

HOUSE BILL No. 1219

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-7-2; IC 12-14-31-3; IC 12-17.2-7.2.

Synopsis: Prekindergarten program enrollment. Amends the definition of "eligible child" for purposes of the prekindergarten program (program). Removes provisions regarding the program that require: (1) the office of the secretary of family and social services to determine the number of eligible children who will participate in the program; and (2) a percentage of matching funds from other sources. Establishes the prekindergarten expansion grant fund to provide grants to potential eligible providers and existing eligible providers. Makes a continuous appropriation to the prekindergarten program fund from the state general fund in an amount sufficient to carry out the purposes of the fund. Makes an appropriation to the prekindergarten expansion grant fund from the state general fund. Repeals certain provisions regarding the definitions of "eligible child", "extended enrollment period", "limited eligibility child", "priority enrollment period", "child care employee", and "child of a child care employee". Repeals or removes provisions regarding prekindergarten vouchers for limited eligibility children and children of child care employees. Makes conforming changes.

Effective: July 1, 2026.

Miller K

January 5, 2026, read first time and referred to Committee on Family, Children and Human Affairs.



Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1219

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

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

1 SECTION 1. IC 12-7-2-28.5, AS ADDED BY P.L.92-2024,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 28.5. "Child care employee", for purposes of
4 ~~IC 12-17.2-7.2~~, has the meaning set forth in ~~IC 12-17.2-7.2-0.5~~.
5 **IC 12-14-31, means an individual who:**

- 6 **(1) receives compensation as a full-time employee of an entity**
7 **licensed or regulated under IC 12-17.2, as determined by the**
8 **office of the secretary of family and social services; or**
9 **(2) receives compensation as a part-time employee of an entity**
10 **licensed or regulated under IC 12-17.2 while also pursuing**
11 **postsecondary study or educational training in child care or**
12 **early childhood education, as determined by the office of the**
13 **secretary of family and social services.**

14 SECTION 2. IC 12-7-2-31.4 IS REPEALED [EFFECTIVE JULY
15 1, 2026]. Sec. 31.4. "Child of a child care employee", for purposes of
16 ~~IC 12-17.2-7.2~~, has the meaning set forth in ~~IC 12-17.2-7.2-0.6~~.

17 SECTION 3. IC 12-7-2-79.5 IS ADDED TO THE INDIANA CODE



AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 79.5. "Expansion fund", for purposes of IC 12-17.2-7.2, has the meaning set forth in IC 12-17.2-7.2-2.1.**

SECTION 4. IC 12-7-2-91, AS AMENDED BY P.L.152-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

(2) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

(3) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

~~(4) For purposes of IC 12-17.2-7.2, the meaning set forth in IC 12-17.2-7.2-4.7.~~

~~(5)~~ (4) For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-3.

~~(6)~~ (5) For purposes of IC 12-21-9, the meaning set forth in IC 12-21-9-1.

~~(7)~~ (6) For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(8)~~ (7) For purposes of IC 12-23-18, the meaning set forth in IC 12-23-18-4.

~~(9)~~ (8) For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(10)~~ (9) For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(11)~~ (10) For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 5. IC 12-7-2-143.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 143.3. "Prekindergarten fund", for purposes of IC 12-17.2-7.2, has the meaning set forth in IC 12-17.2-7.2-4.7.**

SECTION 6. IC 12-14-31-3, AS AMENDED BY P.L.213-2025, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. A household that, at the time of the office of the secretary's initial determination of the household's income eligibility for purposes of entry into the CCDF program:

(1) subject to federal law, has a parent or guardian who is working or attending a job training or an educational program;

(2) has a household income that does not exceed eighty-five percent (85%) of Indiana's state median income for the



household's family size;

(3) includes a child care employee; (as defined in IC 12-17.2-7.2-0.5); and

(4) otherwise meets federal eligibility requirements for the CCDF program;

is eligible for assistance under the CCDF program.

SECTION 7. IC 12-17.2-7.2-0.5 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 0.5: As used in this chapter, "child care employee" means an individual who:

(1) receives compensation as a full-time employee of an entity licensed or regulated under this article; as determined by the office; or

(2) receives compensation as a part-time employee of an entity licensed or regulated under this article while also pursuing postsecondary study or educational training in child care or early childhood education; as determined by the office.

