.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-1-4.3

"Eligible choice scholarship student"

Sec. 4.3. "Eligible choice scholarship student" refers to an individual who:

- (1) has legal settlement in Indiana;
- (2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7; and
- (3) meets at least one (1) of the following conditions:

(A) The individual is:

- (i) a child with a disability who requires special education and for whom an individualized education program has been developed under IC 20-35 or a service plan developed under 511 IAC 7-34; and
- (ii) a member of a household with an annual income of not

more than two hundred percent (200%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.

(B) The individual is:

(i) an individual who, because of the school corporation's residency requirement, would be required to attend a specific public school within a school corporation that has been placed in the lowest category or designation of school improvement under IC 20-31-8-4 (has been assigned an "F" grade); and

(ii) except as provided in IC 20-51-4-2.5, is a member of a household with an annual income of not more than one hundred fifty percent (150%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.

An individual to whom this clause applies is not required to attend the public school before becoming eligible for a choice scholarship, and may not be required to return to the public school if the public school is placed in a higher category or designation under IC 20-31-8-4.

(C) Except as provided in IC 20-51-4-2.5, the individual is a member of a household with an annual income of not more than one hundred fifty percent (150%) of the amount required for the individual to qualify for the federal free or reduced price lunch program and the individual was enrolled in kindergarten through grade 12, in a public school, including a charter school, in Indiana for at least two (2) semesters immediately preceding the first semester for which the individual receives a choice scholarship under IC 20-51-4.

(D) The individual or a sibling of the individual who, except as provided in IC 20-51-4-2.5, is a member of a household with an annual income of not more than one hundred fifty percent (150%) of the amount required for the individual to qualify for the federal free or reduced price lunch program and satisfies either of the following:

(i) The individual or a sibling of the individual received before July 1, 2013, a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4 in a preceding school year, including a school year that does not immediately precede a school year in which the individual receives a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4.

(ii) The individual or a sibling of the individual receives for the first time after June 30, 2013, a scholarship of at least five hundred dollars (\$500) from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4 in a preceding school year, including a school year that does not immediately precede

a school year in which the individual receives a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4.

As added by P.L.211-2013, SEC.4. Amended by P.L.205-2013, SEC.310.

IC 20-51-1-4.5

Repealed

(Repealed by P.L.211-2013, SEC.5.)

IC 20-51-1-4.7

"Eligible school"

Sec. 4.7. "Eligible school" refers to a public or nonpublic elementary school or high school that:

- (1) is located in Indiana;
- (2) requires an eligible choice scholarship student to pay tuition or transfer tuition to attend;
- (3) voluntarily agrees to enroll an eligible choice scholarship student;
- (4) is accredited by either the state board or a national or regional accreditation agency that is recognized by the state board;
- (5) administers the Indiana statewide testing for educational progress (ISTEP) program under IC 20-32-5;
- (6) is not a charter school or the school corporation in which an eligible choice scholarship student has legal settlement under IC 20-26-11; and
- (7) submits to the department only the student performance data required for a category designation under IC 20-31-8-3.

As added by P.L.92-2011, SEC.6. Amended by P.L.211-2013, SEC.6.

IC 20-51-1-5

"Eligible student"

Sec. 5. "Eligible student" refers to an individual who:

- (1) has legal settlement in Indiana;
- (2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7;
- (3) either has been or is currently enrolled in a participating school; and
- (4) is a member of a household with an annual income of not more than two hundred percent (200%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.

As added by P.L.182-2009(ss), SEC.364. Amended by P.L.129-2012, SEC.1; P.L.211-2013, SEC.7.

IC 20-51-1-6

"Participating school"

Sec. 6. (a) "Participating school" refers to a public or nonpublic

school that:

- (1) an eligible student is required to pay tuition or transfer tuition to attend;
- (2) voluntarily agrees to enroll an eligible student;
- (3) is accredited by either the state board or a national or regional accreditation agency that is recognized by the state board; and
- (4) administers the tests under the Indiana statewide testing for educational progress (ISTEP) program or administers another nationally recognized and norm-referenced assessment of the school's students.

