

**As Introduced**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**S. B. No. 140**

**Senator Schiavoni**

**Cosponsors: Senators Thomas, Yuko, Skindell, Brown, Sykes**

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**A BILL**

To create the Public-Private Partnership Grant 1  
Program for fiscal years 2018 and 2019 to 2  
develop, enhance, and promote educational 3  
programs to address regional workforce needs; to 4  
create the Sector Partnership Grant Program for 5  
fiscal years 2018 and 2019 to identify and 6  
provide grants to industry partnerships; to 7  
support programs that improve access to 8  
workforce training opportunities for students; 9  
to support economic development and 10  
revitalization programs; and to make an 11  
appropriation. 12

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

**Section 1.** (A) As used in this section, "eligible 13  
partnership" means a partnership consisting of any community 14  
college, state community college, technical college, university 15  
branch, or regional campus that offers associate degree programs 16  
and industry-recognized credential programs, and at least one 17  
business located in the same region as the partnering 18  
institution of higher education. 19

(B) The Public-Private Partnership Grant Program is hereby 20  
created for fiscal years 2018 and 2019 to provide grants to 21  
eligible partnerships to develop, enhance, and promote associate 22  
degree programs and industry-recognized credential programs that 23  
align with in-demand jobs to address the region's workforce 24  
needs. 25

(C) (1) Grants shall be awarded by a nine-member governing 26  
board consisting of the Chancellor of Higher Education, or the 27  
Chancellor's designee; the Director of the Governor's Office of 28  
Workforce Transformation, or the Director's designee; three 29  
members appointed by the Governor, two representing the 30  
interests of labor and one representing the interests of 31  
business; the chairperson and ranking minority leader of the 32  
House of Representatives committee that primarily deals with 33  
higher education and workforce development; and the chairperson 34  
and ranking minority leader of the Senate committee that 35  
primarily deals with education. 36

(2) The board shall select grant advisors with fiscal 37  
expertise and higher education and workforce development 38  
expertise. These advisors shall evaluate proposals from grant 39  
applicants and advise the staff administering the program. No 40  
advisor shall be compensated for this service. 41

(3) The board shall create a grant application and publish 42  
on the Department of Higher Education's web site the application 43  
and timeline for the submission, review, notification, and 44  
awarding of grant proposals. 45

(D) Each grant applicant shall submit a proposal that 46  
includes all of the following: 47

(1) The name of all businesses included in the 48

partnership; 49

(2) A description of the project for which the applicant 50  
is seeking a grant, including a description of how the project 51  
will help to create and fill in-demand jobs in the region; 52

(3) An explanation of how the project will be self- 53  
sustaining. 54

The lead applicant for a grant under this section shall be 55  
the institution of higher education. 56

(E) (1) With the approval of the governing board, the 57  
Chancellor shall establish a system for evaluating and scoring 58  
the grant applications received under this section. When 59  
awarding grants, the board shall give preference to eligible 60  
partnerships with institutions of higher education that 61  
currently offer associate degree programs and industry- 62  
recognized credential programs that align with in-demand jobs in 63  
the region. 64

(2) Not later than seventy-five days after receipt of an 65  
application under this section, the board shall issue a decision 66  
of "yes," "no," "hold," or "edit" for the application. In making 67  
its decision, the board shall consider whether the project has 68  
the potential to align associate degree and credential programs 69  
with in-demand jobs to address the region's workforce needs and 70  
the capability of being replicated in other regions of the 71  
state. If the board issues a "hold" or "edit" decision for an 72  
application, it shall, upon returning the application to the 73  
applicant, specify the process for reconsideration of the 74  
application. 75

(F) Upon deciding to award a grant to an applicant, the 76  
board shall enter into a grant agreement with the applicant that 77

includes all of the following:	78
(1) The content of the applicant's proposal as outlined under division (D) of this section;	79 80
(2) The project's deliverables and a timetable for their completion;	81 82
(3) Conditions for receiving grant funding;	83
(4) Conditions for receiving funding in future years if the contract is a multi-year contract;	84 85
(5) A provision specifying that funding will be returned to the board if the applicant fails to implement the agreement, as determined by the Auditor of State;	86 87 88
(6) A provision specifying that the agreement may be amended by mutual agreement between the board and the applicant.	89 90
(G) The Chancellor shall determine the amount for each grant awarded under this section. When distributing the grant funding, the Chancellor shall allocate one-half of the amount of the grant to the institution of higher education and one-half to the businesses in the partnership.	91 92 93 94 95
(H) Each grant awarded under this section shall be subject to approval by the Controlling Board prior to execution of the grant agreement.	96 97 98
<b>Section 2.</b> All items in this act 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 2018 and those in the second column are for fiscal year 2019. The appropriations made in this act are in addition to any other appropriations made for the FY 2018-FY 2019 biennium.	99 100 101 102 103 104 105