SECTION 8. IC 12-17.2-7.2-0.6 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 0.6: As used in this chapter, "child of a child care employee" means an individual who:

(1) is at least four (4) years of age and less than five (5) years of age on August 1 of the state fiscal year for which a prekindergarten voucher is sought for the individual under the prekindergarten program;

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

(3) receives qualified early education services from an eligible provider; as determined by the office;

(4) has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office;

(5) resides with a parent or guardian who is a child care employee; as determined by the office;

(6) has a household income that does not exceed eighty-five percent (85%) of Indiana's state median income for the household's family size; and

(7) meets the requirements of section 7.2(c) of this chapter.

SECTION 9. IC 12-17.2-7.2-1, AS AMENDED BY P.L.213-2025, SECTION 121, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. As used in this chapter, "eligible child" refers to an individual who:

(1) in the case of an individual who is enrolled before May 1, 2025:

(A) is at least four (4) years of age and less than five (5) years



of age on August 1 of the state fiscal year for which a grant is sought under the prekindergarten program;

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

~~(C) is a member of a household with an annual income that does not exceed one hundred fifty percent (150%) of the federal poverty level;~~

~~(D) (C)~~ receives qualified early education services from an eligible provider, as determined by the office;

~~(E) (D)~~ has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider;

~~(F) (E)~~ has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office; and

~~(G) (F)~~ meets the requirements under section 7.2(a) and ~~7.2(c)~~ **7.2(b)** of this chapter; and

(2) in the case of an individual who is enrolled on or after May 1, 2025:

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

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

~~(C) is a member of a household with an annual income that does not exceed one hundred thirty-five percent (135%) of the federal poverty level;~~

~~(D) (C)~~ receives qualified early education services from an eligible provider, as determined by the office;

~~(E) (D)~~ has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider;

~~(F) (E)~~ has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office; and

~~(G) (F)~~ meets the requirements under section 7.2(a) and ~~7.2(c)~~ **7.2(b)** of this chapter.

SECTION 10. IC 12-17.2-7.2-2, AS AMENDED BY P.L.92-2024, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. As used in this chapter, "eligible provider" refers to a provider that satisfies the following conditions:

(1) The provider is:



(A) a:

- (i) child care center licensed under IC 12-17.2-4;
- (ii) child care home licensed under IC 12-17.2-5; or
- (iii) child care ministry registered under IC 12-17.2-6;

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

(B) a public school, including a charter school;

(C) a nonpublic school that is accredited by the state board of education or a national or regional accreditation agency that is recognized by the state board of education; or

(D) a nonpublic school that is accredited to provide qualified early education services by an accrediting agency approved by the office of the secretary.

(2) The provider:

(A) provides qualified early education services to eligible children; ~~limited eligibility children; and children of child care employees;~~

(B) complies with the agreement with the office concerning the delivery of qualified education services and the use of a prekindergarten voucher provided under this chapter; and

(C) complies with CCDF provider eligibility standards in accordance with federal requirements for health and safety.

SECTION 11. IC 12-17.2-7.2-2.1, AS ADDED BY P.L.268-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2.1. As used in this chapter, "~~extended enrollment period~~" refers to the period set forth by the office beginning not later than June 1 of each calendar year. "**expansion fund**" refers to the **prekindergarten expansion grant fund established by section 15 of this chapter.**

SECTION 12. IC 12-17.2-7.2-2.5 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 2.5: As used in this chapter, "~~limited eligibility child~~" refers to an individual who:

(1) is at least four (4) years of age and less than five (5) years of age on August 1 of the state fiscal year for which a prekindergarten voucher is sought for the individual under the prekindergarten program;

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

(3) receives qualified early education services from an eligible provider; as determined by the office;

(4) has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office;



(5) has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider;

(6) is a member of a household with an annual income that does not exceed one hundred eighty-five percent (185%) of the federal poverty level;

(7) meets the requirements of section 7.2(b) and 7.2(c) of this chapter; and

(8) is not an eligible child or a child of a child care employee.

SECTION 13. IC 12-17.2-7.2-4.7, AS AMENDED BY P.L.246-2023, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.7. As used in this chapter, "~~fund~~" "**prekindergarten fund**" refers to the prekindergarten program fund established by section 13.5 of this chapter.