(b) The term does not include a public school in a school corporation where the eligible student has legal settlement under IC 20-26-11.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-1-7

"Scholarship granting organization"

Sec. 7. "Scholarship granting organization" refers to an organization that:

- (1) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and
- (2) is organized at least in part to grant school scholarships without limiting the availability of scholarships to students of only one (1) participating school.

As added by P.L.182-2009(ss), SEC.364. Amended by P.L.92-2011, SEC.7.

IC 20-51-1-8

"School scholarship"

Sec. 8. "School scholarship" refers to a grant to pay only the cost of education for an eligible student as determined for the school year (as defined in IC 20-18-2-17) for which the scholarship will be granted.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-2

Chapter 2. Exchange of Information; Rules

IC 20-51-2-1

List of certified scholarship programs

Sec. 1. The department shall maintain a publicly available list of the school scholarship programs certified by the department. The list must contain names, addresses, and any other information that the department determines is necessary for the public to determine which scholarship granting organizations conduct school scholarship programs. A current list must be posted on an Internet web site used by the department to provide information to the public.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3

Chapter 3. Scholarship Granting Organizations; Certification; Administration of Contributions

IC 20-51-3-0.5

Severability

Sec. 0.5. Each provision of P.L.92-2011 is presumed to be and is severable from the remainder to the fullest extent and under IC 1-1-1-8. If any phrase, clause, sentence, or provision of IC 6-3.1-30.5 or IC 20-51, as added and amended, is held invalid for any reason, the invalidity does not affect the other provisions that are to be given effect without the invalid provision or application. The general assembly intends each provision to be passed into law individually and as a whole, without any provisions later found to be invalid or otherwise counter to constitutional or other legal requirements.

As added by P.L.63-2012, SEC.24.

IC 20-51-3-1

Certification requirements

Sec. 1. A program qualifies for certification as a school scholarship program if:

(1) the program:

(A) is administered by a scholarship granting organization; and

(B) has the primary purpose of providing school scholarships to eligible students; and

(2) the scholarship granting organization administering the program:

(A) applies to the department on the form and in the manner prescribed by the department; and

(B) enters into an agreement with the department to comply with this article.

As added by P.L.182-2009(ss), SEC.364. Amended by P.L.92-2011, SEC.8.

IC 20-51-3-2

Department duties

Sec. 2. The department shall certify all programs that meet the qualifications under section 1 of this chapter as school scholarship programs.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-3

Certification agreements

Sec. 3. An agreement entered into under section 1 of this chapter between the department and a scholarship granting organization must require the scholarship granting organization to do the following:

(1) Provide a receipt to taxpayers for contributions made to the scholarship granting organization that will be used in a school

scholarship program. The department of state revenue shall prescribe a standardized form for the receipt issued under this subdivision. The receipt must indicate the value of the contribution and part of the contribution being designated for use in a school scholarship program.

(2) Allow a taxpayer to designate a participating school for which the taxpayer's contribution must be used as scholarships.

(3) Use not more than ten percent (10%) of the total amount of contributions for administrative costs.

(4) Distribute one hundred percent (100%) of any income earned on contributions as school scholarships to eligible students.

(5) Conduct criminal background checks on all the scholarship granting organization's employees and board members and exclude from employment or governance any individual who might reasonably pose a risk to the appropriate use of contributed funds.

(6) Make the reports required by this chapter.

As added by P.L.182-2009(ss), SEC.364. Amended by P.L.211-2013, SEC.8.

IC 20-51-3-4

Right to receive other contributions

Sec. 4. An agreement entered into under section 1 of this chapter may not prohibit a scholarship granting organization from receiving contributions other than contributions described in section 3(1) of this chapter.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-5

Restrictions on certified scholarships

Sec. 5. (a) An agreement entered into under section 1 of this chapter must prohibit a scholarship granting organization from distributing school scholarships for use by an eligible student to:

(1) enroll in a school that has:

(A) paid staff or board members; or

(B) relatives of paid staff or board members;

in common with the scholarship granting support organization;

(2) enroll in a school that the scholarship granting organization knows does not qualify as a participating school; or

(3) pay for the cost of education for a public school where the eligible student is entitled to enroll without the payment of tuition.

