

PROPOSED AMENDMENT

HB 1004 # 20

DIGEST

Prekindergarten education. Replaces HB 1004 with SB 276 with the following changes: (1) Amends the provisions in SB 276 regarding onsite inspections by the office of the secretary of family and social services (office) to be random inspections and as determined necessary by the office. (2) Provides that the grants to potential eligible providers and existing eligible providers may not be awarded or used for capital expenditures. (3) Provides that the longitudinal study applies to the students in the original five counties. (4) Provides that children who meet certain criteria and are in foster care are eligible for a grant under the prekindergarten pilot program. (5) Provides that the children in foster care are not required to meet other eligibility requirements to receive the grant. (6) Requires the office to give, to the extent possible, the children in foster care priority in awarding a grant. (7) Requires that the grant to a child in foster care be in the amount of \$6,800. (8) Includes provisions from HB 1004 that change references to the "pilot program" to the "prekindergarten pilot program". The new digest with these changes would be as follows: Changes references to the "pilot program" to the "prekindergarten pilot program". Provides that, after June 30, 2017, the early education grant pilot program (prekindergarten pilot program) includes eligible providers in any county in Indiana. Adds additional requirements for an eligible provider to participate in the prekindergarten pilot program. Adds additional requirements for an eligible child to qualify for or receive a grant under the prekindergarten pilot program. Provides that children who meet certain criteria and are in foster care are eligible for a grant under the prekindergarten pilot program and excludes the children in foster care from other eligibility requirements. Provides that the office may award a grant to a potential eligible provider or existing eligible provider for an expansion plan if certain requirements are met. Requires a potential eligible provider or existing eligible provider to repay to the office the total amount of the grant awarded if the potential eligible provider or existing eligible provider fails to use the grant funds in accordance with the expansion plan or in compliance with the agreement with the office. Requires the office to: (1) monitor the educational outcomes resulting from the implementation of expansion plans; and (2) annually provide the governor and legislative council a report of the findings of the office concerning the educational outcomes. Requires the office to make random onsite inspections, as determined necessary by the office, of facilities of eligible providers and potential eligible providers or existing eligible providers each year. Provides that the office may determine that an eligible provider or potential eligible provider or existing eligible provider is no longer eligible under the prekindergarten pilot program. Requires the division of family resources to develop a provider rate reimbursement schedule that uses money appropriated by the general assembly as an incentive for providers eligible to receive voucher payments under the federal Child Care and Development fund voucher program to meet the standards of quality recognized by a Level 3 or Level 4 Paths to QUALITY program rating. Requires the department of education to approve an early learning development framework for prekindergarten. Requires the office to apply for waivers from all applicable federal agencies to receive any federal funding for child care or prekindergarten education in one block grant to use for child care and prekindergarten programs in the state. Establishes the

prekindergarten pilot program fund (fund). Allows the office to develop and implement a reimbursement program to reimburse costs incurred by parents to provide technology based, in-home early education services to a child. Allows money in the fund to be used to pay for the reimbursements. Makes an appropriation to the fund of \$16,000,000 in both state fiscal years 2017 and 2018. Specifies that of the \$16,000,000 appropriated in a state fiscal year, \$1,000,000 of that amount must be used for reimbursement of in-home early education services. Repeals the provisions concerning the early education matching grant program.

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- 1 Delete the title and insert the following:
 2 A BILL FOR AN ACT to amend the Indiana Code concerning
 3 education and to make an appropriation.
 4 Page 1, delete lines 1 through 13, begin a new paragraph and insert:
 5 "SECTION 1. IC 12-7-2-35, AS AMENDED BY THE
 6 TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL
 7 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2017]: Sec. 35. "Committee", ~~means the following:~~
 9 (†) for purposes of IC 12-15-33, ~~has~~ the meaning set forth in
 10 IC 12-15-33-1.
 11 (‡) For purposes of ~~IC 12-17.2-3.6~~, the meaning set forth in
 12 ~~IC 12-17.2-3.6-1~~.
 13 (‡) For purposes of ~~IC 12-21-4.5~~, the meaning set forth in
 14 ~~IC 12-21-4.5-1~~.
 15 SECTION 2. IC 12-7-2-75.7 IS REPEALED [EFFECTIVE JULY
 16 1, 2017]. ~~Sec. 75.7: "Eligible child", for purposes of IC 12-17.2-3.6, has~~
 17 ~~the meaning set forth in IC 12-17.2-3.6-2.~~
 18 SECTION 3. IC 12-7-2-76.2 IS REPEALED [EFFECTIVE JULY
 19 1, 2017]. ~~Sec. 76.2: "Eligible provider", for purposes of IC 12-17.2-3.6,~~
 20 ~~has the meaning set forth in IC 12-17.2-3.6-3.~~
 21 SECTION 4. IC 12-7-2-76.3 IS REPEALED [EFFECTIVE JULY
 22 1, 2017]. ~~Sec. 76.3: "Eligible services", for purposes of IC 12-17.2-3.6,~~
 23 ~~has the meaning set forth in IC 12-17.2-3.6-4.~~
 24 SECTION 5. IC 12-7-2-91, AS AMENDED BY P.L.2-2014,
 25 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2017]: Sec. 91. "Fund" means the following:
 27 (1) For purposes of IC 12-12-1-9, the fund described in
 28 IC 12-12-1-9.
 29 (2) For purposes of IC 12-15-20, the meaning set forth in
 30 IC 12-15-20-1.
 31 (3) For purposes of IC 12-17-12, the meaning set forth in
 32 IC 12-17-12-4.

