



# SENATE MOTION

**MADAM PRESIDENT:**

I move that Senate Bill 2 be amended to read as follows:

- 1 Page 2, between lines 38 and 39, begin a new paragraph and insert:  
2 "SECTION 7. IC 12-17.2-3.4 IS ADDED TO THE INDIANA  
3 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
4 [EFFECTIVE UPON PASSAGE]:  
5 **Chapter 3.4. Child Care and Development Fund**  
6 **Sec. 1. The definitions in IC 12-17.2-3.5 apply throughout this**  
7 **chapter.**  
8 **Sec. 2. As used in this chapter, "CCDF" refers to the federal**  
9 **Child Care and Development Fund voucher program administered**  
10 **under 45 CFR 98 and 45 CFR 99.**  
11 **Sec. 3. A child who:**  
12 **(1) receives child care paid for by a CCDF voucher payment;**  
13 **and**  
14 **(2) otherwise meets the eligibility criteria under 45 CFR 98.20**  
15 **for continued payment under CCDF;**  
16 **remains eligible to continue to receive child care paid for by a**  
17 **CCDF voucher payment unless the child's family income exceeds**  
18 **one hundred eighty-five percent (185%) of the federal income**  
19 **poverty level."**  
20 Page 8, between lines 13 and 14, begin a new paragraph and insert:  
21 "SECTION 14. IC 12-17.2-7.2-1, AS AMENDED BY  
22 P.L.201-2023, SECTION 138, IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this  
24 chapter, "eligible child" refers to an individual who:  
25 (1) is at least four (4) years of age and less than five (5) years of  
26 age on August 1 of the state fiscal year for which a grant is sought  
27 under the prekindergarten ~~pitot~~ program;

- 1 (2) is a resident of Indiana or otherwise has legal settlement in  
 2 Indiana, as determined under IC 20-26-11;  
 3 (3) is a member of a household with an annual income that does  
 4 not exceed ~~one hundred fifty percent (150%)~~ **one hundred**  
 5 **eighty-five percent (185%)** of the federal poverty level;  
 6 (4) receives qualified early education services from an eligible  
 7 provider, as determined by the office;  
 8 (5) has a parent or guardian who participates in a parental  
 9 engagement and involvement component provided by the eligible  
 10 provider;  
 11 (6) has a parent or guardian who agrees to ensure that the child  
 12 meets the attendance requirements determined by the office; and  
 13 (7) meets the requirements under section 7.2(a) and ~~7.2(c)~~ **7.2(b)**  
 14 of this chapter."

15 Page 8, delete lines 34 through 36, begin a new line double block  
 16 indented and insert:

- 17 "(A) provides qualified early education services to eligible ~~and~~  
 18 ~~limited eligibility~~ children and **children of child care**  
 19 **employees;**".

20 Page 9, delete lines 2 through 24, begin a new paragraph and insert:

- 21 "SECTION 15. IC 12-17.2-7.2-2.1 IS REPEALED [EFFECTIVE  
 22 UPON PASSAGE]. Sec. 2.1: As used in this chapter, "extended  
 23 enrollment period" refers to the period set forth by the office beginning  
 24 not later than June 1 of each calendar year.

- 25 SECTION 16. IC 12-17.2-7.2-2.5 IS REPEALED [EFFECTIVE  
 26 UPON PASSAGE]. Sec. 2.5: As used in this chapter, "limited  
 27 eligibility child" refers to an individual who:

- 28 (1) is at least four (4) years of age and less than five (5) years of  
 29 age on August 1 of the state fiscal year for which a grant is sought  
 30 under the prekindergarten program;  
 31 (2) is a resident of Indiana or otherwise has legal settlement in  
 32 Indiana, as determined under IC 20-26-11;  
 33 (3) receives qualified early education services from an eligible  
 34 provider, as determined by the office;  
 35 (4) has a parent or guardian who agrees to ensure that the child  
 36 meets the attendance requirements determined by the office;  
 37 (5) has a parent or guardian who participates in a parental  
 38 engagement and involvement component provided by the eligible  
 39 provider;  
 40 (6) is a member of a household with an annual income that does  
 41 not exceed one hundred eighty-five percent (185%) of the federal  
 42 poverty level;  
 43 (7) meets the requirements of section 7.2(b) and 7.2(c) of this  
 44 chapter; and  
 45 (8) is not an eligible child."