(b) An agreement entered into under section 1 of this chapter must prohibit a scholarship granting organization from limiting the availability of scholarships to students of only one (1) participating school. An agreement entered into under section 1 of this chapter before July 1, 2011, must be amended to include the requirement specified in this subsection.

As added by P.L.182-2009(ss), SEC.364. Amended by P.L.92-2011,

SEC.9.

IC 20-51-3-6

Annual reports

Sec. 6. (a) A scholarship granting organization certified under this chapter must publicly report to the department by August 1 of each year the following information regarding the organization's scholarships awarded in the previous school year:

- (1) The name and address of the scholarship granting organization.
- (2) The total number and total dollar amount of contributions received during the previous school year.
- (3) The:
 - (A) total number and total dollar amount of scholarships awarded during the previous school year; and
 - (B) total number and total dollar amount of school scholarships awarded during the previous school year.

The report must be certified under penalties of perjury by the chief executive officer of the scholarship granting organization.

(b) A scholarship granting organization certified under this chapter shall contract with an independent certified public accountant for an annual financial audit of the scholarship granting organization. The scholarship granting organization must provide a copy of the annual financial audit to the department and must make the annual financial audit available to a member of the public upon request.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-7

Report forms

Sec. 7. The department shall prescribe a standardized form for scholarship granting organizations to report information required under this chapter.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-8

Suspension and termination of certification

Sec. 8. The department may, in a proceeding under IC 4-21.5, suspend or terminate the certification of an organization as a scholarship granting organization if the department establishes that the scholarship granting organization has intentionally and substantially failed to comply with the requirements of this article or an agreement entered into under this article.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-9

Notice of suspension or termination

Sec. 9. If the department suspends or terminates the certification of an organization as a scholarship granting organization, the department shall notify affected eligible students and their parents of the decision as quickly as possible. An eligible student affected by a

suspension or termination of a scholarship granting organization's certification remains an eligible student under this article until the end of the school year after the school year in which the scholarship granting organization's certification is suspended or terminated, regardless of whether the scholarship student currently meets the definition of an eligible student.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-10

Financial reviews; audits

Sec. 10. The department may conduct either a financial review or an audit of a scholarship granting organization certified under this chapter if the department of state revenue has evidence of fraud.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-3-11

Rules

Sec. 11. The department shall adopt rules under IC 4-22-2 to implement this article.

As added by P.L.182-2009(ss), SEC.364.

IC 20-51-4

Chapter 4. Choice Scholarship

IC 20-51-4-1

Autonomy of nonpublic schools; curriculum

Sec. 1. (a) Except as provided under subsections (b) through (h), it is the intent of the general assembly to honor the autonomy of nonpublic schools that choose to become eligible schools under this chapter. A nonpublic eligible school is not an agent of the state or federal government, and therefore:

(1) the department or any other state agency may not in any way regulate the educational program of a nonpublic eligible school that accepts a choice scholarship under this chapter, including the regulation of curriculum content, religious instruction or activities, classroom teaching, teacher and staff hiring requirements, and other activities carried out by the eligible school;

(2) the creation of the choice scholarship program does not expand the regulatory authority of the state, the state's officers, or a school corporation to impose additional regulation of nonpublic schools beyond those necessary to enforce the requirements of the choice scholarship program in place on July 1, 2011; and

(3) a nonpublic eligible school shall be given the freedom to provide for the educational needs of students without governmental control.

(b) This section applies to the following writings, documents, and records:

(1) The Constitution of the United States.

(2) The national motto.

(3) The national anthem.

(4) The Pledge of Allegiance.

(5) The Constitution of the State of Indiana.

(6) The Declaration of Independence.

(7) The Mayflower Compact.