- 1 ~~(4)~~ For purposes of ~~IC 12-17.2-3.6~~, the meaning set forth in
 2 ~~IC 12-17.2-3.6-5~~.
- 3 ~~(5)~~ **(4)** For purposes of IC 12-17.6, the meaning set forth in
 4 IC 12-17.6-1-3.
- 5 ~~(6)~~ **(5)** For purposes of IC 12-23-2, the meaning set forth in
 6 IC 12-23-2-1.
- 7 ~~(7)~~ **(6)** For purposes of IC 12-23-18, the meaning set forth in
 8 IC 12-23-18-4.
- 9 ~~(8)~~ **(7)** For purposes of IC 12-24-6, the meaning set forth in
 10 IC 12-24-6-1.
- 11 ~~(9)~~ **(8)** For purposes of IC 12-24-14, the meaning set forth in
 12 IC 12-24-14-1.
- 13 ~~(10)~~ **(9)** For purposes of IC 12-30-7, the meaning set forth in
 14 IC 12-30-7-3.

15 SECTION 6. IC 12-7-2-93.7 IS REPEALED [EFFECTIVE JULY
 16 1, 2017]. ~~Sec. 93.7. "Grant"; for purposes of IC 12-17.2-3.6; has the~~
 17 ~~meaning set forth in IC 12-17.2-3.6-6.~~

18 SECTION 7. IC 12-7-2-135.8, AS AMENDED BY P.L.2-2014,
 19 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2017]: Sec. 135.8. (a) "Paths to QUALITY program", for
 21 purposes of IC 12-17.2-2-14.2, ~~and IC 12-17.2-3.6~~, refers to the
 22 program established in IC 12-17.2-2-14.2(b).

23 (b) "Paths to QUALITY program", for purposes of IC 12-17.2-3.8,
 24 has the meaning set forth in IC 12-17.2-3.8-1.

25 SECTION 8. IC 12-7-2-139.3 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE UPON PASSAGE]: **Sec. 139.3. "Pilot fund", for**
 28 **purposes of IC 12-17.2-7.2, has the meaning set forth in**
 29 **IC 12-17.2-7.2-4.7.**

30 SECTION 9. IC 12-7-2-143.1 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2017]: **Sec. 143.1. "Potential eligible provider**
 33 **or existing eligible provider", for purposes of IC 12-17.2-7.2, has**
 34 **the meaning set forth in IC 12-17.2-7.2-5.5.**

35 SECTION 10. IC 12-7-2-146, AS AMENDED BY P.L.149-2016,
 36 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2017]: Sec. 146. "Program" refers to the following:

- 38 (1) For purposes of IC 12-10-7, the adult guardianship services
 39 program established by IC 12-10-7-5.
- 40 (2) For purposes of IC 12-10-10, the meaning set forth in

- 1 IC 12-10-10-5.
 2 (3) For purposes of IC 12-10-10.5, the meaning set forth in
 3 IC 12-10-10.5-4.
 4 (4) For purposes of IC 12-17.2-2-14.2, the meaning set forth in
 5 IC 12-17.2-2-14.2(a).
 6 ~~(5) For purposes of IC 12-17.2-3.6, the meaning set forth in~~
 7 ~~IC 12-17.2-3.6-7.~~
 8 ~~(6) (5)~~ For purposes of IC 12-17.2-3.8, the meaning set forth in
 9 IC 12-17.2-3.8-2.
 10 ~~(7) (6)~~ For purposes of IC 12-17.6, the meaning set forth in
 11 IC 12-17.6-1-5.

