



January 20, 2015

HOUSE BILL No. 1054

DIGEST OF HB 1054 (Updated January 15, 2015 10:33 am - DI 116)

Citations Affected: IC 21-16.5 .

Synopsis: Higher education co-op and internship programs. Establishes the Indiana cooperative education pilot program. Establishes the Indiana cooperative education pilot program fund.

Effective: July 1, 2015.

Ober, Truitt, Carbaugh, Austin

January 6, 2015, read first time and referred to Committee on Education.
January 20, 2015, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

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January 20, 2015

First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1054

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

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

1 SECTION 1. IC 21-16.5 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2015]:
4 **ARTICLE 16.5. COOPERATIVE PROGRAMS**
5 **Chapter 1. Indiana Cooperative Education Pilot Program**
6 **Sec. 1. As used in this chapter, "cooperative education**
7 **program" means a partnership among a student, an eligible state**
8 **educational institution, and an employer located in Indiana that**
9 **formally integrates a student's academic study with work**
10 **experience with a cooperating Indiana employer that:**
11 **(1) alternates or combines periods of academic study and**
12 **work experience in appropriate fields as an integral part of**
13 **student education;**
14 **(2) provides students with compensation from the employer**
15 **in the form of wages or salaries for work performed;**

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1 (3) evaluates each participating student's performance in the
2 cooperative position, both from the perspective of the
3 student's eligible state educational institution and the
4 student's cooperative employer;

5 (4) provides participating students with academic credit from
6 the eligible state educational institution upon successful
7 completion of the student's cooperative education; and

8 (5) is part of an overall degree for which a percentage of the
9 total program acceptable by the commission involves
10 cooperative education.

11 Sec. 2. As used in this chapter, "eligible state educational
12 institution" means a research intensive campus as defined in
13 IC 21-7-13-29.5.

14 Sec. 3. As used in this chapter, "fund" refers to the Indiana
15 cooperative education pilot program fund established by section 8
16 of this chapter.

17 Sec. 4. As used in this chapter, "internship program" means a
18 partnership among a student, an eligible state educational
19 institution, and an employer located in Indiana that formally
20 integrates the student's academic study with work or community
21 experience that:

22 (1) offers internships of specified and definite duration; and

23 (2) evaluates each participating student's performance in the
24 internship position, both from the perspective of the student's
25 eligible state educational institution and the student's
26 internship employer.

27 Sec. 5. As used in this chapter, "program" refers to the Indiana
28 cooperative education pilot program established by section 6 of this
29 chapter.

30 Sec. 6. There is established an Indiana cooperative education
31 pilot program to be administered by the commission. The program
32 is established to promote and encourage cooperative education
33 programs or internship programs related to baccalaureate or
34 graduate degree programs at eligible state educational institutions
35 for the following purposes:

36 (1) To encourage Indiana students to stay in Indiana, and to
37 encourage out-of-state students at eligible state educational
38 institutions to enter the Indiana workforce by participating in
39 high quality academic programs that use cooperative
40 education programs or significant internship programs.

41 (2) To support the growth of Indiana businesses by providing
42 the businesses with Indiana's most talented students and



1 providing Indiana graduates job opportunities with growing
2 companies located in Indiana.

3 Sec. 7. (a) The commission may award to an eligible state
4 educational institution grants under this chapter if:

5 (1) the eligible state educational institution's proposal under
6 subsection (c) meets the goals of the program described in
7 section 6 of this chapter based on the criteria described in
8 subsection (b); and

9 (2) the eligible state educational institution either:

10 (A) has obtained a matching gift or grant; or

11 (B) has a commitment for a matching gift or grant.

12 The commission shall determine which proposals will receive
13 grants and the amount of each grant. The amount of a grant may
14 be in an amount not to exceed one hundred thousand dollars
15 (\$100,000). An eligible state educational institution may not receive
16 a grant for more than one (1) proposal in a particular state fiscal
17 year. The grants shall be paid from the fund.

18 (b) The commission shall consider the following criteria when
19 awarding grants under this chapter:

20 (1) The extent to which the proposal will keep Indiana
21 students in attendance at eligible state educational
22 institutions.

23 (2) The extent to which the proposal includes an internship
24 program or cooperative education program that provides
25 students wages, compensation, scholarships, or other forms of
26 tuition reimbursement by Indiana businesses.

27 (3) The extent to which the proposal will increase the number
28 of Indiana graduates who remain in Indiana and enter
29 Indiana's workforce.

30 (4) The quality of the program that is the subject of the
31 proposal and the extent to which additional resources will
32 enhance its quality.

33 (5) The extent to which the proposal is integrated with the
34 strengths of the regional economy.

35 (6) The extent to which the proposal facilitates the
36 development of high quality academic programs with a
37 cooperative education program or a significant internship
38 program at the eligible state educational institution.

39 (7) The extent to which the proposal is integrated with
40 supporting private companies to fill potential job growth.

