As Introduced

133rd General Assembly
Regular Session
2019-2020

H. B. No. 2

Representatives Cross, Lepore-Hagan

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A BILL

To enact sections 122.178, 122.179, and 122.1710 of the Revised Code to create the TechCred Program and the Individual Microcredential Assistance Program, to develop a grant program to support industry sector partnerships, and to make an appropriation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.178, 122.179, and 122.1710 of the Revised Code be enacted to read as follows:

Sec. 122.178. (A) As used in this section and section 122.179 of the Revised Code, "microcredential" means a certificate program or other industry-recognized credential that the chancellor of higher education includes on the inventory created under section 3333.94 of the Revised Code and that an applicant may complete in not more than one year.

(B) There is hereby created the TechCred program to reimburse eligible employers from appropriations made for that purpose for training costs for incumbent or prospective employees to earn a microcredential. The development services agency, in consultation with the governor's office of workforce
transformation and the department of higher education, shall develop the program.

(C)(1) An employer shall meet all of the following requirements to be eligible to participate in the program:

(a) Be registered to do business in this state;

(b) Be current on all tax obligations to the state;

(c) Be in compliance with all environmental regulations applicable to the employer.

(2) An eligible employer may only apply for reimbursement for training costs for incumbent or prospective employees who are residents of this state.

(D)(1) Each employer seeking reimbursement for training costs for an incumbent or prospective employee shall submit an application to the director of development services that includes all of the following information for each employee:

(a) The employee's name and position at the time of submitting the application or the position for which the employee will be qualified after earning the microcredential;

(b) The training provider from which the employee received the training;

(c) The cost incurred by the employer for the training;

(d) Evidence that the employee earned a microcredential;

(e) Either of the following, as applicable:

(i) If the employee is an incumbent employee, evidence that the employer has increased the employee's annual wage by at least double the amount of the reimbursement the employer requested for that employee on the employee's completion of the
microcredential;

(ii) If the employee at the time of receiving the training was a prospective employee, evidence that the employer hired the employee for a position located in this state on the employee's completion of the microcredential.

(2) The director shall approve applications for reimbursement based on the priority guidelines established in division (E)(2) of this section. The director shall calculate the amount of a reimbursement as the total amount of the costs for all employees receiving the training. An employer shall receive at least five hundred dollars but not more than two thousand dollars for each microcredential an employee receives.

(E) The director shall do all of the following regarding the operation of the program:

(1) Create a reimbursement application;

(2) Establish guidelines for prioritizing approval for applications for reimbursement, including the efficiency of a wage increase for an incumbent employee or expected wage for a prospective employee;

(3) Establish additional requirements for employers to be eligible for a reimbursement under this section;

(4) Create an internet web site with the application for and information regarding the program created in this section and the grant program created in section 122.179 of the Revised Code.

(F) The director, in consultation with the chancellor, may adopt rules in accordance with Chapter 119. of the Revised Code as the director considers necessary to administer the program.
including designating eligible training providers for purposes of this section and section 122.179 of the Revised Code.

**Sec. 122.179.** (A) As used in this section, "OhioMeansJobs web site" has the same meaning as in section 6301.01 of the Revised Code.

(B) The individual microcredential assistance program is hereby created in the development services agency to provide grants to eligible individuals to pay for the costs of training to earn a microcredential.

(C)(1) An individual may apply to the director of development services for a grant under the program. The individual shall include all of the following information in the application:

   (a) The microcredential that the individual is receiving training to earn;
   
   (b) The training provider from which the individual is receiving training;
   
   (c) The cost of the training.

(2) The director shall make the grant application available on the OhioMeansJobs web site and the internet web sites maintained by the development services agency, the governor's office of workforce transformation, and the departments of higher education and education.

(D) The maximum amount of a grant awarded under the program is five thousand dollars. If the director approves the grant application, the director shall disperse half of the amount of a grant to the training provider identified in the application on behalf of the individual who applied before the
beginning of training. When the individual has completed half of 
the training required to earn a microcredential, the training 
provider shall submit evidence the individual has completed that 
training and of the individual's enrollment in the remaining 
training. The director shall disperse the remaining grant funds 
on receiving the evidence.