12 SECTION 11. IC 12-17.2-3.5-14.5 IS ADDED TO THE INDIANA
 13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. Not later than July 1,**
 15 **2017, the division shall develop a provider rate reimbursement**
 16 **schedule that uses money appropriated by the general assembly as**
 17 **an incentive for providers that are eligible to receive voucher**
 18 **payments under this chapter to meet the standards of quality**
 19 **recognized by a Level 3 or Level 4 Paths to QUALITY program**
 20 **rating.**

21 SECTION 12. IC 12-17.2-3.6 IS REPEALED [EFFECTIVE JULY
 22 1, 2017]. (Early Learning Advisory Committee; Early Education
 23 Matching Grant Program).

24 SECTION 13. IC 12-17.2-7.2-1, AS ADDED BY P.L.202-2014,
 25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2017]: Sec. 1. As used in this chapter, "eligible child" refers
 27 to:

- 28 **(1)** an individual who:
 29 ~~(1)~~ **(A)** is at least four (4) years of age and less than five (5)
 30 years of age on August 1 of the state fiscal year for which a
 31 grant is sought under the **prekindergarten** pilot program;
 32 ~~(2)~~ **(B)** is a resident of Indiana or otherwise has legal
 33 settlement in Indiana, as determined under IC 20-26-11;
 34 ~~(3)~~ **(C)** is a member of a household with an annual income that
 35 does not exceed one hundred twenty-seven percent (127%) of
 36 the federal poverty level;
 37 ~~(4)~~ **(D)** receives qualified early education services from an
 38 eligible provider, as determined by the office;
 39 ~~(5)~~ **(E)** has a parent or guardian who participates in a parental
 40 engagement and involvement component provided by the

1 eligible provider; and
 2 ~~(6)~~ **(F)** has a parent or guardian who agrees to ensure that the
 3 child meets the attendance requirements determined by the
 4 office; or

5 **(2) an individual who:**

6 **(A) is at least four (4) years of age and less than five (5)**
 7 **years of age on August 1 of the state fiscal year for which**
 8 **a grant is sought under the prekindergarten pilot**
 9 **program;**

10 **(B) is a resident of Indiana or otherwise has legal**
 11 **settlement in Indiana, as determined under IC 20-26-11;**

12 **(C) is a child in foster care (as defined in IC 31-9-2-46.7);**
 13 **and**

14 **(D) receives qualified early education services from an**
 15 **eligible provider, as determined by the office.**

16 SECTION 14. IC 12-17.2-7.2-2, AS AMENDED BY P.L.169-2016,
 17 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2017]: Sec. 2. As used in this chapter, "eligible provider"
 19 refers to a provider that satisfies the following conditions:

20 (1) The provider is:

21 (A) a:

22 (i) public school, including a charter school;

23 (ii) child care center licensed under IC 12-17.2-4;

24 (iii) child care home licensed under IC 12-17.2-5; or

25 (iv) child care ministry registered under IC 12-17.2-6;

26 that meets the standards of quality recognized by a Level 3 or
 27 Level 4 paths to QUALITY program rating;

28 (B) a school that is accredited by the state board of education
 29 or a national or regional accreditation agency that is
 30 recognized by the state board of education; or

31 (C) a school that is accredited to provide qualified early
 32 education services by an accrediting agency approved by the
 33 office of the secretary.

34 (2) The provider:

35 **(A) provides qualified early education services to eligible**
 36 **children; and**

37 **(B) complies with the agreement with the office concerning**
 38 **the delivery of qualified education services and the use of**
 39 **a grant provided under this chapter.**

40 (3) The provider is located in a county in which the

1 **prekindergarten** pilot program is implemented.
 2 SECTION 15. IC 12-17.2-7.2-4.7 IS ADDED TO THE INDIANA
 3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 4 [EFFECTIVE UPON PASSAGE]: **Sec. 4.7. As used in this chapter,**
 5 **"pilot fund" refers to the prekindergarten pilot program fund**
 6 **established by section 13.5 of this chapter."**

7 Delete pages 2 through 6.
 8 Page 7, delete lines 1 through 14.
 9 Page 7, delete lines 20 through 42.
 10 Page 8, delete lines 1 through 10, begin a new paragraph and insert:
 11 "SECTION 17. IC 12-17.2-7.2-5.5 IS ADDED TO THE INDIANA
 12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2017]: **Sec. 5.5. As used in this chapter,**
 14 **"potential eligible provider or existing eligible provider" refers to**
 15 **an entity that qualifies as a potential eligible provider or existing**
 16 **eligible provider under section 7.4(a) of this chapter.**

17 SECTION 18. IC 12-17.2-7.2-6, AS ADDED BY P.L.202-2014,
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2017]: Sec. 6. As used in this chapter, "qualified early
 20 education services" refers to a program of early education services that:
 21 (1) is provided by an eligible provider to an eligible child;
 22 (2) includes a parental engagement and involvement component
 23 provided by the eligible provider; **in the delivery of early**
 24 **education services for an eligible child described in section**
 25 **1(1) of this chapter that is based on the requirements and**
 26 **guidelines established by the office;**
 27 (3) administers the kindergarten readiness assessment ~~adopted by~~
 28 ~~the state board of education; and (ISTAR-KR) adopted by the~~
 29 **department of education to children receiving early education**
 30 **services as required by the office;**
 31 **(4) aligns with the early learning development framework for**
 32 **prekindergarten approved by the department of education**
 33 **under IC 20-19-3-16; and**
 34 ~~(4)~~ **(5) meets the design parameters for inclusion in the**
 35 longitudinal study described in section 12 of this chapter, as
 36 determined by the office.