(8) The Federalist Papers.

(9) "Common Sense" by Thomas Paine.

(10) The writings, speeches, documents, and proclamations of the founding fathers and presidents of the United States.

(11) United States Supreme Court decisions.

(12) Executive orders of the presidents of the United States.

(13) Frederick Douglas' Speech at Rochester, New York, on July 5, 1852, entitled "What to a Slave is the Fourth of July?".

(14) Appeal by David Walker.

(15) Chief Seattle's letter to the United States government in 1852 in response to the United States government's inquiry regarding the purchase of tribal lands.

(c) An eligible school may allow a principal or teacher in the eligible school to read or post in the school building or classroom or at a school event any excerpt or part of a writing, document, or record

listed in subsection (b).

(d) An eligible school may not permit the content based censorship of American history or heritage based on religious references in a writing, document, or record listed in subsection (b).

(e) A library, a media center, or an equivalent facility that an eligible school maintains for student use must contain in the facility's permanent collection at least one (1) copy of each writing or document listed in subsection (b)(1) through (b)(9).

(f) An eligible school shall do the following:

(1) Allow a student to include a reference to a writing, document, or record listed in subsection (b) in a report or other work product.

(2) May not punish the student in any way, including a reduction in grade, for using the reference.

(3) Display the United States flag in each classroom.

(4) Provide a daily opportunity for students to voluntarily recite the Pledge of Allegiance in each classroom or on school grounds. A student is exempt from participation in the Pledge of Allegiance and may not be required to participate in the Pledge of Allegiance if:

(A) the student chooses to not participate; or

(B) the student's parent chooses to have the student not participate.

(5) Provide instruction on the constitutions of:

(A) Indiana; and

(B) the United States.

(6) For an eligible school that enrolls students in grades 6 through 12, provide within the two (2) weeks preceding a general election five (5) full recitation periods of class discussion concerning:

(A) the system of government in Indiana and in the United States;

(B) methods of voting;

(C) party structures;

(D) election laws; and

(E) the responsibilities of citizen participation in government and in elections.

(7) Require that each teacher employed by the eligible school present instruction with special emphasis on:

(A) honesty;

(B) morality;

(C) courtesy;

(D) obedience to law;

(E) respect for the national flag and the Constitution of the State of Indiana and the Constitution of the United States;

(F) respect for parents and the home;

(G) the dignity and necessity of honest labor; and

(H) other lessons of a steadying influence that tend to promote and develop an upright and desirable citizenry.

(8) Provide good citizenship instruction that stresses the nature

and importance of the following:

- (A) Being honest and truthful.
- (B) Respecting authority.
- (C) Respecting the property of others.
- (D) Always doing the student's personal best.
- (E) Not stealing.
- (F) Possessing the skills (including methods of conflict resolution) necessary to live peaceably in society and not resorting to violence to settle disputes.
- (G) Taking personal responsibility for obligations to family and community.
- (H) Taking personal responsibility for earning a livelihood.
- (I) Treating others the way the student would want to be treated.
- (J) Respecting the national flag, the Constitution of the United States, and the Constitution of the State of Indiana.
- (K) Respecting the student's parents and home.
- (L) Respecting the student's self.
- (M) Respecting the rights of others to have their own views and religious beliefs.

(9) Provide instruction in the following studies:

(A) Language arts, including:

- (i) English;
- (ii) grammar;
- (iii) composition;
- (iv) speech; and
- (v) second languages.

(B) Mathematics.

(C) Social studies and citizenship, including the:

- (i) constitutions;
- (ii) governmental systems; and
- (iii) histories;

of Indiana and the United States, including a study of the Holocaust and the role religious extremism played in the events of September 11, 2001, in each high school United States history course.

(D) Sciences.

(E) Fine arts, including music and art.

(F) Health education, physical fitness, safety, and the effects of alcohol, tobacco, drugs, and other substances on the human body.

(g) An eligible school, charter school, or public school shall not teach the violent overthrow of the government of the United States.