46 Page 9, delete lines 32 through 42, begin a new paragraph and

1 insert:  
2 "SECTION 17. IC 12-17.2-7.2-6, AS AMENDED BY  
3 P.L.268-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter,  
5 "qualified early education services" refers to a program of early  
6 education services that:

- 7 (1) is provided by an eligible provider to:  
8 (A) an eligible ~~or limited eligibility~~ child; **or**  
9 (B) **a child of a child care employee;**  
10 (2) includes a parental engagement and involvement component  
11 in the delivery of early education services that is based on the  
12 requirements and guidelines established by the office;  
13 (3) administers the kindergarten readiness assessment adopted by  
14 the state board of education;  
15 (4) aligns with the early learning development framework for  
16 prekindergarten approved by the department of education under  
17 IC 20-19-3-16; and  
18 (5) meets the design parameters for inclusion in the longitudinal  
19 study described in section 12 of this chapter, as determined by the  
20 office."

21 Page 10, delete lines 1 through 8.  
22 Page 11, line 4, delete ", limited eligibility children,".  
23 Page 11, delete lines 9 through 42, begin a new paragraph and  
24 insert:

25 "SECTION 19. IC 12-17.2-7.2-7.2, AS AMENDED BY  
26 P.L.268-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE UPON PASSAGE]: Sec. 7.2. (a) For an eligible child to  
28 qualify for a **grant prekindergarten voucher** under this chapter, the  
29 eligible child must reside with a parent or guardian who is:

- 30 (1) working or attending a job training or an educational program;  
31 or  
32 (2) actively seeking employment, subject to the approval by the  
33 United States Department of Health and Human Services as  
34 provided in 45 CFR 98.21.

35 ~~(b) For a limited eligibility child to qualify for a grant under this~~  
36 ~~chapter, the limited eligibility child must reside with a parent or~~  
37 ~~guardian who:~~

- 38 ~~(1) is working or attending a job training or an educational~~  
39 ~~program;~~  
40 ~~(2) is actively seeking employment, subject to the approval by the~~  
41 ~~United States Department of Health and Human Services as~~  
42 ~~provided in 45 CFR 98.21; or~~  
43 ~~(3) receives Social Security Disability Insurance or Supplemental~~  
44 ~~Security Income benefits.~~

45 ~~(c) (b) Before the office may award provide a grant~~  
46 ~~prekindergarten voucher to an eligible child or limited eligibility~~

1 ~~child or a child of a child care employee~~ under this chapter, the office  
2 shall require that a parent or guardian of the ~~eligible or limited~~  
3 ~~eligibility~~ child agree to the following:

4 (1) The ~~eligible or limited eligibility~~ child will attend the  
5 prekindergarten program of an eligible provider selected by the  
6 parent or guardian for the full duration of the prekindergarten  
7 program year.

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

11 (3) The ~~eligible or limited eligibility~~ child will attend the  
12 prekindergarten program at least eighty-five percent (85%) of the  
13 days that the prekindergarten program is provided.

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

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

24 (6) The parent or guardian will complete the necessary forms for  
25 the ~~eligible child or limited eligibility~~ child to receive a student  
26 test number from the department of education.

27 (7) The parent or guardian will send the ~~eligible or limited~~  
28 ~~eligibility~~ child to kindergarten.

29 (8) The parent or guardian will read to the ~~eligible or limited~~  
30 ~~eligibility~~ child each week.

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

32 **(c) Priority shall be given to a child of a child care employee**  
33 **under this section.**

34 (d) Priority may be given to an ~~eligible or limited eligibility~~ child  
35 under this section if a parent or guardian of the ~~eligible or limited~~  
36 ~~eligibility~~ child is:

37 (1) involved in activities that improve the parent's or guardian's  
38 education; or

39 (2) involved in job training.

40 SECTION 20. IC 12-17.2-7.2-7.3, AS AMENDED BY  
41 P.L.246-2023, SECTION 12, IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.3. The office  
43 shall require, for an eligible provider to enroll in the prekindergarten  
44 program, that the eligible provider agree to the following:

45 (1) Comply on a continuing basis with the requirements under this  
46 chapter and rules for participation established by the office.