SECTION 14. IC 12-17.2-7.2-5.7 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. ~~5.7~~: As used in this chapter, "~~priority enrollment period~~" refers to the period set forth by the office beginning not later than April 1 of each calendar year, except for calendar year 2024, during which the priority enrollment period may begin later than April 1, 2024.

SECTION 15. IC 12-17.2-7.2-6, AS AMENDED BY P.L.214-2025, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. As used in this chapter, "qualified early education services" refers to a program of early education services that:

(1) is provided by an eligible provider to

(A) an eligible child;

(~~B~~) a ~~limited eligibility child~~; or

(~~C~~) a ~~child of a child care employee~~;

(2) includes a parental engagement and involvement component in the delivery of early education services that is based on the requirements and guidelines established by the office;

(3) administers the kindergarten readiness assessment adopted by the state board of education;

(4) aligns with the early learning development framework for prekindergarten approved by the department of education; and

(5) meets the design parameters for inclusion in the longitudinal study described in section 12 of this chapter, as determined by the office.

SECTION 16. IC 12-17.2-7.2-7, AS AMENDED BY P.L.92-2024, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) The prekindergarten program is established to provide:



(1) prekindergarten vouchers for qualified early education services in a manner consistent with how funds are distributed under the CCDF child care voucher program; and

(2) grants for expansion plans as described in section 7.4(a)(2) of this chapter.

(b) The office shall administer the prekindergarten program. The prekindergarten program may include:

(1) eligible providers in Indiana; and

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

(c) Beginning July 1, 2020, the total number of prekindergarten vouchers provided during the immediately preceding state fiscal year shall include the number of prekindergarten vouchers issued under a preschool program established in March 2015 that operates in a consolidated city.

(d) The prekindergarten program includes eligible providers in any county in Indiana.

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

(1) the eligibility requirements, application process, and selection process for providing prekindergarten vouchers under the prekindergarten program and awarding grants under section 7.4 of this chapter;

(2) the administration and reporting requirements for:

(A) eligible providers; and

(B) potential eligible providers or existing eligible providers; participating in the prekindergarten program; and

(3) with the assistance of the early learning advisory committee, an appropriate outcomes based accountability system for:

(A) eligible providers; and

(B) potential eligible providers or existing eligible providers.

~~(f) The office shall, subject to the availability of funding, determine the number of eligible children, limited eligibility children, and children of child care employees who will participate in the prekindergarten program.~~

SECTION 17. IC 12-17.2-7.2-7.2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7.2. (a) For an eligible child to qualify for a prekindergarten voucher under this chapter, the eligible child must reside with a parent or guardian who is working or attending a job training or an educational program.



(b) For a limited eligibility child to qualify for a prekindergarten voucher under this chapter, the limited eligibility child must reside with a parent or guardian who:

(1) is working or attending a job training or an educational program; or

or

(2) receives Social Security Disability Insurance, Supplemental Security Income benefits, or disability benefits from the United States Department of Veterans Affairs.

(c) (b) Before the office may provide a prekindergarten voucher to an eligible child a limited eligibility child, or a child of a child care employee under this chapter, the office shall require that a parent or guardian of the child agree to the following:

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

(2) The parent or guardian will not transfer to another prekindergarten program during the prekindergarten program year.

(3) The child will attend the prekindergarten program at least eighty-five percent (85%) of the days that the prekindergarten program is provided.

(4) The parent or guardian will allow the child to participate in an external evaluation conducted by researchers, including the kindergarten readiness assessment and measuring of developmental and academic progress.

(5) The parent or guardian will participate in family engagement and involvement activities offered by the selected prekindergarten program, including meetings with the child's teacher to discuss the child's progress or any other conference concerning the child that is requested by the eligible provider.

(6) The parent or guardian will complete the necessary forms for the child to receive a student test number from the department of education.

(7) The parent or guardian will send the child to kindergarten.

(8) The parent or guardian will read to the child each week.

(9) Any other condition the office determines is appropriate.

(d) Priority shall be given to a child of a child care employee under this section:

(e) (c) Priority may be given to an eligible or limited eligibility child under this section if a parent or guardian of the eligible or limited eligibility child is:



- (1) involved in activities that improve the parent's or guardian's education; or
- (2) involved in job training.

