(124th General Assembly)
(Amended Substitute Senate Bill Number 266)

AN ACT

To amend sections 955.43, 1713.02, 1713.03, 1713.25, 2741.01, 3332.01, 3332.02, 3332.03, 3332.031, 3332.04, 3332.05, 3332.051, 3332.06, 3332.07, 3332.08, 3332.081, 3332.082, 3332.083, 3332.085, 3332.09, 3332.091, 3332.092, 3332.10 to 3332.13, 3332.18, 3333.043, 3333.12, 3333.29, 3334.01, 3365.01, 3365.15, 4742.05, 4742.06, 4743.03, 4762.02, 4763.05, 5107.58, 5747.01, and 5919.34 of the Revised Code; and to amend Section 94.10 of Am. Sub. H.B. 94 of the 124th General Assembly to make changes to the oversight of career schools by changing the name of the State Board of Proprietary School Registration to the State Board of Career Colleges and Schools, directing the Board to establish the period of time that a career school must maintain a surety bond, eliminating the requirement that agents for career schools maintain surety bonds, altering the structure of the Board by adding an additional member with a background in career school management and by making the student representative a nonvoting member, establishing a fixed rate of compensation for Board members, eliminating the requirement that the Ohio Board of Regents recommend whether to approve applications for the issuance or renewal of program authorizations for associate degree programs at career schools, making the legislative members of the Student Tuition Recovery Authority nonvoting ex officio members, specifying that students are eligible for reimbursement of prepaid tuition losses only in the event

of a school closure, paying reimbursements for prepaid tuition losses from the career school's surety bond beginning July 1, 2003, and by making other revisions to the oversight of career schools; to enable students enrolled in eligible institutions prior to July 1, 2000, to receive student workforce development grants; to permit the Chancellor of the Ohio Board of Regents to grant Capital Scholarships to students enrolled in public and private institutions of higher education for their participation in Kent State University's Columbus Program in Intergovernmental Issues; and to further amend sections 3332.04, 3332.08, and 3332.082 and to amend section 3332.084 of the Revised Code effective July 1, 2003.

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

SECTION 1. That sections 955.43, 1713.02, 1713.03, 1713.25, 2741.01, 3332.01, 3332.02, 3332.03, 3332.031, 3332.04, 3332.05, 3332.051, 3332.06, 3332.07, 3332.08, 3332.081, 3332.082, 3332.083, 3332.085, 3332.09, 3332.091, 3332.092, 3332.10, 3332.11, 3332.12, 3332.13, 3332.18, 3333.043, 3333.12, 3333.29, 3334.01, 3365.01, 3365.15, 4742.05, 4742.06, 4743.03, 4762.02, 4763.05, 5107.58, 5747.01, and 5919.34 of the Revised Code be amended to read as follows:

Sec. 955.43. (A) When a blind, deaf, or mobility impaired person is accompanied by a dog that serves as or is in training to become a guide, leader, listener, or support dog for ~~him~~ the person, and ~~he~~ the person can show proof by certificate or other means that the dog leading ~~him~~ the person, listening for ~~him~~ the person, or providing support or assistance for ~~him~~ the person has been or is being trained for that purpose by a nonprofit special agency engaged in such work, the person is entitled to the full and equal accommodations, advantages, facilities, and privileges of all public conveyances, hotels, lodging places, all places of public accommodation, amusement, or resort, all institutions of education, and other places to which the general public is invited, and may take the dog into such conveyances and places, subject only to the conditions and limitations applicable to all

persons not so accompanied, except that:

(1) The dog shall not occupy a seat in any public conveyance.

(2) The dog shall be upon a leash while using the facilities of a common carrier.

(3) Any dog in training to become a guide, leader, listener, or support dog shall be covered by a liability insurance policy provided by the nonprofit special agency engaged in such work protecting members of the public against personal injury or property damage caused by the dog.

(B) No person shall deprive a blind, deaf, or mobility impaired person of any of the advantages, facilities, or privileges provided in division (A) of this section, nor charge the blind, deaf, or mobility impaired person a fee or charge for the dog.