- 1 (2) Maintain eligibility under this chapter throughout the  
 2 prekindergarten program year.
- 3 (3) Report immediately any changes in eligibility status to the  
 4 office, including the eligible provider's loss of national or regional  
 5 accreditation.
- 6 (4) Participate in any training and mandatory meetings required  
 7 by the office.
- 8 (5) Participate in all onsite visits conducted by the office,  
 9 including fiscal auditing activities with regard to the  
 10 prekindergarten program and prekindergarten program activity  
 11 monitoring.
- 12 (6) Allow ~~families~~ **the family of an** eligible ~~or limited eligibility~~  
 13 ~~children~~ **child or child of a child care employee** enrolled in the  
 14 prekindergarten program of the eligible provider to visit at any  
 15 time the prekindergarten program is in operation.
- 16 (7) Maintain accurate online attendance records through the  
 17 attendance portal for eligible ~~or limited eligibility~~ children **and**  
 18 **children of care employees** enrolled in the prekindergarten  
 19 program and submit attendance records as required by the office.
- 20 (8) Offer parental engagement and involvement activities in the  
 21 prekindergarten program of the eligible provider in alignment  
 22 with the family engagement framework adopted by the early  
 23 learning advisory committee established by IC 12-17.2-3.8-5.
- 24 (9) Complete, within the period established by the office, the  
 25 Indiana early childhood family engagement toolkit, including the  
 26 family engagement self-assessment, adopted by the early learning  
 27 advisory committee.
- 28 (10) Share information on the family engagement self-assessment  
 29 described in subdivision (9) as required by the office.
- 30 (11) Participate in research studies as required by the office.
- 31 (12) Enforce minimum attendance requirements of at least  
 32 eighty-five percent (85%) of the days that the prekindergarten  
 33 program of the eligible provider is offered to an eligible ~~or limited~~  
 34 ~~eligibility~~ **child or a child of a child care employee.**
- 35 (13) Inform the office that an eligible ~~or limited eligibility~~ child  
 36 **or a child of a child care employee** has withdrawn from the  
 37 prekindergarten program of the eligible provider not later than  
 38 five (5) days after the ~~eligible or limited eligibility~~ child is  
 39 withdrawn.
- 40 (14) That retroactive repayment to the state may be required or  
 41 future payments may be adjusted as a result of the withdrawal of  
 42 an eligible ~~or limited eligibility~~ child **or a child of a child care**  
 43 **employee or** changes in the law.
- 44 (15) Maintain records of participation by a family of an eligible  
 45 ~~or limited eligibility~~ child in family engagement activities and  
 46 submit records as required by the office.

- 1 (16) Promote ~~an eligible or limited eligibility child's~~ the social,  
 2 emotional, and behavioral health **of an eligible child or a child**  
 3 **of a child care employee** and eliminate or severely limit the use  
 4 of expulsion, suspension, and other exclusionary discipline  
 5 practices.
- 6 (17) Use the exclusionary discipline practices described in  
 7 subdivision (16) only as a last resort in extraordinary  
 8 circumstances when there is a determination of a serious safety  
 9 threat that cannot otherwise be reduced or eliminated by the  
 10 provision of reasonable modifications.
- 11 (18) Inform and receive approval from the office before the  
 12 eligible provider expels, suspends, or uses other exclusionary  
 13 discipline practices.
- 14 (19) Assist a parent or guardian, upon request by the parent or  
 15 guardian, in obtaining information from, referral to, or both  
 16 information from and referral to, the public school that serves the  
 17 attendance area in which the parent or guardian resides for an  
 18 educational evaluation and determination of eligibility for special  
 19 education services if developmental delays or reasons to suspect  
 20 a disability are observed by the parent, guardian, or teacher of an  
 21 ~~eligible or limited eligibility child~~ **or a child of a child care**  
 22 **employee** during the prekindergarten program year.
- 23 SECTION 21. IC 12-17.2-7.2-7.4, AS AMENDED BY  
 24 P.L.246-2023, SECTION 13, IS AMENDED TO READ AS  
 25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4. (a) To qualify  
 26 as a potential eligible provider or existing eligible provider, an  
 27 applicant must:
- 28 (1) provide an expansion plan to the office that details the  
 29 potential eligible provider's or existing eligible provider's plan to:  
 30 (A) increase the capacity of providers of qualified early  
 31 education services to serve a greater number of eligible ~~or~~  
 32 ~~limited eligibility~~ children **or children of child care of**  
 33 **employees;**  
 34 (B) increase the number of providers of qualified early  
 35 education services; or  
 36 (C) increase the capacity as described in clause (A) and  
 37 increase the number as described in clause (B);
- 38 (2) comply with the agreement with the office concerning the plan  
 39 under subdivision (1) and the use of a grant awarded under this  
 40 chapter;
- 41 (3) agree:  
 42 (A) to operate as an eligible provider; or  
 43 (B) that the applicant intends to operate as an eligible  
 44 provider;
- 45 (4) agree that the applicant will not use any grant funds awarded  
 46 under this section for capital expenditures; and