37 SECTION 19. IC 12-17.2-7.2-7, AS ADDED BY P.L.202-2014,
 38 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2017]: Sec. 7. (a) The office may establish a **prekindergarten**
 40 pilot program to provide grants for:

1 (1) qualified early education services in a manner consistent with
 2 how funds are distributed under the Child Care and Development
 3 Fund (CCDF) grant program; and

4 (2) expansion plans as described in section 7.4(a)(2) of this
 5 chapter.

6 (b) The office shall administer the **prekindergarten** pilot program.
 7 The **prekindergarten pilot** program may include:

8 (1) eligible providers in not more than five (5) counties: as
 9 provided in subsections (c) and (d); and

10 (2) potential eligible providers or existing eligible providers as
 11 described in section 7.4 of this chapter.

12 In determining which counties are designated as pilot counties, **eligible**
 13 **providers and potential eligible providers or existing eligible**
 14 **providers will receive a grant under this chapter**, the office shall
 15 attempt to achieve diversity among the designated counties in **Indiana**
 16 based on the geographical location of the counties, the population of
 17 the counties, and whether the counties are **each county in which an**
 18 **eligible provider is located** is primarily rural or urban. The office shall
 19 ensure that the counties selected include a population of eligible
 20 children sufficient to conduct the longitudinal study under section 12
 21 of this chapter:

22 (c) Before July 1, 2017, the prekindergarten pilot program
 23 includes eligible providers in the following pilot counties:

24 (1) Allen.

25 (2) Jackson.

26 (3) Lake.

27 (4) Marion.

28 (5) Vanderburgh.

29 (d) After June 30, 2017, in addition to the counties listed under
 30 subsection (c), the prekindergarten pilot program includes:

31 (1) eligible providers in any county in Indiana that is not listed
 32 in subsection (c); and

33 (2) potential eligible providers or existing eligible providers in
 34 any county in Indiana that meet the requirements under
 35 section 7.4 of this chapter.

36 (e) Subject to the requirements of this chapter, the office shall
 37 determine:

38 (1) the eligibility requirements, application process, and selection
 39 process for awarding grants under the **prekindergarten** pilot
 40 program;

- 1 (2) the administration and reporting requirements for:
 2 (A) eligible providers; **and**
 3 (B) **potential eligible providers or existing eligible**
 4 **providers;**
 5 participating in the **prekindergarten** pilot program; and
 6 (3) with the assistance of the early learning advisory committee,
 7 an appropriate outcomes based accountability system for:
 8 (A) eligible providers; **and**
 9 (B) **potential eligible providers or existing eligible**
 10 **providers.**

11 ~~(d)~~ (f) Before implementing the **prekindergarten** pilot program, the
 12 office shall submit the provisions of the **prekindergarten** pilot
 13 program to the state board of education for the state board of
 14 education's review and comment.

15 ~~(e)~~ (g) The office shall, subject to the availability of funding,
 16 determine the number of eligible children who will participate in the
 17 **prekindergarten** pilot program.

18 SECTION 20. IC 12-17.2-7.2-7.2 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2017]: **Sec. 7.2. (a) This section does not**
 21 **apply to an eligible child described in section 1(2) of this chapter.**

22 (b) **Except as provided in subsection (c), for an eligible child to**
 23 **qualify for a grant under this chapter, the eligible child must reside**
 24 **with a parent or guardian who is:**

- 25 (1) **working or attending a job training or an educational**
 26 **program; or**
 27 (2) **actively seeking employment.**

28 (c) **An eligible child may meet the requirements under**
 29 **subsection (b) if the parent or guardian of the eligible child is**
 30 **unable to:**

- 31 (1) **work or attend a job training or educational program; or**
 32 (2) **actively seek employment;**

33 **because the parent or guardian provides full-time care to a child**
 34 **who is less than five (5) years of age.**

35 (d) **Before the office may award a grant to an eligible child**
 36 **under this chapter, the office shall require that a parent or**
 37 **guardian of the eligible child agree to the following:**

- 38 (1) **The eligible child will attend the prekindergarten program**
 39 **of an eligible provider selected by the parent or guardian for**
 40 **the full duration of the prekindergarten program year.**