(C) As used in this section, "institutions of education" means:

(1) Any state university or college as defined in section 3345.32 of the Revised Code;

(2) Any private college or university that holds a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code;

(3) Any elementary or secondary school operated by a board of education;

(4) Any chartered or nonchartered nonpublic elementary or secondary school;

(5) Any school issued a certificate of registration by the state board of ~~proprietary school registration~~ career colleges and schools.

Sec. 1713.02. (A) Any institution described in division (A) of section 1713.01 of the Revised Code may become incorporated under sections 1702.01 to 1702.58 of the Revised Code.

(B) Except as provided in division (E) of this section, no nonprofit institution or corporation of the type described in division (A) of section 1713.01 of the Revised Code that is established after October 13, 1967, may confer degrees, diplomas, or other written evidences of proficiency or achievement, until it has received a certificate of authorization issued by the Ohio board of regents, nor shall any such institution or corporation identify itself as a "college" or "university" unless it has received a certificate of authorization from the board.

(C) Except as provided in division (E) of this section, no institution of the type described in division (A)(3) or (B) of section 1713.01 of the Revised Code that intends to offer or offers a course or courses within this state, but that did not offer a course or courses within this state on or before October 13, 1967, may confer degrees, diplomas, or other written evidences

of proficiency or achievement or offer any course or courses within this state until it has received a certificate of authorization from the Ohio board of regents, nor shall the institution identify itself as a "college" or "university" unless it has received such a certificate from the board.

(D) Each certificate of authorization shall specify the diplomas or degrees authorized to be given, courses authorized to be offered, and the sites at which courses are to be conducted. A copy of such certificate shall be filed with the secretary of state if the institution is incorporated. Any institution or corporation established or that offered a course or courses of instruction in this state prior to October 13, 1967, may apply to the board for a certificate of authorization, and the board shall issue a certificate if it finds that such institution or corporation meets the requirements established pursuant to sections 1713.01, 1713.02, 1713.03, 1713.04, 1713.06, 1713.09, and 1713.25 of the Revised Code.

(E) An institution that clearly identifies itself in its name with the phrase "bible college" or "bible institute" and has not received a certificate of authorization may confer diplomas and other written evidences of proficiency or achievement other than associate, baccalaureate, master's, and doctoral degrees or any other type of degree and may identify itself as a "bible college" if such institution:

(1) Prominently discloses on any transcripts, diplomas, or other written evidences of proficiency or achievement, and includes with any promotional material or other literature intended for the public, the statement: "this institution is not certified by the board of regents or the state of Ohio."

(2) Limits its course of instruction to religion, theology, or preparation for a religious vocation, or is operated by a church or religious organization and limits its instruction to preparation for service to churches or other religious organizations.

(3) Confers only diplomas and other written evidences of proficiency or achievement that bear titles clearly signifying the religious nature of the instruction offered by the institution.

(F) Except as otherwise provided in section 3333.046 of the Revised Code, no school of the type described in division (E) of section 3332.01 of the Revised Code that intends to offer or offers a degree program within this state or solicits students within this state may confer a baccalaureate, master's, or doctoral degree or solicit students for such degree programs until it has received both a certificate of authorization from the board of regents under this chapter and program authorization from the state board of ~~proprietary school registration~~ career colleges and schools for such degree program under section 3332.05 of the Revised Code.

Sec. 1713.03. The Ohio board of regents shall establish standards for certificates of authorization to be issued to institutions as defined in section 1713.01 of the Revised Code, to private institutions exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, and to schools holding certificates of registration issued by the state board of ~~proprietary school registration~~ career colleges and schools pursuant to division (C) of section 3332.05 of the Revised Code. A certificate of authorization may permit an institution or school to award one or more types of degrees.

The standards for a certificate of authorization may include, for various types of institutions, schools, or degrees, minimum qualifications for faculty, library, laboratories, and other facilities as adopted and published by the Ohio board of regents. The standards shall be adopted by the board pursuant to Chapter 119. of the Revised Code.

An institution or school shall apply to the board for a certificate of authorization on forms containing such information as is prescribed by the board. Each institution or school with a certificate of authorization shall file an annual report with the board in such form and containing such information as the board prescribes.