(h) Nothing in this section shall be construed to limit the requirements of IC 20-30-5.

As added by P.L.92-2011, SEC.10.

IC 20-51-4-2

Eligibility for scholarships; limit on number of scholarships

Sec. 2. (a) Subject to subsection (b), an eligible choice scholarship

student is entitled to a choice scholarship under this chapter for each school year beginning after June 30, 2011, that the eligible choice scholarship student enrolls in an eligible school.

(b) The department may not award more than:

(1) seven thousand five hundred (7,500) choice scholarships for the school year beginning July 1, 2011, and ending June 30, 2012; and

(2) fifteen thousand (15,000) choice scholarships for the school year beginning July 1, 2012, and ending June 30, 2013.

The department shall establish the standards used to allocate choice scholarships among eligible choice scholarship students.

As added by P.L.92-2011, SEC.10. Amended by P.L.211-2013, SEC.9.

IC 20-51-4-2.5

Eligibility of individual whose income increases

Sec. 2.5. Notwithstanding IC 20-51-1-4.3(3)(B), IC 20-51-1-4.3(3)(C), or IC 20-51-1-4.3(3)(D)(ii), an individual who initially meets the income requirements under IC 20-51-1-4.3(3)(B), IC 20-51-1-4.3(3)(C), or IC 20-51-1-4.3(3)(D)(ii) and is a member of a household whose income subsequently increases is considered to meet the income requirements for as long as the individual is enrolled in a participating school and is a member of a household with an annual income of not more than two hundred percent (200%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.

As added by P.L.211-2013, SEC.10.

IC 20-51-4-3

Discrimination prohibited; random drawing if applications exceed scholarships; random visits by department; access by department; certification of compliance

Sec. 3. (a) An eligible school may not discriminate on the basis of race, color, or national origin.

(b) An eligible school shall abide by the school's written admission policy fairly and without discrimination with regard to students who:

(1) apply for; or

(2) are awarded;

scholarships under this chapter.

(c) If the number of applicants for enrollment in an eligible school under a choice scholarship exceeds the number of choice scholarships available to the eligible school, the eligible school must draw at random in a public meeting the applications of applicants who are entitled to a choice scholarship from among the applicants who meet the requirements for admission to the eligible school.

(d) The department shall make random visits to at least five percent (5%) of eligible schools and charter schools to verify that the eligible school or charter school complies with the provisions of this chapter and the Constitutions of the state of Indiana and the United

States.

(e) Each eligible school, public school, and charter school shall grant the department reasonable access to its premises, including access to the school's grounds, buildings, and property.

(f) Each year the principal of each eligible school shall certify under penalties of perjury to the department that the eligible school is complying with the requirements of this chapter. The department shall develop a process for eligible schools to follow to make certifications.

As added by P.L.92-2011, SEC.10. Amended by P.L.229-2011, SEC.222; P.L.172-2011, SEC.126; P.L.6-2012, SEC.144.

IC 20-51-4-4

Maximum amount of scholarship

Sec. 4. The amount an eligible choice scholarship student is entitled to receive under this chapter for a school year is equal to the following:

(1) The least of the following:

(A) The sum of the tuition, transfer tuition, and fees required for enrollment or attendance of the eligible choice scholarship student at the eligible school selected by the eligible choice scholarship student for a school year that the eligible choice scholarship student (or the parent of the eligible choice scholarship student) would otherwise be obligated to pay to the eligible school.

(B) An amount equal to:

(i) ninety percent (90%) of the state tuition support amount determined under section 5 of this chapter if the eligible choice scholarship student is a member of a household with an annual income of not more than the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program; and

(ii) fifty percent (50%) of the state tuition support amount determined under section 5 of this chapter if the eligible choice scholarship student is a member of a household with an annual income of, in the case of an individual not described in section 2.5 of this chapter, not more than one hundred fifty percent (150%) of the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program or, in the case of an individual described in section 2.5 of this chapter, not more than two hundred percent (200%) of the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program.