(E) A training provider may seek to recover half of the 
amount of the grant awarded to an individual under the program 
if the individual fails to complete the training and earn a 
microcredential from the provider. The provider may only recover 
half of the grant amount from the individual, regardless of the 
amount of the training the individual completed.

(F) The director may adopt rules under Chapter 119. of the 
Revised Code as the director considers necessary to implement 
this section.

Sec. 122.1710. (A) As used in this section:

(1) "Industry sector partnership" means a collaborative 
relationship between one or more employers and one or more of 
the following:

(a) A school district;
(b) A state institution of higher education;
(c) An Ohio technical center.

(2) "Ohio technical center" has the same meaning as in 
section 3333.94 of the Revised Code.

(3) "State institution of higher education" has the same 
meaning as in section 3345.011 of the Revised Code.

(B) The director of development services, in consultation
with the governor's office of workforce transformation, shall develop a grant program to support regional industry sector partnerships. An industry sector partnership may use a grant awarded under this section to do any of the following:

(1) Hire employees to coordinate industry sector partnership activities;

(2) Develop curricula or other educational resources to support the industry sector partnership;

(3) Market the industry sector partnership and opportunities the partnership creates for workforce development activities;

(4) Any other activity the director has approved in rules adopted under division (D) of this section.

(C) The director shall do both of the following:

(1) Establish a system for evaluating and scoring grant applications;

(2) Award a grant to an industry sector partnership that submits a complete application for funding describing the activities in division (B) of this section the partnership will use the funds to support and meets the scoring criteria established under division (C)(1) of this section.

(D) The director may adopt rules in accordance with Chapter 119. of the Revised Code as the director considers necessary to administer the grant program.

Section 2. All items in this section are hereby appropriated as designated out of any moneys in the state treasury to the credit of the designated fund. For all appropriations made in this act, those in the first column are
for fiscal year 2020 and those in the second column are for fiscal year 2021. The appropriations made in this act are in addition to any other appropriations made for the FY 2020-FY 2021 biennium.

DEV DEVELOPMENT SERVICES AGENCY

General Revenue Fund

<table>
<thead>
<tr>
<th>GRF 195553 Industry Sector Partnerships</th>
<th>$2,500,000</th>
<th>$2,500,000</th>
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<tbody>
<tr>
<td>GRF 195556 Microcredential Assistance Program</td>
<td>$30,000,000</td>
<td>$30,000,000</td>
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TOTAL GRF General Revenue Fund | $32,500,000 | $32,500,000

TOTAL ALL BUDGET FUND GROUPS | $32,500,000 | $32,500,000

INDUSTRY SECTOR PARTNERSHIPS

The foregoing appropriation item 195553, Industry Sector Partnerships, shall be used for the grant program described in section 122.1710 of the Revised Code.

MICROCREDENTIAL ASSISTANCE PROGRAM

(A) Of the foregoing appropriation item 195556, Microcredential Assistance Program, $14,700,000 in each fiscal year shall be used for the TechCred Program as described in section 122.178 of the Revised Code, provided that:

(1) Not less than $2,500,000 in each fiscal year shall be awarded to businesses with 50 or fewer employees;

(2) Not less than $2,500,000 in each fiscal year shall be awarded to businesses with 200 or fewer employees, in addition to the minimum amount allocated under division (A)(1) of this section; and
(3) Not less than $2,250,000 in each fiscal year shall be awarded to businesses with 200 or more employees.

(B) Of the foregoing appropriation item 195556, Microcredential Assistance Program, $14,700,000 in each fiscal year shall be used for the Individual Microcredential Assistance Program as described in section 122.179 of the Revised Code.

(C) Of the foregoing appropriation item 195556, Microcredential Assistance Program, $600,000 in each fiscal year may be used to cover operating costs of the TechCred Program and the Individual Microcredential Assistance Program.

Section 3. Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in this act shall be accounted for as though made in the main operating appropriations act of the 133rd General Assembly.

The appropriations made in this act are subject to all provisions of the main operating appropriations act of the 133rd General Assembly that are generally applicable to such appropriations.