- 1 (5) comply with any other standards and procedures established  
2 under this chapter.
- 3 (b) Subject to subsections (c) and (d), the office may award a grant  
4 to an applicant that meets the requirements of subsection (a).
- 5 (c) The office may not use more than a total of twenty percent (20%)  
6 of the money in the fund each state fiscal year:
- 7 (1) for grants awarded under this chapter to potential eligible  
8 providers and existing eligible providers for expansion plans; and  
9 (2) to meet any state match amounts required for a federal grant  
10 described in subsection (f).
- 11 (d) The office may not award grant funds under this section to an  
12 applicant for any of the following:
- 13 (1) The purchase of land or a building.  
14 (2) The construction or expansion of a building.
- 15 (e) If a potential eligible provider or existing eligible provider fails  
16 to:
- 17 (1) use the grant funds in accordance with the expansion plan  
18 described in subsection (a); or  
19 (2) comply with the agreement entered into with the office under  
20 subsection (a);
- 21 the potential eligible provider or existing eligible provider shall repay  
22 to the office the total amount of the grant awarded to the potential  
23 eligible provider or existing eligible provider under this chapter.
- 24 (f) The office may use money in the fund that is allocated for  
25 expansion plans under this section for a state fiscal year to meet any  
26 state match amounts required for a federal grant if the purpose of the  
27 federal grant is that the grant money be used for increasing:
- 28 (1) the capacity;  
29 (2) the number; or  
30 (3) both the capacity and number;
- 31 of providers of early education services for children four (4) years of  
32 age.
- 33 SECTION 22. IC 12-17.2-7.2-7.8, AS AMENDED BY  
34 P.L.246-2023, SECTION 15, IS AMENDED TO READ AS  
35 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.8. (a) The office  
36 shall make random onsite inspections each year, as determined  
37 necessary by the office, at the facility of:
- 38 (1) an eligible provider **that receives a prekindergarten**  
39 **voucher under this chapter;** or  
40 (2) a potential eligible provider or existing eligible provider **that**  
41 **receives a grant under section 7.4 of this chapter.**  
42 ~~that receives a grant under this chapter.~~
- 43 (b) The office may determine that an eligible provider ~~or potential~~  
44 ~~eligible provider or existing eligible provider~~ is not eligible to receive  
45 a ~~grant~~ **prekindergarten voucher** under the prekindergarten program  
46 **or that a potential eligible provider or an existing eligible provider**

1 **is not eligible to receive a grant under section 7.4 of this chapter** if  
2 the eligible provider or **the** potential eligible provider or existing  
3 eligible provider:

- 4 (1) fails to comply with this chapter; or
- 5 (2) refuses to allow, during normal business hours, the office or
- 6 an agent of the office to inspect the facility at which the eligible
- 7 provider or potential eligible provider or existing eligible provider
- 8 operates a child care program for eligible ~~or limited eligibility~~
- 9 **children or children of child care employees.**

10 SECTION 23. IC 12-17.2-7.2-8, AS AMENDED BY P.L.268-2019,  
11 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 UPON PASSAGE]: Sec. 8. (a) The office shall determine:

- 13 (1) which applicants shall be ~~awarded~~ **provided** a:
  - 14 **(A) prekindergarten voucher under this chapter; or**
  - 15 **(B) grant under section 7.4 of this chapter; and**
- 16 (2) subject to subsection (b) and to the availability of funding, the
- 17 amount of each **prekindergarten voucher or grant.**

18 (b) At least five percent (5%) but not more than fifty percent (50%)  
19 of the:

- 20 (1) tuition for eligible ~~or limited eligibility~~ children under the
- 21 prekindergarten ~~program~~ **program**; or
- 22 (2) expansion plan described in section 7.4(a) of this chapter;
- 23 during the state fiscal year must be paid from donations, gifts, grants,
- 24 bequests, and other funds received from a private entity or person, from
- 25 the United States government, or from other sources (excluding funds
- 26 from a **prekindergarten voucher or grant** provided under this chapter
- 27 and excluding other state funding). The office may receive and
- 28 administer grants on behalf of the prekindergarten ~~program~~ **program**. The
- 29 grants shall be distributed by the office to fulfill the requirements of
- 30 this subsection.