SECTION 18. IC 12-17.2-7.2-7.3, AS AMENDED BY P.L.92-2024, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7.3. The office shall require, for an eligible provider to enroll in the prekindergarten program, that the eligible provider agree to the following:

- (1) Comply on a continuing basis with the requirements under this chapter and rules for participation established by the office.
- (2) Maintain eligibility under this chapter throughout the prekindergarten program year.
- (3) Report immediately any changes in eligibility status to the office, including the eligible provider's loss of national or regional accreditation.
- (4) Participate in any training and mandatory meetings required by the office.
- (5) Participate in all onsite visits conducted by the office, including fiscal auditing activities with regard to the prekindergarten program and prekindergarten program activity monitoring.
- (6) Allow the family of an eligible child ~~a limited eligibility child, or a child of a child care employee~~ enrolled in the prekindergarten program of the eligible provider to visit at any time the prekindergarten program is in operation.
- (7) Maintain accurate online attendance records through the attendance portal for eligible children ~~limited eligibility children, and children of child care employees~~ enrolled in the prekindergarten program and submit attendance records as required by the office.
- (8) Offer parental engagement and involvement activities in the prekindergarten program of the eligible provider in alignment with the family engagement framework adopted by the early learning advisory committee established by IC 12-17.2-3.8-5.
- (9) Complete, within the period established by the office, the Indiana early childhood family engagement toolkit, including the family engagement self-assessment, adopted by the early learning advisory committee.
- (10) Share information on the family engagement self-assessment described in subdivision (9) as required by the office.
- (11) Participate in research studies as required by the office.
- (12) Enforce minimum attendance requirements of at least



eighty-five percent (85%) of the days that the prekindergarten program of the eligible provider is offered to an eligible child. ~~a limited eligibility child, or a child of a child care employee.~~

(13) Inform the office that an eligible child ~~a limited eligibility child, or a child of a child care employee~~ has withdrawn from the prekindergarten program of the eligible provider not later than five (5) days after the child is withdrawn.

(14) That retroactive repayment to the state may be required or future payments may be adjusted as a result of the withdrawal of an eligible child ~~a limited eligibility child, or a child of a child care employee~~ or changes in the law.

(15) Maintain records of participation by the family of an eligible child ~~a limited eligibility child, or a child of a child care employee~~ in family engagement activities and submit records as required by the office.

(16) Promote the social, emotional, and behavioral health of an eligible child ~~a limited eligibility child, or a child of a child care employee~~ and eliminate or severely limit the use of expulsion, suspension, and other exclusionary discipline practices.

(17) Use the exclusionary discipline practices described in subdivision (16) only as a last resort in extraordinary circumstances when there is a determination of a serious safety threat that cannot otherwise be reduced or eliminated by the provision of reasonable modifications.

(18) Inform and receive approval from the office before the eligible provider expels, suspends, or uses other exclusionary discipline practices.

(19) Assist a parent or guardian, upon request by the parent or guardian, in obtaining information from, referral to, or both information from and referral to, the public school that serves the attendance area in which the parent or guardian resides for an educational evaluation and determination of eligibility for special education services if developmental delays or reasons to suspect a disability are observed by the parent, guardian, or teacher of an eligible child ~~a limited eligibility child, or a child of a child care employee~~ during the prekindergarten program year.

SECTION 19. IC 12-17.2-7.2-7.4, AS AMENDED BY P.L.246-2023, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7.4. (a) To qualify as a potential eligible provider or existing eligible provider, an applicant must:

(1) provide an expansion plan to the office that details the



potential eligible provider's or existing eligible provider's plan to:

(A) increase the capacity of providers of qualified early education services to serve a greater number of eligible ~~or limited eligibility~~ children;

(B) increase the number of providers of qualified early education services; or

(C) increase the capacity as described in clause (A) and increase the number as described in clause (B);

(2) comply with the agreement with the office concerning the plan under subdivision (1) and the use of a grant awarded under this chapter;

(3) agree:

(A) to operate as an eligible provider; or

(B) that the applicant intends to operate as an eligible provider;

(4) agree that the applicant will not use any grant funds awarded under this section for capital expenditures; and

(5) comply with any other standards and procedures established under this chapter.