<b>Section 3. DEV DEVELOPMENT SERVICES AGENCY</b>	106
General Revenue Fund	107
GRF 195405 Minority Business           \$3,250,000\$3,250,000	108
Development	109
GRF 195426 Redevelopment Assistance\$5,000,000       \$5,000,000	110
GRF 195504 Sector Partnership Grants\$10,000,000       \$10,000,000	111
TOTAL GRF General Revenue Fund       \$18,250,000\$18,250,000	112
Dedicated Purpose Fund Group	113
4W00 195646 Minority Business           \$6,500,000\$6,500,000	114
Enterprise Loan	115
TOTAL DPF Dedicated Purpose Fund Group\$6,500,000       \$6,500,000	116
TOTAL ALL BUDGET FUND GROUPS           \$24,750,000\$24,750,000	117
MINORITY BUSINESS DEVELOPMENT	118
The foregoing appropriation item 195405, Minority Business	119
Development, shall be distributed in equal amounts in each	120
fiscal year to the seven minority business assistance centers	121
across the state.	122
REDEVELOPMENT ASSISTANCE	123
The foregoing appropriation item 195426, Redevelopment	124
Assistance, shall be used to support the Ohio Brownfield Fund.	125
SECTOR PARTNERSHIP GRANTS	126
The foregoing appropriation item 195504, Sector	127
Partnership Grants, shall be used for the Sector Partnership	128
Grant Program as described in Section 7 of this bill.	129

MINORITY BUSINESS ENTERPRISE LOAN	130
On July 1 of each fiscal year, or as soon as possible	131
thereafter, the Director of Budget and Management shall transfer	132
\$6,500,000 cash from the GRF to the Minority Business Enterprise	133
Loan Fund (Fund 4W10).	134
The foregoing appropriation item 195646, Minority Business	135
Enterprise Loan, shall be used for the Minority Business Direct	136
Loan Program.	137
<b>Section 4. EDU DEPARTMENT OF EDUCATION</b>	138
General Revenue Fund	139
GRF 200545 Career-Technical Education\$12,500,000 \$12,500,000	140
Enhancements	141
TOTAL GRF General Revenue Fund \$12,500,000\$12,500,000	142
TOTAL ALL BUDGET FUND GROUPS \$12,500,000\$12,500,000	143
CAREER-TECHNICAL EDUCATION ENHANCEMENTS	144
The foregoing appropriation item 200545, Career-Technical	145
Education Enhancements, shall be used to provide grants to city,	146
local, exempted village, and joint vocational school districts,	147
community schools established under Chapter 3314. of the Revised	148
Code, and STEM schools established under Chapter 3326. of the	149
Revised Code to improve access to workforce training	150
opportunities for students. The Superintendent of Public	151
Instruction shall develop guidelines for and administer the	152
grants. The grants shall be used by recipients to do any of the	153
following:	154
(A) Assist students with shop fees associated with career-	155
technical education courses;	156

(B) Assist students with industry credential testing fees;	157
(C) Purchase or upgrade equipment for career-technical education programs;	158 159
(D) Expand existing work readiness programs;	160
(E) Carry out any other purposes that the Superintendent deems appropriate to improve access to workforce training opportunities for students.	161 162 163
<b>Section 5. BOR DEPARTMENT OF HIGHER EDUCATION</b>	164
General Revenue Fund	165
GRF 235570 Public-Private \$12,500,000\$12,500,000	166
Partnership Grant	167
Program	168
TOTAL GRF General Revenue Fund \$12,500,000\$12,500,000	169
TOTAL ALL BUDGET FUND GROUPS \$12,500,000\$12,500,000	170
<b>PUBLIC-PRIVATE PARTNERSHIP GRANT PROGRAM</b>	171
The foregoing appropriation item 235570, Public-Private Partnership Grant Program, shall be used to distribute grants awarded pursuant to Section 1 of this act.	172 173 174
<b>Section 6. 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 132nd General Assembly.</b>	175 176 177 178 179 180 181 182

The appropriations made in this act are subject to all 183  
provisions of the main operating appropriations act of the 132nd 184  
General Assembly that are generally applicable to such 185  
appropriations. 186

**Section 7.** (A) As used in this section: 187

(1) "In-demand job" means a job that is determined to be 188  
in demand in this state and its regions under section 6301.11 of 189  
the Revised Code, has a significant presence in an industry 190  
cluster, and pays or leads to payment of a family-sustaining 191  
wage. 192