- 1 **(2) The parent or guardian will not transfer to another**
 2 **prekindergarten program during the prekindergarten**
 3 **program year.**
- 4 **(3) The eligible child will attend the prekindergarten program**
 5 **at least eighty-five percent (85%) of the days that the**
 6 **prekindergarten program is provided.**
- 7 **(4) The parent or guardian will allow the eligible child to**
 8 **participate in an external evaluation conducted by**
 9 **researchers, including the kindergarten readiness assessment**
 10 **and measuring of developmental and academic progress.**
- 11 **(5) The parent or guardian will participate in family**
 12 **engagement and involvement activities offered by the selected**
 13 **prekindergarten program, including meetings with the**
 14 **eligible child's teacher to discuss the eligible child's progress**
 15 **or any other conference concerning the eligible child that is**
 16 **requested by the eligible provider.**
- 17 **(6) The parent or guardian will complete the necessary forms**
 18 **for the eligible child to receive a student test number from the**
 19 **department of education.**
- 20 **(7) The parent or guardian will send the eligible child to**
 21 **kindergarten.**
- 22 **(8) The parent or guardian will read to the eligible child each**
 23 **week.**
- 24 **(e) After first giving priority to an eligible child as provided**
 25 **under section 8(e) of this chapter, priority may be given to an**
 26 **eligible child under this section if a parent or guardian of the**
 27 **eligible child is:**
- 28 **(1) involved in activities that improve the parent's or**
 29 **guardian's education; or**
- 30 **(2) involved in job training.**
- 31 **SECTION 21. IC 12-17.2-7.2-7.3 IS ADDED TO THE INDIANA**
 32 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 33 **[EFFECTIVE JULY 1, 2017]: Sec. 7.3. The office shall require, for**
 34 **an eligible provider to enroll in the prekindergarten pilot program,**
 35 **that the eligible provider agree to the following:**
- 36 **(1) Comply on a continuing basis with the requirements under**
 37 **this chapter and rules for participation established by the**
 38 **office.**
- 39 **(2) Maintain eligibility under this chapter throughout the**
 40 **prekindergarten program year.**

- 1 **(3) Report immediately any changes in eligibility status to the**
2 **office, including the eligible provider's loss of national or**
3 **regional accreditation.**
- 4 **(4) Participate in any training and mandatory meetings**
5 **required by the office.**
- 6 **(5) Participate in all onsite visits conducted by the office,**
7 **including fiscal auditing activities with regard to the**
8 **prekindergarten pilot program and prekindergarten program**
9 **activity monitoring.**
- 10 **(6) Allow families of eligible children enrolled in the**
11 **prekindergarten program of the eligible provider to visit at**
12 **any time the prekindergarten program is in operation.**
- 13 **(7) Maintain accurate online attendance records through the**
14 **attendance portal for eligible children enrolled in the**
15 **prekindergarten pilot program and submit attendance**
16 **records as required by the office.**
- 17 **(8) Offer parental engagement and involvement activities in**
18 **the prekindergarten program of the eligible provider in**
19 **alignment with the family engagement framework adopted by**
20 **the early learning advisory committee established by**
21 **IC 12-17.2-3.8-5.**
- 22 **(9) Complete, within the period established by the office, the**
23 **Indiana early childhood family engagement toolkit, including**
24 **the family engagement self-assessment, adopted by the early**
25 **learning advisory committee.**
- 26 **(10) Share information on the family engagement**
27 **self-assessment described in subdivision (9) as required by the**
28 **office.**
- 29 **(11) Participate in research studies as required by the office.**
- 30 **(12) Enforce minimum attendance requirements of at least**
31 **eighty-five percent (85%) of the days that the**
32 **prekindergarten program of the eligible provider is offered to**
33 **an eligible child described in section 1(1) of this chapter.**
- 34 **(13) Inform the office that an eligible child has withdrawn**
35 **from the prekindergarten program of the eligible provider**
36 **not later than five (5) days after the eligible child is**
37 **withdrawn.**
- 38 **(14) That retroactive repayment to the state may be required**
39 **or future payments may be adjusted as a result of the**
40 **withdrawal of an eligible child or to changes in the law.**

