

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6693**

**BILL NUMBER:** HB 1226

**NOTE PREPARED:** Jan 7, 2023

**BILL AMENDED:**

**SUBJECT:** Twenty-first Century Scholars Program.

**FIRST AUTHOR:** Rep. McNamara

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill defines, for purposes of the Twenty-first Century Scholars (21C) Program, "qualified Early College student". It provides that a qualified early college student may apply to the Commission for Higher Education for a Twenty-first Century Scholarship to pay for postsecondary tuition costs associated with up to 30 postsecondary credit hours for dual credit or concurrent enrollment courses. It also makes technical corrections.

**Effective Date:** July 1, 2023.

**Explanation of State Expenditures:** This bill allows 21C participants to receive a tuition benefit before graduating from high school under certain conditions. The bill provides that the total scholarship award for an individual who does so will be reduced by the amount received as a qualified early college student, which means that total expenditures for the 21C program are unlikely to increase as a result of this bill. This bill's provisions will increase workload associated with program administration because it will increase the number of years over which a 21C participant can receive a tuition benefit, but any increase should be within the existing resources of the Commission for Higher Education.

**Additional Information:** This bill allows that qualified Early College students who are taking courses online or on campus (and not dual-credit courses offered at their high schools) and are charged normal tuition rates for those courses may request the use of their 21C benefits to cover those tuition costs. Because Early College students begin taking dual-credit courses as early as 9th grade, they may benefit from taking classes not available through their high schools' low- or no-cost in-person, on-campus program. This bill increases the flexibility 21C participants will have in pursuing degree programs before completing high school, and is likely to increase the on-time graduation rate for 21C participants.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This bill may reduce expenditures for Early College High Schools (ECHSs). ECHSs typically absorb most course costs, which means that any course costs not waived by their partner colleges and universities are likely to be paid from the school budget. In any case where an eligible student or their school would otherwise be paying tuition, the provisions of this bill will reduce public school expenditures by allowing the use of the 21C tuition benefit. Any increased administrative workload to facilitate the 21C tuition benefit would likely be offset by reduced workload in negotiating or coordinating payment for tuition.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:** Michelle Ashcraft, Commission for Higher Education;  
[https://www.in.gov/che/files/2021\\_Early\\_College\\_Credit\\_Report\\_01\\_28\\_2021.pdf](https://www.in.gov/che/files/2021_Early_College_Credit_Report_01_28_2021.pdf);  
<https://cell.uindy.edu/our-work/early-college-high-school/>.

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