(2) "Industry cluster" means a group of employers that 193  
meet all of the following criteria, as determined by the 194  
nonprofit corporation formed under section 187.01 of the Revised 195  
Code: 196

(a) The employers are closely linked by a common product 197  
or service, workforce needs, similar technologies, supply 198  
chains, or other economic ties. 199

(b) The employers have a statewide economic impact. 200

(c) The employers have immediate workforce development 201  
needs. 202

(d) The employers provide emerging or competitive career 203  
opportunities for workers. 204

(3) "Industry partnership" means a collaborative 205  
relationship between multiple employers and workers or worker 206  
representatives in an industry cluster to address common 207  
workforce needs. 208

(4) "Labor organization" has the same meaning as in 209  
section 3517.01 of the Revised Code. 210



(5) "Local board" has the same meaning as in section 6301.01 of the Revised Code.	211 212
(6) "One-stop system" means the system for workforce development activities established under section 6301.08 of the Revised Code.	213 214 215
(B) The Sector Partnership Grant Program is hereby created within the Development Services Agency for fiscal years 2018 and 2019 to identify and provide grants to industry partnerships. An industry partnership may use a grant awarded under this section to do any of the following:	216 217 218 219 220
(1) Organize businesses, employers, workers, labor organizations, and industry associations in an industry cluster into a collaborative structure that shares information, ideas, and challenges common to the industry cluster;	221 222 223 224
(2) Identify training needs of businesses in an industry cluster, including skill gaps critical to competitiveness and innovation;	225 226 227
(3) Aggregate training and education needs of multiple employers to facilitate economies of scale;	228 229
(4) Assist educational and training institutions in aligning curricula and programs to industry demand, particularly for in-demand jobs;	230 231 232
(5) Collaborate with the one-stop system of the area being served by the industry partnership, youth councils, business-education partnerships, intermediate units, secondary and post-secondary educational institutions, parents, and career counselors to address the challenges of connecting disadvantaged youth and adults to careers;	233 234 235 236 237 238

(6) Assist companies in identifying and addressing common organizational and human resources challenges;	239 240
(7) Assist in developing and strengthening career advancement within and across companies to enable entry-level workers to advance to higher-wage jobs;	241 242 243
(8) Assist companies in attracting a diverse work force, including individuals with barriers to employment;	244 245
(9) Assist in fostering cooperation among businesses in an industry cluster on issues that would improve competitiveness and job quality.	246 247 248
(C) (1) Each industry partnership wishing to receive a grant shall submit a grant application to the Director of Development Services that includes all of the following information:	249 250 251 252
(a) Evidence of involvement of a local board;	253
(b) Evidence of participation of workers or labor representatives in the industry partnership;	254 255
(c) Evidence that private sector matching funds will be provided in an amount that equals at least twenty-five per cent of the amount of the grant for which the industry partnership is applying;	256 257 258 259
(d) Evidence of commitment to participate in the evaluation and performance improvement system established by division (F) of this section.	260 261 262
(2) The Director shall award a grant to an industry partnership that submits a complete application if funding is available. A grant awarded under this section shall be for a period of not less than twelve months and not more than twenty-	263 264 265 266

four months. A grantee may apply to renew a grant by submitting	267
a new application containing the information described in	268
division (C) (1) of this section.	269
(D) The Director of Development Services shall do all of	270
the following regarding the operation of the grant program:	271
(1) Establish grant guidelines and create a grant	272
application;	273
(2) Develop forms and institute procedures to award grants	274
under this section;	275
(3) Establish a system for reviewing grant applications;	276
(4) Establish a procedure to provide applicants with	277
additional information regarding eligibility requirements and	278
assistance in preparing applications;	279
(5) Provide technical assistance to grant applicants and	280
grantees;	281
(6) Apply for grants and seek other sources of revenue to	282
fund administrative and training activities.	283
(E) Unless otherwise prohibited by state or federal law,	284
every state agency, board, or commission shall provide the	285
Director of Development Services with any assistance and	286
information requested by the Director in furtherance of the	287
operation of the grant program.	288
(F) The Director of Development Services shall develop and	289
implement an evaluation and performance improvement system for	290
the grant program that does all of the following:	291
(1) Collects critical industry partnership information	292
beginning one year after the effective date of this section, and	293

each year thereafter, or more frequently, as the Director	294
determines necessary, including all of the following:	295
(a) What the industry partnership has learned;	296
(b) The human resources challenges that were the most common within the industry partnership;	297 298
(c) The influence and use of technology by the industry partnership;	299 300
(d) The challenges that are foreseen by the industry partnership.	301 302
(2) Defines the benefits of the industry partnership and its activities to employers, workers, and communities;	303 304
(3) Provides annual performance information to the General Assembly, the public, and workforce stakeholders.	305 306