
SENATE BILL No. 161

AM016102 has been incorporated into introduced printing.

Synopsis: Education matters.

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2026

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Introduced

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.

SENATE BILL No. 161

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

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

1 SECTION 1. IC 21-18-9-12 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) **As used in this section**,
4 "low earning outcome degree program" refers to the term as
5 described in Section 84001(c)(2) of the One Big Beautiful Bill Act
6 of 2025 (Public Law 119-21).

7 (b) The commission shall adopt rules to prohibit funding that
8 the commission administers under IC 21-18-6-2 or IC 21-18.5-4
9 from being allocated or expended, directly or indirectly, to low
10 earning outcome degree programs. The rules must include
11 allocations or expenditures for the following categories of higher
12 education funding:

13 (1) Individual student financial aid.
14 (2) Separately or specially appropriated aid or grants.
15 (c) The commission shall annually review updated federal

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1 determinations of low earning outcome degree programs to revise
 2 the rules adopted under subsection (b) as necessary.

3 (d) The commission shall submit an annual report to the
 4 general assembly, in an electronic format under IC 5-14-6, that
 5 includes the following information:

6 (1) Any low earning outcome degree program that the
 7 commission has prohibited from receiving funding described
 8 in subsection (b).

9 (2) The commission's efforts at enforcing the prohibitions
 10 described in subsection (b).

11 (3) The estimated fiscal impact of the prohibitions described
 12 in subsection (b).

13 SECTION 2. IC 22-4.1-4-16 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) The following definitions
 16 apply throughout this section:

17 (1) "Eligible workforce training program" refers to a
 18 program that meets the requirements in Section 83002 of the
 19 federal One Big Beautiful Bill Act of 2025 (Public Law
 20 119-21).

21 (2) "High skill industry sectors or occupations" refers to
 22 sectors or occupations that require postsecondary education,
 23 experience, or training beyond a high school diploma.

24 (3) "High wage industry sectors or occupations" refers to
 25 sectors or occupations with earnings above one hundred fifty
 26 percent (150%) of the federal poverty level for individual
 27 earners.

28 (4) "In demand industry sectors or occupations" refers to
 29 sectors or occupations identified:

30 (A) in state, regional, or local workforce development or
 31 labor market projections;

32 (B) as growing or emerging sectors or occupations; or
 33 (C) as having projected shortages or hiring demand.

34 (b) The department shall do the following:

35 (1) Establish a process to identify and approve eligible
 36 workforce training programs that prepare students for:

37 (A) high skill industry sectors or occupations;

38 (B) high wage industry sectors or occupations; and

39 (C) in demand industry sectors or occupations;

40 for workforce Pell grants.

41 (2) Establish a process for institutions and programs to:

42 (A) apply for recognition as an eligible workforce



training program;
(B) be approved for workforce Pell grants; and
(C) appeal denials of workforce Pell grants.

(3) Coordinate the approval of eligible workforce training programs with:

- (A) workforce focused agencies;
- (B) workforce related programs; and
- (C) state and federal programs.

(4) Require eligible workforce training programs to provide data to demonstrate program outcomes, as determined by the department, including:

- (A) program completion rates;
- (B) job placement rates; and
- (C) graduate earnings.

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