

# HOUSE BILL No. 1398

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 21-14-4.

**Synopsis:** Veterans educational costs exemption. Provides that, if the Indiana department of veterans' affairs (department) determines that an applicant who meets certain requirements is eligible for an educational costs exemption after the applicant initially enrolls in a state educational institution (institution) and while the applicant is enrolled in the institution, the determination of eligibility applies retroactively to the date that the applicant submitted the request for determination of eligibility to the department. Provides that, with certain limitations, the applicant may receive a refund equal to the amount of the educational costs the applicant paid to the institution. Provides that only certain federal assistance must be subtracted from the educational cost exemption amount that an applicant may receive. Repeals a provision that limits the educational costs exemption amount for a person whose parent enlisted or initially served in the armed forces after June 30, 2011, based on the percentage of the parent's disability rating. Makes conforming changes.

**Effective:** July 1, 2020.

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January 15, 2020, read first time and referred to Committee on Education.

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Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

# HOUSE BILL No. 1398

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 21-14-4-2, AS AMENDED BY P.L.112-2019,  
2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2020]: Sec. 2. (a) Subject to this section, ~~and section 2.5 of~~  
4 ~~this chapter~~, an eligible applicant is entitled to enter, remain, and  
5 receive instruction in a state educational institution upon the same  
6 conditions, qualifications, and regulations prescribed for other  
7 applicants for admission to or scholars in the state educational  
8 institutions, without the payment of any educational costs for one  
9 hundred twenty-four (124) semester credit hours in the state  
10 educational institution.

11 (b) The maximum amount that an eligible applicant is exempt from  
12 paying for a semester hour is an amount equal to the cost of an  
13 undergraduate semester credit hour at the state educational institution  
14 in which the eligible applicant enrolls.

15 (c) ~~Notwithstanding any other provision of this chapter or another~~  
16 ~~law; a change in the criteria for or the amount of an exemption awarded~~  
17 ~~under this chapter enacted in the 2011 session of the general assembly~~



1 applies only to an individual who qualifies for an exemption under this  
 2 chapter because of a father or mother (or in the case of section 1(a)(1)  
 3 of this chapter, a related member) who enlisted or otherwise initially  
 4 served in the armed forces of the United States after June 30, 2011.

5 SECTION 2. IC 21-14-4-2.5 IS REPEALED [EFFECTIVE JULY  
 6 1, 2020]. Sec. 2.5: (a) This section applies to an individual who  
 7 qualifies as an eligible applicant under section 1(a)(3) of this chapter  
 8 because the individual's father or mother:

9 (1) enlisted or otherwise initially served in the armed forces of the  
 10 United States after June 30, 2011; and

11 (2) suffered a disability as determined by the United States  
 12 Department of Veterans Affairs.

13 (b) This section does not apply to an individual who:

14 (1) is an eligible applicant under section 1(a)(3) of this chapter;  
 15 and

16 (2) qualifies as an eligible applicant under section 1(a)(1) or  
 17 1(a)(2) of this chapter.

18 (c) Subject to subsection (d) and section 2(b) of this chapter, the  
 19 eligible applicant is entitled to a reduction in the educational costs that  
 20 would otherwise apply as follows:

21 (1) If the individual's father or mother suffered a disability as  
 22 determined by the United States Department of Veterans Affairs  
 23 with a rating of eighty percent (80%) or more, the individual is  
 24 entitled to a one hundred percent (100%) reduction in education  
 25 costs.

26 (2) If the individual's father or mother suffered a disability as  
 27 determined by the United States Department of Veterans Affairs  
 28 with a rating of less than eighty percent (80%); the individual is  
 29 entitled to a reduction in education costs equal to the sum of:

30 (A) twenty percent (20%); plus

31 (B) the disability rating of the individual's father or mother.

32 (d) The latest disability rating determined by the United States  
 33 Department of Veterans Affairs for an individual's father or mother  
 34 shall be used to compute the percentage by which education costs are  
 35 reduced under this section. If the disability rating of the individual's  
 36 father or mother changes after the beginning of an academic semester,  
 37 quarter, or other period for which educational costs have been reduced  
 38 under this section, the change in disability rating shall be applied  
 39 beginning with the immediately following academic semester, quarter,  
 40 or other period.

41 SECTION 3. IC 21-14-4-5.5 IS ADDED TO THE INDIANA CODE  
 42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY



1, 2020]: **Sec. 5.5. (a) This section applies to an applicant described in section 1(a)(3) of this chapter who makes a written request for determination of eligibility as provided under section 5(a) of this chapter.**

**(b) If the Indiana department of veterans' affairs determines that an applicant is eligible for an educational costs exemption under this chapter:**

**(1) after the applicant initially enrolls in a state educational institution; and**

**(2) while the applicant is enrolled in the state educational institution;**

**the determination applies retroactively to the date that the applicant submitted the request to the Indiana department of veterans' affairs.**

**(c) Subject to subsections (d) and (e) and section 8 of this chapter, an applicant described in subsection (b) may receive a refund from a state educational institution described in subsection (b) in an amount that is equal to the amount of educational costs that the applicant paid to the state educational institution. However, the applicant may not receive a refund for educational costs under this subsection for educational costs incurred before the later of the following:**

**(1) The date that the applicant initially enrolled in the state educational institution.**

**(2) The date the applicant submitted the request to the Indiana department of veterans' affairs.**

**(d) An applicant may receive a refund only for a course prescribed by a state educational institution to obtain an undergraduate degree.**

**(e) An applicant may not receive a refund under this section for more than one hundred twenty-four (124) semester credit hours in the state educational institution as provided under section 2(a) of this chapter.**

SECTION 4. IC 21-14-4-8, AS AMENDED BY P.L.112-2019, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 8. (a) The amount of the exemptions under this chapter is equal to one (1) of the following amounts:**

**(1) If the applicant does not receive financial assistance specifically designated for educational costs, the amount determined under sections 2 through 6 of this chapter.**

**(2) Subject to subsection (b), if the applicant receives any financial assistance, including federal assistance, specifically**



1 designated for educational costs:  
2 (A) the amount determined under sections 2 through 6 of this  
3 chapter; minus  
4 (B) the financial assistance specifically designated for  
5 educational costs.  
6 **(b) Financial assistance under subsection (a)(2) includes only**  
7 **educational financial assistance under the Servicemen's**  
8 **Readjustment Act of 1944, as amended (38 U.S.C. 3001 et seq.).**