- 1 **(15) Maintain records of participation by a family of an**
 2 **eligible child described in section 1(1) of this chapter in family**
 3 **engagement activities and submit records as required by the**
 4 **office.**
- 5 **(16) Promote an eligible child's social, emotional, and**
 6 **behavioral health and eliminate or severely limit the use of**
 7 **expulsion, suspension, and other exclusionary discipline**
 8 **practices.**
- 9 **(17) Use the exclusionary discipline practices described in**
 10 **subdivision (16) only as a last resort in extraordinary**
 11 **circumstances when there is a determination of a serious**
 12 **safety threat that cannot otherwise be reduced or eliminated**
 13 **by the provision of reasonable modifications.**
- 14 **(18) Inform and receive approval from the office before the**
 15 **eligible provider expels, suspends, or uses other exclusionary**
 16 **discipline practices.**
- 17 **(19) Assist a parent or guardian, upon request by the parent**
 18 **or guardian, in obtaining information from, referral to, or**
 19 **both information from and referral to the public school that**
 20 **serves the attendance area in which the parent or guardian**
 21 **resides for an educational evaluation and determination of**
 22 **eligibility for special education services if developmental**
 23 **delays or reasons to suspect a disability are observed by the**
 24 **parent, guardian, or teacher of an eligible child during the**
 25 **prekindergarten program year.**
- 26 SECTION 22. IC 12-17.2-7.2-7.4 IS ADDED TO THE INDIANA
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2017]: **Sec. 7.4. (a) To qualify as a potential**
 29 **eligible provider or existing eligible provider, an applicant must:**
- 30 **(1) be an entity other than an individual;**
 31 **(2) provide an expansion plan to the office that details the**
 32 **potential eligible provider's or existing eligible provider's plan**
 33 **to:**
- 34 **(A) increase the capacity of providers of qualified early**
 35 **education services to serve a greater number of eligible**
 36 **children;**
 37 **(B) increase the number of providers of qualified early**
 38 **education services; or**
 39 **(C) increase the capacity as described in clause (A) and**
 40 **increase the number as described in clause (B);**

- 1 **(3) comply with the agreement with the office concerning the**
 2 **plan under subdivision (2) and the use of a grant awarded**
 3 **under this chapter;**
 4 **(4) agree:**
 5 **(A) to operate as an eligible provider; or**
 6 **(B) that the applicant intends to operate as an eligible**
 7 **provider;**
 8 **(5) agree that the applicant will not use any grant funds**
 9 **awarded under this section for capital expenditures; and**
 10 **(6) comply with any other standards and procedures**
 11 **established under this chapter.**
 12 **(b) Subject to subsections (c) and (d), the office may award a**
 13 **grant to an applicant that meets the requirements of subsection (a).**
 14 **(c) The office may not use more than a total of ten percent**
 15 **(10%) of the money in the pilot fund each state fiscal year for**
 16 **grants awarded under this chapter to potential eligible providers**
 17 **and existing eligible providers for expansion plans.**
 18 **(d) The office may not award grant funds under this section to**
 19 **an applicant for capital expenditures.**
 20 **(e) If a potential eligible provider or existing eligible provider**
 21 **fails to:**
 22 **(1) use the grant funds in accordance with the expansion plan**
 23 **described in subsection (a); or**
 24 **(2) comply with the agreement entered into with the office**
 25 **under subsection (a);**
 26 **the potential eligible provider or existing eligible provider shall**
 27 **repay to the office the total amount of the grant awarded to the**
 28 **potential eligible provider or existing eligible provider under this**
 29 **chapter."**
 30 Page 8, delete lines 16 through 42, begin a new paragraph and
 31 insert:
 32 "SECTION 24. IC 12-17.2-7.2-7.6 IS ADDED TO THE INDIANA
 33 CODE AS A **NEW SECTION** TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2017]: **Sec. 7.6. (a) The office shall monitor**
 35 **the educational outcomes resulting from the implementation of**
 36 **expansion plans described in section 7.4(a) of this chapter by**
 37 **potential eligible providers or existing eligible providers that**
 38 **receive a grant under this chapter over the period established by**
 39 **the office to evaluate the contribution that the expansion plans**
 40 **make toward improved educational outcomes.**

1 **(b) Beginning in 2018, the office shall annually provide the:**

2 **(1) governor; and**

3 **(2) legislative council in an electronic format under IC 5-14-6;**
 4 **a report of the findings of the office concerning the educational**
 5 **outcomes under subsection (a).**

6 SECTION 25. IC 12-17.2-7.2-7.8 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE UPON PASSAGE]: **Sec. 7.8. (a) The office shall make**
 9 **random onsite inspections each year, as determined necessary by**
 10 **the office, at the facility of:**

11 **(1) an eligible provider; or**

12 **(2) a potential eligible provider or existing eligible provider;**
 13 **that receives a grant under this chapter.**

14 **(b) The office may determine that an eligible provider or**
 15 **potential eligible provider or existing eligible provider is not**
 16 **eligible to receive a grant under the prekindergarten pilot program**
 17 **if the eligible provider or potential eligible provider or existing**
 18 **eligible provider:**