Sec. 1713.25. The board of trustees of an institution of learning incorporated under the authority of this state for the sole purpose of promoting education, religion and morality, or the fine arts, at a regular or special meeting of such board called for that purpose, after thirty days' actual notice to each trustee, may change the name and enlarge the purposes and objects of such institution of learning, by amendment to its charter, approved by a majority of the board.

No institution as defined in section 1713.01 of the Revised Code or school that holds a certificate of registration issued by the state board of ~~proprietary school registration~~ career colleges and schools pursuant to division (C) of section 3332.05 ~~(C)~~ of the Revised Code, that has been issued a certificate of authorization by the Ohio board of regents shall change the purposes of the institution without giving written notice to the Ohio board of regents, which shall issue an amended certificate of authorization to the institution or school upon receipt of such notice.

Sec. 2741.01. As used in this chapter:

(A) "Persona" means an individual's name, voice, signature, photograph, image, likeness, or distinctive appearance, if any of these aspects have commercial value.

(B) "Commercial purpose" means the use of or reference to an aspect of an individual's persona in any of the following manners:

(1) On or in connection with a place, product, merchandise, goods, services, or other commercial activities not expressly exempted under this chapter;

(2) For advertising or soliciting the purchase of products, merchandise, goods, services, or other commercial activities not expressly exempted under this chapter;

(3) For the purpose of promoting travel to a place;

(4) For the purpose of fundraising.

(C) "Name" means the actual, assumed, or clearly identifiable name of or reference to a living or deceased individual that identifies the individual.

(D) "Right of publicity" means the property right in an individual's persona to use the individual's persona for a commercial purpose.

(E) "Trier of fact" means the jury or, in a nonjury action, the court.

(F) "Written consent" includes written, electronic, digital, or any other verifiable means of authorization.

(G) "Institution of higher education" means a state institution of higher education as defined in section 3345.011 of the Revised Code, a private nonprofit college or university located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, or a school located in this state that possesses a certificate of registration and one or more program authorizations issued by the state board of ~~proprietary school registration~~ career colleges and schools under Chapter 3332. of the Revised Code.

Sec. 3332.01. As used in this section and sections 3332.03 to 3332.99 of the Revised Code:

(A) "Agent" means any individual whose primary duties, performed while on or off school premises, include distribution of literature or information on behalf of a person offering a program, and the solicitation of prospective students in Ohio to enroll for a fee in a program.

(B) "Certificate of registration" means a certificate issued by the state board of ~~proprietary school registration~~ career colleges and schools to the owner or operator of a for profit or nonprofit private career school located within or without the state of Ohio, that permits the school to solicit students and offer and maintain a program in Ohio.

(C) "Program" means ~~the complete~~ a course of study, whether offered in a specific place, by correspondence using the mails, or by any other means of communication, designed to prepare students for potential employment in a recognized vocation, occupation, or profession ~~and lead to a~~ at the certificate, diploma, or degree level.

(D) "Program authorization" means written notification by the board to

a private career school granting approval for offering programs and awarding certificates, diplomas, or degrees.

(E) "Private career school" or "school" means a person possessing a certificate of registration and one or more program authorizations.

Sec. 3332.02. This chapter does not apply to the following categories of courses, schools, or colleges:

(A) Tuition-free courses or schools conducted by employers exclusively for their own employees;

(B) Nonprofit institutions with certificates of authorization issued pursuant to section 1713.02 of the Revised Code or that are nonprofit institutions exempted from the requirement to obtain a certificate by division (E) of that section;

(C) Schools, colleges, technical colleges, or universities established by law or chartered by the Ohio board of regents;

(D) Courses of instruction required by law to be approved or licensed~~, or given by institutions approved or licensed,~~ by a state board or agency other than the state board of ~~school and college registration~~ career colleges and schools, except that a school so approved or licensed may apply to the state board of ~~proprietary school registration~~ career colleges and schools for a certificate of registration to be issued in accordance with this chapter;

(E) Schools for which minimum standards are prescribed by the state board of education pursuant to division (D) of section 3301.07 of the Revised Code;

(F) Courses of instruction conducted by a public school district or a combination of public school districts;

(G) Courses of instruction conducted outside the United States;

(H) Private institutions exempt from regulation under this chapter as prescribed in section 3333.046 of the Revised Code;

(I) Training courses for employees paid for by their employers and conducted by outside service providers.