(b) Subject to ~~subsections~~ **subsection** (c), ~~and (d)~~, the office may award a grant to an applicant that meets the requirements of subsection (a).

~~(c) The office may not use more than a total of twenty percent (20%) of the money in the fund each state fiscal year:~~

~~(1) for grants awarded under this chapter to potential eligible providers and existing eligible providers for expansion plans; and~~

~~(2) to meet any state match amounts required for a federal grant described in subsection (f):~~

~~(d)~~ (c) The office may not award grant funds under this section to an applicant for any of the following:

(1) The purchase of land or a building.

(2) The construction or expansion of a building.

~~(e)~~ (d) If a potential eligible provider or existing eligible provider fails to:

(1) use the grant funds in accordance with the expansion plan described in subsection (a); or

(2) comply with the agreement entered into with the office under subsection (a);

the potential eligible provider or existing eligible provider shall repay to the office the total amount of the grant awarded to the potential eligible provider or existing eligible provider under this chapter.

~~(f)~~ (e) The office may use money in the **expansion** fund that is



1 allocated for expansion plans under this section for a state fiscal year
 2 to meet any state match amounts required for a federal grant if the
 3 purpose of the federal grant is that the grant money be used for
 4 increasing:

- 5 (1) the capacity;
- 6 (2) the number; or
- 7 (3) both the capacity and number;

8 of providers of early education services for children four (4) years of
 9 age.

10 SECTION 20. IC 12-17.2-7.2-7.8, AS AMENDED BY P.L.92-2024,
 11 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2026]: Sec. 7.8. (a) The office shall make random onsite
 13 inspections each year, as determined necessary by the office, at the
 14 facility of:

- 15 (1) an eligible provider that receives a prekindergarten voucher
 16 under this chapter; or
- 17 (2) a potential eligible provider or existing eligible provider that
 18 receives a grant under section 7.4 of this chapter.

19 (b) The office may determine that an eligible provider is not eligible
 20 to receive a prekindergarten voucher under the prekindergarten
 21 program or that a potential eligible provider or existing eligible
 22 provider is not eligible to receive a grant under section 7.4 of this
 23 chapter if the eligible provider or the potential eligible provider or
 24 existing eligible provider:

- 25 (1) fails to comply with this chapter; or
- 26 (2) refuses to allow, during normal business hours, the office or
 27 an agent of the office to inspect the facility at which the eligible
 28 provider or potential eligible provider or existing eligible provider
 29 operates a child care program for eligible children. ~~limited~~
 30 ~~eligibility children; or children of child care employees.~~

31 SECTION 21. IC 12-17.2-7.2-8, AS AMENDED BY P.L.92-2024,
 32 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2026]: Sec. 8. ~~(a)~~ The office shall determine

34 ~~(1) which applicants shall be provided a:~~

- 35 ~~(A) prekindergarten voucher under this chapter; or~~
- 36 ~~(B) grant under section 7.4 of this chapter; and~~

37 ~~(2) subject to subsection (b) and to the availability of funding; the~~
 38 ~~amount of each prekindergarten voucher or grant.~~

39 ~~(b) At least five percent (5%) but not more than fifty percent (50%)~~
 40 ~~of the:~~

- 41 ~~(1) tuition for eligible or limited eligibility children under the~~
 42 ~~prekindergarten program; or~~



(2) expansion plan described in section 7.4(a) of this chapter; during the state fiscal year must be paid from donations, gifts, grants, bequests, and other funds received from a private entity or person, from the United States government, or from other sources (excluding funds from a prekindergarten voucher or grant provided under this chapter and excluding other state funding). The office may receive and administer grants on behalf of the prekindergarten program. The grants shall be distributed by the office to fulfill the requirements of this subsection.

(c) The amount of a prekindergarten voucher provided under the prekindergarten program to an eligible child; a limited eligibility child; or a child of a child care employee:

(1) who attends a prekindergarten program full time must equal at least two thousand five hundred dollars (\$2,500) during the state fiscal year; and

(2) may not exceed six thousand eight hundred dollars (\$6,800) from state money provided under this chapter during the state fiscal year.