(C) If the eligible choice scholarship student is enrolled in grade 1 through 8, the maximum choice scholarship that the eligible choice scholarship student may receive for a school year:

(i) beginning before July 1, 2013, four thousand five

- hundred dollars (\$4,500);
- (ii) beginning after June 30, 2013, and before July 1, 2014, four thousand seven hundred dollars (\$4,700); and
- (iii) beginning after June 30, 2014, four thousand eight hundred dollars (\$4,800).

(2) In addition, if the eligible choice scholarship student has been identified as eligible for special education services under IC 20-35 and the eligible school provides the necessary special education or related services to the eligible choice scholarship student, any amount that a school corporation would receive under IC 20-43-7 for the eligible choice scholarship student if the eligible choice scholarship student attended the school corporation.

As added by P.L.92-2011, SEC.10. Amended by P.L.211-2013, SEC.11; P.L.205-2013, SEC.311; P.L.26-2014, SEC.1.

IC 20-51-4-4.5

Special education or related services for eligible choice scholarship students; adoption of rules

Sec. 4.5. (a) If an eligible choice scholarship student:

- (1) who attends school at a choice scholarship school; and
- (2) who is eligible to receive special education funds under IC 20-43-7;

chooses to receive special education services at a school corporation required to provide special education services to the eligible choice scholarship student under 511 IAC 7-34-1, the special education funds under IC 20-43-7 for that student will be made available to the school corporation where the student receives special education services.

(b) Notwithstanding 511 IAC 7-34-1(d)(4), a public school is not required to make available special education and related services to an eligible choice scholarship student if the eligible choice scholarship student receives funds under section 4(2) of this chapter and the special education services are provided to the eligible choice scholarship student by the eligible school. This subsection may not be construed as a restriction or limitation on any of the rights, benefits, and protections granted to an individual under the federal Individuals with Disabilities Education Improvement Act of 2004 (20 U.S.C. 1400 et seq.).

(c) A school corporation may not include an eligible choice scholarship student who receives an amount under section 4(2) of this chapter in the school corporation's count under IC 20-43-7.

As added by P.L.211-2013, SEC.12. Amended by P.L.26-2014, SEC.2.

IC 20-51-4-4.6

State board; rulemaking for provision of special education services

Sec. 4.6. (a) The state board shall adopt rules under IC 4-22-2, including emergency rules adopted in the manner provided under IC 4-22-2-37.1, for the provision of special education or related

services to an eligible choice scholarship student who receives an amount under section 4(2) of this chapter. The rules adopted under this section shall include annual reporting requirements, monitoring, and consequences for noncompliance by an eligible school.

(b) An emergency rule adopted by the state board under this section expires on the earliest of the following dates:

(1) The expiration date stated in the emergency rule.

(2) The date the emergency rule is amended or repealed by a later rule adopted under IC 4-22-2-22.5 through IC 4-22-2-36 or under IC 4-22-2-37.1.

(3) One (1) year after the date the emergency rule is adopted.

As added by P.L.211-2013, SEC.13.

IC 20-51-4-5

Determination of state tuition support

Sec. 5. The state tuition support amount to be used in section 4(1)(B) of this chapter for an eligible choice scholarship student is the amount determined under the last STEP of the following formula:

STEP ONE: Determine the school corporation in which the eligible choice scholarship student has legal settlement.

STEP TWO: Determine the amount of state tuition support that the school corporation identified under STEP ONE is eligible to receive under IC 20-43 for the state fiscal year in which the current school year begins, excluding amounts provided for special education grants under IC 20-43-7 and career and technical education grants under IC 20-43-8.

STEP THREE: Determine the result of:

(A) the STEP TWO amount; divided by

(B) the current ADM (as defined in IC 20-43-1-10) for the school corporation identified under STEP ONE for the state fiscal year used in STEP TWO.

As added by P.L.92-2011, SEC.10. Amended by P.L.6-2012, SEC.145; P.L.211-2013, SEC.14.