Sec. 3332.03. There is hereby created the state board of ~~proprietary school registration~~ career colleges and schools to consist of the state superintendent of public instruction or an assistant superintendent designated by the superintendent, the chancellor of the Ohio board of regents or a vice chancellor designated by the chancellor, and ~~five~~ six members appointed by the governor, with the advice and consent of the senate. Members' terms of office shall be for five years, commencing on the twenty-first day of November and ending on the twentieth day of November. Each member shall hold office from the date of ~~his~~ appointment until the end of the term for which ~~he~~ the member was appointed.

~~Two~~ Three of the members appointed by the governor shall have been engaged for a period of not less than five years immediately preceding appointment in an executive or managerial position in a private, trade, technical, or other school subject to this chapter. One member appointed by the governor shall be a representative of students and shall have graduated with an associate or baccalaureate degree, within five years prior to ~~his~~ appointment, from a school subject to this chapter. Two members appointed by the governor shall be representatives of the general public and shall have had no affiliation with, or direct or indirect interest in, schools subject to this chapter for at least two years prior to appointment. In selecting the representatives of the general public, the governor shall make an effort to find individuals with background or experience in the regulation of commerce, business, or education. The two members of the board who are representatives of the general public shall not be affiliated in any way with or have any direct or indirect interest in any schools subject to this chapter during their terms. Except for enrollment in a school subject to this chapter, the member representing students shall have had no affiliation in any way with, or have any direct or indirect interest in any school subject to this chapter for at least two years prior to ~~his~~ appointment or during ~~his~~ the member's term.

Any vacancy shall be filled in the manner provided for original appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which ~~his~~ the member's predecessor was appointed shall hold office for the remainder of such term. Any appointed member shall continue in office subsequent to the expiration date of ~~his~~ the member's term until ~~his~~ the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

~~All seven members~~ Members of the board have full voting rights~~. The members shall not be paid for their services, but the~~, except for the member representing students who shall be a nonvoting member. Each member of the board appointed by the governor shall be compensated at the rate established pursuant to division (J) of section 124.15 of the Revised Code, but shall not receive step advancements, for those days the member is engaged in the discharge of official duties. In addition,** members appointed by the governor may be compensated for the expenses necessarily incurred in the attendance at meetings or in performing other services for the board. The ~~chairman~~ chairperson of the board shall annually be elected or determined as follows:

(A) If both members of the board representing the general public have served on the board for at least one year, the members shall elect one of

these two members as ~~chairman~~ chairperson. If one of these members declines to be elected or serve, the other member representing the general public shall be ~~chairman~~ chairperson. If both members representing the general public decline to be elected or serve, division (C) of this section shall apply.

(B) If only one member of the board representing the general public has served on the board for at least one year, this member shall be ~~chairman~~ chairperson. If this member declines to serve, division (C) of this section shall apply.

(C) If neither member of the board representing the general public has served on the board for at least one year or if this division applies pursuant to division (A) or (B) of this section, the members of the board shall elect a ~~chairman~~ chairperson from among any of the voting members of the board who have served on the board for at least one year.

Sec. 3332.031. The state board of ~~proprietary school registration~~ career colleges and schools shall:

(A) Adopt rules under Chapter 119. of the Revised Code necessary to carry out its duties and responsibilities under this chapter;

(B) Establish minimum standards for the registration and operation of private career schools including but not necessarily limited to standards to ensure school financial stability;

(C) Issue certificates of registration to private career schools pursuant to division (A) of section 3332.05 of the Revised Code;

(D) Suspend or revoke the certificate of registration of schools pursuant to sections 3332.09 and 3332.091 of the Revised Code;

(E) Establish minimum standards for certificate, diploma, and degree programs offered by schools;