41 (8) The amount of other public or private resources that will
42 also be available to facilitate the program described in the



- 1 **proposal.**
- 2 **(9) The extent to which the proposal will create additional**
- 3 **capacity in a high quality academic program with a**
- 4 **cooperative education program or significant internship**
- 5 **program.**
- 6 **(10) The extent to which the proposal is integrated with the**
- 7 **eligible state educational institution's mission.**
- 8 **(11) The extent to which the proposal meets a statewide**
- 9 **educational need at the undergraduate or graduate level.**
- 10 **(c) An eligible state educational institution may submit a**
- 11 **proposal to the commission for a grant under this chapter in a**
- 12 **manner prescribed by the commission. In addition to addressing**
- 13 **the criteria described in subsection (b), the proposal must include**
- 14 **detailed information regarding:**
- 15 **(1) the estimated amount of wages, compensation,**
- 16 **scholarships, or other forms of tuition reimbursement that**
- 17 **will be paid by an Indiana business to students participating**
- 18 **in the cooperative education program or internship program**
- 19 **under the proposal; and**
- 20 **(2) the estimated amount of time each student will work with**
- 21 **an Indiana business as part of the cooperative education**
- 22 **program or internship program under the proposal.**
- 23 **Sec. 8. (a) The Indiana cooperative education pilot program**
- 24 **fund is established to provide grants under this chapter. The fund**
- 25 **shall be administered by the commission.**
- 26 **(b) The fund consists of appropriations from the state general**
- 27 **fund and contributions from private sources.**
- 28 **(c) The expenses of administering the fund shall be paid from**
- 29 **money in the fund.**
- 30 **(d) The treasurer of state shall invest the money in the fund not**
- 31 **currently needed to meet the obligations of the fund in the same**
- 32 **manner as other public funds may be invested. Interest that**
- 33 **accrues from these investments shall be deposited in the fund.**
- 34 **(e) Except as provided in subsection (f), money in the fund at the**
- 35 **end of a particular fiscal year does not revert to the state general**
- 36 **fund but remains available to be used for providing grants under**
- 37 **this chapter.**
- 38 **(f) Money in the fund contributed by the state on the date this**
- 39 **article expires under IC 21-16.5-2-1 reverts to the state general**
- 40 **fund. Money in the fund contributed by private sources on the date**
- 41 **this article expires under IC 21-16.5-2-1 reverts to the donors in**
- 42 **proportion to the donation amount in a manner prescribed by the**



- 1 commission.
- 2 **Sec. 9. Any wages, compensation, scholarships, or other forms**
3 **of tuition reimbursement received by students participating in a**
4 **cooperative education program or internship program under this**
5 **chapter must not be considered as financial aid and must not be**
6 **used in determining awards under the provisions of IC 21-12-3,**
7 **IC 21-12-4, and IC 21-12-5.**
- 8 **Sec. 10. (a) An eligible state educational institution that receives**
9 **a grant under this chapter shall provide information requested by**
10 **the commission that is necessary to evaluate and improve the**
11 **program.**
- 12 **(b) Before November 1, 2016, and November 1 each year**
13 **thereafter, the commission shall submit a report to the general**
14 **assembly in an electronic format under IC 5-14-6. The report:**
- 15 **(1) must provide a summary of the grants awarded under this**
16 **chapter;**
- 17 **(2) must provide a summary of the program's progress in**
18 **meeting the program's purposes described in section 6 of this**
19 **chapter; and**
- 20 **(3) may make recommendations to the general assembly for**
21 **legislation to improve the program.**
- 22 **Chapter 2. Expiration of Article**
23 **Sec. 1. This article expires July 1, 2018.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1054, 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:

Delete the title and insert the following:

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

Page 3, delete lines 3 through 13, begin a new paragraph and insert:

"Sec. 7. (a) The commission may award to an eligible state educational institution grants under this chapter if:

(1) the eligible state educational institution's proposal under subsection (c) meets the goals of the program described in section 6 of this chapter based on the criteria described in subsection (b); and

(2) the eligible state educational institution either:

(A) has obtained a matching gift or grant; or

(B) has a commitment for a matching gift or grant.

The commission shall determine which proposals will receive grants and the amount of each grant. The amount of a grant may be in an amount not to exceed one hundred thousand dollars (\$100,000). An eligible state educational institution may not receive a grant for more than one (1) proposal in a particular state fiscal year. The grants shall be paid from the fund."

Page 4, delete lines 34 through 35, begin a new paragraph and insert:

"(f) Money in the fund contributed by the state on the date this article expires under IC 21-16.5-2-1 reverts to the state general fund. Money in the fund contributed by private sources on the date this article expires under IC 21-16.5-2-1 reverts to the donors in proportion to the donation amount in a manner prescribed by the commission."

Page 5, line 15, delete "July 1, 2017." and insert "**July 1, 2018.**"

Page 5, delete lines 16 through 26.

and when so amended that said bill do pass.

(Reference is to HB 1054 as introduced.)

BEHNING

Committee Vote: yeas 11, nays 0.

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