19 **(1) fails to comply with this chapter; or**

20 **(2) refuses to allow, during normal business hours, the office**
 21 **or an agent of the office to inspect the facility at which the**
 22 **eligible provider or potential eligible provider or existing**
 23 **eligible provider operates a child care program for eligible**
 24 **children.**

25 SECTION 26. IC 12-17.2-7.2-8, AS AMENDED BY THE
 26 TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL
 27 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2017]: **Sec. 8. (a) The office shall determine:**

29 **(1) which applicants shall be awarded a grant; and**

30 **(2) subject to subsection (b) and to the availability of funding, the**
 31 **amount of each grant.**

32 **(b) This subsection does not apply to tuition for an eligible child**
 33 **described in section 1(2) of this chapter. At least ten percent (10%)**
 34 **but not more than fifty percent (50%) of the:**

35 **(1) tuition for eligible children under the prekindergarten pilot**
 36 **program; or**

37 **(2) expansion plan described in section 7.4(a) of this chapter;**
 38 **during the state fiscal year must be paid from donations, gifts, grants,**
 39 **bequests, and other funds received from a private entity or person, from**
 40 **the United States government, or from other sources (excluding funds**

1 from a grant provided under this chapter and excluding other state
 2 funding). The office may receive and administer grants on behalf of the
 3 **prekindergarten** pilot program. The grants shall be distributed by the
 4 office to fulfill the requirements of this subsection.

5 (c) **Except as provided in subsection (d)**, the amount of a grant
 6 made under the **prekindergarten** pilot program to an eligible child:

7 (1) must equal at least two thousand five hundred dollars (\$2,500)

8 during the state fiscal year; and

9 (2) may not exceed six thousand eight hundred dollars (\$6,800)

10 during the state fiscal year.

11 (d) ~~The total amount of grants provided from the funding under~~
 12 ~~section 9(a) of this chapter (before its repeal) that are awarded under~~
 13 ~~the pilot program in a state fiscal year may not exceed ten million~~
 14 ~~dollars (\$10,000,000).~~

15 (d) **A grant awarded under the prekindergarten pilot program**
 16 **to an eligible child described in section 1(2) of this chapter must be**
 17 **in the amount of six thousand eight hundred dollars (\$6,800).**

18 (e) **In awarding a grant under this chapter, the office shall, to**
 19 **the extent possible, give priority to an eligible child described in**
 20 **section 1(2) of this chapter."**

21 Page 9, delete lines 1 through 23.

22 Page 10, delete lines 2 through 28, begin a new paragraph and
 23 insert:

24 "SECTION 28. IC 12-17.2-7.2-12, AS AMENDED BY THE
 25 TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL
 26 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2017]: Sec. 12. (a) The office shall carry out a longitudinal
 28 study of students who participate in the **prekindergarten** pilot program
 29 **in the counties listed under section 7(c) of this chapter** to determine
 30 the achievement levels of those students in kindergarten and later
 31 grades.

32 (b) The longitudinal study must include a comparison of test and
 33 assessment results in grade 3 of:

34 (1) the eligible children who participated in the **prekindergarten**
 35 pilot program; and

36 (2) a control group determined by the office that consists of
 37 children who did not participate in the **prekindergarten** pilot
 38 program.

39 (c) The office may, after consulting with the state board of
 40 education, enter into a contract with one (1) or more persons to carry

1 out the longitudinal study under this section. The office may expend
 2 not more than one million dollars (\$1,000,000) from the funds
 3 appropriated under section 9 of this chapter (**repealed**) to carry out the
 4 longitudinal study. ~~The amount expended to carry out the longitudinal~~
 5 ~~study under this section is in addition to the ten million dollar~~
 6 ~~(\$10,000,000) limit under section 8(d) of this chapter on the amount of~~
 7 ~~grants under the pilot program in a state fiscal year."~~

8 Page 10, delete lines 36 through 42, begin a new paragraph and
 9 insert:

10 "SECTION 30. IC 12-17.2-7.2-13.5 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE UPON PASSAGE]: **Sec. 13.5. (a) The prekindergarten**
 13 **pilot program fund is established to:**

14 (1) provide grants for qualified early education services in
 15 counties described in section 7(c) and 7(d)(1) of this chapter;

16 (2) carry out the longitudinal studies described in section 12
 17 of this chapter and IC 12-17.2-7.5-5;

18 (3) provide grants to potential eligible providers and existing
 19 eligible providers as set forth in section 7.4 of this chapter;
 20 and

21 (4) make payments to reimburse costs incurred to provide
 22 in-home early education services under IC 12-17.2-7.5.

23 (b) The fund consists of:

24 (1) money appropriated to the fund by the general assembly;
 25 and

26 (2) grants or gifts to the fund.

27 (c) The fund shall be administered by the office.