(F) Issue program authorization pursuant to divisions (B) and (C) of section 3332.05 of the Revised Code;

(G) Suspend or revoke program authorization for schools pursuant to sections 3332.09 and 3332.091 of the Revised Code;

(H) Establish minimum standards, including but not necessarily limited to a code of ethics, for agents employed by schools registered under this chapter to reasonably ensure that such agents provide adequate, ethical, and accurate information to prospective students;

(I) Grant permits to agents pursuant to sections 3332.10 and 3332.11 of the Revised Code;

(J) Suspend or revoke an agent's permit pursuant to section 3123.47 or 3332.12 of the Revised Code;

(K) Monitor recruitment and admissions practices of schools holding

certificates of registration to ensure compliance with this chapter and the rules of the board;

(L)(1) Adopt rules requiring all schools to provide all applicant students, prior to their signing enrollment agreements, written information concerning the school's graduation and placement rates for each of the preceding three years and any other information the board deems pertinent.

(2) Adopt rules requiring all schools to provide any student or applicant student, prior to the signing of any financial aid, grant, or loan application, written information concerning the obligations of a student obtaining such financial aid, grant, or loan.

(3) Upon request, a school shall furnish the board with a copy of all information required by this division. The board shall monitor schools to ensure their compliance with this division.

(M) Adopt a rule requiring all schools to include, in the enrollment agreement, notice that any problems the student is having with the school, or complaints the student has about the school, may be directed to the board, which notice shall include the telephone number of the executive director of the board;

(N) Report annually to the governor and the general assembly on the activities of the board and private career schools, and make legislative recommendations when necessary to enable the board to better serve the student population and the schools registered under this chapter;

(O) Adopt a rule requiring a uniform tuition refund policy for all schools subject to this chapter. In adopting the rule, the board shall consider the tuition refund policies effectuated by state-supported colleges and universities. Each school subject to this chapter shall furnish to each prospective student, prior to the signing of an enrollment agreement, a copy of the tuition refund policy.

(P) Adopt a rule establishing minimum standards for all faculty and instructional staff in all instructional programs at a school. In the case of full-time faculty members employed for degree programs, such standards shall include all of the following:

(1) A prohibition against employing on or after July 1, 1993, any new full-time faculty member to teach the general study portion of any degree program, unless the person holds a master's degree in the subject matter discipline or holds a master's degree in education with proficiency in the subject matter discipline demonstrated in accordance with the standards adopted by the board.

(2) Except as provided under the standards adopted pursuant to division (P)(3) of this section, a prohibition against employing or reemploying on or

after July 1, 1998, any full-time faculty member to teach the general study portion of any degree program, unless the person holds a master's degree in the subject matter discipline or holds a master's degree in education with proficiency in the subject matter discipline demonstrated in accordance with the standards adopted by the board.

(3) Standards under which the board, upon written request submitted to the board prior to July 1, 1994, by any school, may exempt the school from the prohibition adopted pursuant to division (P)(2) of this section with regard to any individual full-time faculty member employed by the school who has demonstrated outstanding teaching performance in the general study portion of any degree program at the school for a period of at least six years prior to July 1, 1993.

(4) Definitions of "full-time faculty member," "new faculty member," and any other term the board considers necessary to define.

(Q) Adopt a rule prohibiting a school or branch campus thereof from claiming accreditation from an accrediting agency in any of its advertising, recruiting, or promotional materials unless the agency is recognized as an accrediting agency by the United States department of education.

Sec. 3332.04. The state board of ~~proprietary school registration~~ career colleges and schools may appoint an executive director and such other staff as may be required for the performance of the board's duties and provide necessary facilities. In selecting an executive director, the board shall appoint an individual with a background or experience in the regulation of commerce, business, or education. The board may also arrange for services and facilities to be provided by the state board of education and the Ohio board of regents. All receipts of the board shall be deposited in the state treasury to the credit of the general revenue fund.