IC 20-51-4-6

Prorating of scholarship; eligible individual entitled to one scholarship per year

Sec. 6. (a) If an eligible choice scholarship student enrolls in an eligible school for less than an entire school year, the choice scholarship provided under this chapter for that school year shall be reduced on a prorated basis to reflect the shorter school term.

(b) An eligible choice scholarship student is entitled to only one (1) choice scholarship for each school year. If the eligible choice scholarship student leaves the eligible school for which the eligible choice scholarship student was awarded a choice scholarship and enrolls in another eligible school, the eligible choice scholarship student is responsible for the payment of any tuition required for the remainder of that school year.

As added by P.L.92-2011, SEC.10. Amended by P.L.211-2013, SEC.15.

IC 20-51-4-7

Department to administer program; rulemaking

Sec. 7. (a) The department shall administer this chapter.

(b) The department shall approve an application for an eligible school within fifteen (15) days after the date the school requests to participate in the choice scholarship program.

(c) The department shall approve an application for a choice scholarship student within fifteen (15) days after the date the student requests to participate in the choice scholarship program.

(d) Each year, at a minimum, the department shall accept applications from March 1 through September 1 for:

(1) choice scholarship students; or

(2) eligible schools;

for the upcoming school year.

(e) The department shall adopt rules under IC 4-22-2 to implement this chapter.

(f) The department may adopt emergency rules under IC 4-22-2-37.1 to implement this chapter.

As added by P.L.92-2011, SEC.10. Amended by P.L.211-2013, SEC.16.

IC 20-51-4-8

Forms and methods for determining eligibility

Sec. 8. The department may prescribe forms and methods for demonstrating eligibility for a choice scholarship under this chapter.

As added by P.L.92-2011, SEC.10.

IC 20-51-4-9

Consequences for eligible schools in lowest performance categories

Sec. 9. (a) The department shall enforce the following consequences for an eligible school that is nonpublic:

(1) If the school is placed in either of the lowest two (2) categories or designations under IC 20-31-8-3 for two (2) consecutive years, the department shall suspend choice scholarship payments for one (1) year for new students who would otherwise use a choice scholarship to attend the school.

(2) If the school is placed in either of the lowest two (2) categories or designations under IC 20-31-8-3 for three (3) consecutive years, the department shall suspend choice scholarship payments for new students who would otherwise use a choice scholarship to attend the school until the school is placed in the middle category or higher category or designation, for two (2) consecutive years.

(3) If the school is placed in the lowest category or designation under IC 20-31-8-3 for three (3) consecutive years, the department shall suspend choice scholarship payments for new students who would otherwise use a choice scholarship to attend the school until the school is placed in the middle category or higher category or designation, for three (3) consecutive years.

(4) Students who:

(A) are currently enrolled at a school described in subdivision (1), (2), or (3); and

(B) qualify for a choice scholarship for the upcoming school year;

may continue to receive a choice scholarship at the school.

(b) This section may not be construed to prevent a student enrolled in a school subject to this section from applying for a choice scholarship in the future at another participating school.

As added by P.L.92-2011, SEC.10.

IC 20-51-4-10

Distribution to both eligible individual and school

Sec. 10. The department shall distribute choice scholarships at least once each semester, or at equivalent intervals. The department may distribute the choice scholarship to the eligible choice scholarship student (or the parent of the eligible choice scholarship student) for the purpose of paying the educational costs described in section 4(1)(A) of this chapter. For the distribution to be valid, the distribution must be endorsed by both the eligible choice scholarship student (or the parent of the eligible choice scholarship student) and the eligible school providing educational services to the eligible choice scholarship student.

As added by P.L.92-2011, SEC.10. Amended by P.L.211-2013, SEC.17.

IC 20-51-4-11

Scholarship not treated as income

Sec. 11. The amount of a choice scholarship provided to an eligible choice scholarship student shall not be treated as income or a resource for the purposes of qualifying for any other federal or state grant or program administered by the state or a political subdivision.

As added by P.L.92-2011, SEC.10. Amended by P.L.211-2013, SEC.18.