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

30 (e) Money in the fund at the end of a state fiscal year does not
 31 revert to the state general fund.

32 (f) The treasurer of state shall invest the money in the fund not
 33 currently needed to meet the obligations of the fund in the same
 34 manner as other public funds may be invested.

35 SECTION 31. IC 12-17.2-7.5 IS ADDED TO THE INDIANA
 36 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2017]:

38 **Chapter 7.5. Technology Based In-Home Early Education**

39 **Sec. 1. As used in this chapter, "in-home early education**
 40 **services" means a technology based program of early education**

1 **that:**

2 **(1) is designed to improve a child's transition into elementary**
3 **education;**

4 **(2) includes a parental engagement and involvement**
5 **component;**

6 **(3) is provided to a child at the child's home or a similar home**
7 **setting; and**

8 **(4) meets the design parameters for inclusion in the**
9 **longitudinal study described in section 5 of this chapter, as**
10 **determined by the office.**

11 **Sec. 2. As used in this chapter, "office" means the office of the**
12 **secretary of family and social services.**

13 **Sec. 3. The office shall review in-home early education services**
14 **that are available in Indiana.**

15 **Sec. 4. (a) After completing the review under section 3 of this**
16 **chapter, the office may develop and implement a reimbursement**
17 **program to reimburse costs that are incurred by a parent or**
18 **guardian of a child to provide in-home early education services to**
19 **the child.**

20 **(b) The office may develop reimbursement rates for the**
21 **reimbursement of in-home early education services.**

22 **(c) Reimbursement by the office under this section may be**
23 **funded from any of the following sources:**

24 **(1) Federal grants.**

25 **(2) State appropriations.**

26 **(3) Money from a political subdivision (as defined in**
27 **IC 36-1-2-13).**

28 **(4) Money from the prekindergarten pilot program fund**
29 **established by IC 12-17.2-7.2-13.5.**

30 **Sec. 5. (a) If the office implements a reimbursement program**
31 **under section 4(a) of this chapter, the office shall carry out a**
32 **longitudinal study of students who receive in-home early education**
33 **services to determine the achievement levels of those students in**
34 **kindergarten and later grades.**

35 **(b) The longitudinal study under this section must include a**
36 **comparison of test and assessment results in grade 3 of:**

37 **(1) the children who received in-home early education**
38 **services; and**

39 **(2) a control group determined by the office that consists of**
40 **children who did not receive in-home early education services.**

1 (c) The office may, after consulting with the state board of
2 education, enter into a contract with one (1) or more persons to
3 carry out the longitudinal study under this section.

4 SECTION 32. IC 20-19-3-16 IS ADDED TO THE INDIANA
5 CODE AS A NEW SECTION TO READ AS FOLLOWS
6 [EFFECTIVE UPON PASSAGE]: **Sec. 16. The department shall:**

7 **(1) approve an early learning development framework for**
8 **prekindergarten; and**

9 **(2) post the framework described in subdivision (1) on the**
10 **department's Internet web site.**

11 SECTION 33. [EFFECTIVE UPON PASSAGE] (a) There is
12 appropriated to the prekindergarten pilot program fund
13 established by IC 12-17.2-7.2-13.5, as added by this act, from the
14 state general fund the following:

15 **(1) For the state fiscal year beginning July 1, 2017, and ending**
16 **June 30, 2018, sixteen million dollars (\$16,000,000). Of the**
17 **sixteen million dollars (\$16,000,000) appropriated under this**
18 **subdivision, one million dollars (\$1,000,000) of that amount**
19 **must be used for reimbursement of in-home early education**
20 **services under IC 12-17.2-7.5.**

21 **(2) For the state fiscal year beginning July 1, 2018, and ending**
22 **June 30, 2019, sixteen million dollars (\$16,000,000). Of the**
23 **sixteen million dollars (\$16,000,000) appropriated under this**
24 **subdivision, one million dollars (\$1,000,000) of that amount**
25 **must be used for reimbursement of in-home early education**
26 **services under IC 12-17.2-7.5.**

27 **(b) This SECTION expires July 1, 2019.**

28 SECTION 34. [EFFECTIVE UPON PASSAGE] (a) As used in this
29 SECTION, "office" refers to the office of the secretary of family
30 and social services.

31 **(b) The office shall apply for waivers from all applicable federal**
32 **agencies to receive any federal funding for child care or**
33 **prekindergarten education in one (1) block grant to use for child**
34 **care and prekindergarten programs in Indiana.**

35 **(c) This SECTION expires July 1, 2022.**

36 SECTION 35. **An emergency is declared for this act."**

37 Delete pages 11 through 14.

38 Renumber all SECTIONS consecutively.

(Reference is to HB 1004 as reprinted February 7, 2017.)