31 (c) The amount of a ~~grant made~~ **prekindergarten voucher**  
32 **provided** under the ~~program~~ **program** to an eligible ~~or limited eligibility~~  
33 **child or a child of a child care employee:**

- 34 (1) who attends a prekindergarten program full time must equal
- 35 at least two thousand five hundred dollars (\$2,500) during the
- 36 state fiscal year; and
- 37 (2) may not exceed ~~six ten thousand eight hundred~~ **ten thousand** dollars
- 38 ~~(\$6,800)~~ **(\$10,000)** from state money provided under this chapter
- 39 during the state fiscal year.

40 SECTION 24. IC 12-17.2-7.2-8.1, AS AMENDED BY  
41 P.L.246-2023, SECTION 16, IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. ~~(a) If funds are~~  
43 ~~appropriated by the general assembly, grants to limited eligibility~~  
44 ~~children may not exceed:~~

- 45 ~~(+)~~ **twenty percent (20%)** of the amount appropriated for a
- 46 ~~particular state fiscal year if families with children four (4) years~~



1 of age are on the waiting list for funds available under the Child  
 2 Care Development Fund; or  
 3 (2) forty percent (40%) of the amount appropriated for a  
 4 particular state fiscal year if there is no waiting list for children  
 5 four (4) years of age for funds available under the Child Care  
 6 Development Fund.

7 (b) During the priority enrollment period, the office shall provide  
 8 grants to eligible children in the prekindergarten program on a  
 9 first-come, first-served basis. ~~The office shall date stamp and reserve~~  
 10 ~~applications for limited eligibility children received during the priority~~  
 11 ~~enrollment period for processing during the extended enrollment~~  
 12 ~~period.~~

13 (c) ~~During the extended enrollment period, the office shall provide~~  
 14 ~~grants to eligible children and limited eligibility children in the~~  
 15 ~~prekindergarten program on a first-come, first-served basis to the~~  
 16 ~~extent of available funding and in accordance with the limit established~~  
 17 ~~by subsection (a):".~~

18 Delete pages 12 through 15.  
 19 Page 16, delete lines 1 through 15.  
 20 Page 17, delete lines 6 through 41, begin a new paragraph and  
 21 insert:

22 "SECTION 25. IC 12-17.2-7.2-13.1, AS AMENDED BY  
 23 P.L.246-2023, SECTION 20, IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.1. The office  
 25 shall post monthly on the office's website the total enrollment of and  
 26 number of **grants prekindergarten vouchers** awarded to:

- 27 (1) ~~all eligible children; (before January 1, 2020); and~~
- 28 (2) ~~after December 31, 2019; both:~~
  - 29 (A) ~~all eligible children; and~~
  - 30 (B) ~~all limited eligibility children;~~
- 31 (2) **children of child care employees;**

32 for each county that participates in the prekindergarten program.

33 SECTION 26. IC 12-17.2-7.2-13.5, AS AMENDED BY  
 34 P.L.246-2023, SECTION 21, IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. (a) The  
 36 prekindergarten program fund is established to:

- 37 (1) provide **grants prekindergarten vouchers** to eligible or  
 38 ~~limited eligibility children~~ **and children of child care employees**  
 39 for qualified early education services under this chapter;
- 40 (2) carry out the longitudinal study described in section 12 of this  
 41 chapter;
- 42 (3) provide grants to potential eligible providers and existing  
 43 eligible providers as set forth in section 7.4 of this chapter; and
- 44 (4) make payments to reimburse costs incurred to provide  
 45 in-home early education services under IC 12-17.2-7.5.

46 (b) The fund consists of:

- 1           (1) money appropriated to the fund by the general assembly; and
- 2           (2) grants or gifts to the fund.
- 3           (c) The fund shall be administered by the office.
- 4           (d) The expenses of administering the fund shall be paid from
- 5 money in the fund.
- 6           (e) Money in the fund is continuously appropriated for the purposes
- 7 provided under this article.
- 8           (f) The treasurer of state shall invest the money in the fund not
- 9 currently needed to meet the obligations of the fund in the same
- 10 manner as other public funds may be invested."
- 11           Renumber all SECTIONS consecutively.  
              (Reference is to SB 2 as printed January 26, 2024.)

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Senator QADDOURA