SECTION 22. IC 12-17.2-7.2-8.1 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 8.1: (a) If funds are appropriated by the general assembly, prekindergarten vouchers provided to limited eligibility children may not exceed:

(1) twenty percent (20%) of the amount appropriated for a particular state fiscal year if families with children four (4) years of age are on the waiting list for funds available under the CCDF; or

(2) forty percent (40%) of the amount appropriated for a particular state fiscal year if there is no waiting list for children four (4) years of age for funds available under the CCDF.

(b) During the priority enrollment period, the office shall provide prekindergarten vouchers to eligible children and children of child care employees in the prekindergarten program on a first-come, first-served basis. The office shall date stamp and reserve applications for limited eligibility children received during the priority enrollment period for processing during the extended enrollment period.

(c) During the extended enrollment period, the office shall provide prekindergarten vouchers to eligible children, children of child care employees, and limited eligibility children in the prekindergarten program on a first-come, first-served basis to the extent of available funding and in accordance with the limit established by subsection (a).

SECTION 23. IC 12-17.2-7.2-13, AS AMENDED BY P.L.92-2024, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2026]: Sec. 13. (a) The office shall, before November 1 of each year, submit a report to the governor, the budget committee, the state board of education, the department of education, and, in an electronic format under IC 5-14-6, the general assembly regarding the prekindergarten program.

(b) The report under subsection (a) must include the following:

(1) The total number of children who received a prekindergarten voucher under the prekindergarten program for the immediately preceding state fiscal year, disaggregated by county.

(2) The total amount of funds budgeted for and spent under the prekindergarten program during the immediately preceding state fiscal year.

(3) The balance remaining in the **prekindergarten fund and expansion fund** at the end of the immediately preceding state fiscal year.

SECTION 24. IC 12-17.2-7.2-13.1, AS AMENDED BY P.L.92-2024, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 13.1. The office shall post monthly on the office's website the total enrollment of and number of prekindergarten vouchers awarded to

(1) eligible children

(2) ~~limited eligibility children; and~~

(3) ~~children of child care employees;~~

for each county that participates in the prekindergarten program.

SECTION 25. IC 12-17.2-7.2-13.5, AS AMENDED BY P.L.92-2024, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 13.5. (a) The prekindergarten program fund is established to **do the following:**

(1) Provide prekindergarten vouchers to eligible children ~~limited eligibility children; and children of child care employees~~ for qualified early education services under this chapter.

(2) Carry out the longitudinal study described in section 12 of this chapter.

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

(4) (3) Make payments to reimburse costs incurred to provide in-home early education services under IC 12-17.2-7.5 **in an amount that does not exceed one million dollars (\$1,000,000) each state fiscal year.**

(b) The **prekindergarten** fund consists of:

(1) money appropriated to the **prekindergarten** fund by the general assembly; and



(2) grants or gifts to the **prekindergarten** fund.

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

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

(e) Money in the **prekindergarten** fund is continuously appropriated for the purposes provided under this article.

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

SECTION 26. IC 12-17.2-7.2-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 15. (a) The prekindergarten expansion grant fund is established to provide grants to potential eligible providers and existing eligible providers as set forth in section 7.4 of this chapter.**

(b) The expansion fund consists of:

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

(2) grants or gifts to the expansion fund.

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

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

(e) Money in the expansion fund is continuously appropriated for the purposes provided under this article.

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

SECTION 27. [EFFECTIVE JULY 1, 2026] **(a) There is continuously appropriated to the prekindergarten program fund established by IC 12-17.2-7.2-13.5, as amended by this act, from the state general fund for the state fiscal year beginning after:**

(1) June 30, 2026, and ending before July 1, 2027; and

(2) June 30, 2027, and ending before July 1, 2028;

an amount sufficient to carry out the purposes of the prekindergarten program fund, as amended by this act.

(b) There is appropriated to the prekindergarten expansion grant fund established by IC 12-17.2-7.2-15, as added by this act, from the state general fund the following:

(1) For the state fiscal year beginning after June 30, 2026, and ending before July 1, 2027, fifty million dollars (\$50,000,000).

(2) For the state fiscal year beginning after June 30, 2027, and



1 ending before July 1, 2028, seventy-five million dollars
2 (\$75,000,000).
3 (c) This SECTION expires July 1, 2028.