Sec. 3332.05. (A) The state board of ~~proprietary school registration~~ career colleges and schools shall issue a certificate of registration to an applicant of good reputation seeking to offer one or more programs upon receipt of the fee established in accordance with section 3332.07 of the Revised Code and upon determining the applicant has the facilities, resources, and faculty to provide students with the kind of instruction that it proposes to offer and meets the minimum standards of the board. A certificate of registration shall be granted or denied within one hundred twenty days of the receipt of the application therefor by the board. A person shall obtain a separate certificate for each location at which the person offers programs. The first certificate of registration issued on or after ~~the effective date of this amendment~~ June 29, 1999, for each new location is valid for one year, unless earlier revoked for cause by the board under section 3332.09 of

the Revised Code. Any other certificate of registration is valid for two years, unless earlier revoked for cause by the board under that section.

(B) The board shall issue program authorization for an associate degree, certificate, or diploma program to an applicant holding a certificate of registration issued pursuant to division (A) of this section upon receipt of the fee established in accordance with section 3332.07 of the Revised Code and upon determining the applicant has the facilities, resources, and faculty to provide students the kind of program it proposes to offer and meets the minimum standards of the state board.

~~The state board shall promptly furnish the Ohio board of regents a copy of all applications for issuance or renewal of program authorization to offer any associate degree program. Prior to the issuance or renewal of such program authorization the state board shall conduct an on-site visit of the school proposing the program. A representative of the board of regents shall participate in the visit. Within twenty-one days of the on-site visit the representative of the board of regents shall provide the state board with a written statement recommending approval or disapproval of the application.~~

Any program authorization issued by the board under this division is valid only for the specified program at the location for which it is issued and does not cover any other program offered at the school or at other schools operated by the owner. Program authorization is valid for the period of time specified by the board, unless earlier suspended or revoked for cause by the board under section 3332.09 of the Revised Code.

(C)(1) The state board shall accept and review applications for program authorization for baccalaureate, master's, and doctoral degree programs only from the following:

(a) Any school holding a certificate of registration issued by the board that has held such certificate for the ten previous consecutive years;

(b) Any school holding a certificate of registration issued by the board that also holds an equivalent certificate issued by another state and has held the equivalent certificate for the ten previous consecutive years.

(2) After review the board shall refer any application it finds valid to the Ohio board of regents for approval. The board of regents shall review, and approve or disapprove, such degree programs and if so approved, issue certificates of authorization to such schools to offer such degree programs pursuant to Chapter 1713. of the Revised Code. The board of regents shall notify the state board of ~~proprietary school registration~~ career colleges and schools of each school registered with the state board that receives a certificate of authorization and the approval to offer any degree program. Upon receipt of such notification and the fee established in accordance with

section 3332.07 of the Revised Code, the state board shall review, and may issue program authorization to offer, such a degree program. Any program authorization issued by the board under this division is valid only for the specified program at the location for which it is issued and does not cover any other program offered at the school or at other schools operated by the owner. Program authorization is valid for the period of time specified by the board, unless earlier suspended or revoked for cause by the board under section 3332.09 of the Revised Code. The state board shall not issue such program authorization unless the degree program has been approved by the board of regents.

(D) The board may cause an investigation to be made into the correctness of the information submitted in any application received under this section. If the board believes that false, misleading, or incomplete information has been submitted to it in connection with any application, the board shall conduct a hearing on the matter pursuant to Chapter 119. of the Revised Code, and may withhold a certificate of registration or program authorization upon finding that the applicant has failed to meet the standards for such certificate or program authorization or has submitted false, misleading, or incomplete information to the board. Application for a certificate of registration or program authorization shall be made in writing to the board on forms furnished by the board. A certificate of registration or program authorization is not transferable and shall be prominently displayed on the premises of an institution.

The board shall assign registration numbers to all schools registered with it. Schools shall display their registration numbers on all school publications and on all advertisements bearing the name of the school.

Notwithstanding the requirements of this section for issuance of certificates of registration and program authorization, the board may, in accordance with rules adopted by it, grant certificates of registration and program authorization to schools, colleges, institutes, or universities that have been approved by the state department of education pursuant to the "Act of March 3, 1966," 80 Stat. 20, 38 U.S.C.A. 1771.

Sec. 3332.051. The state board of ~~proprietary school registration~~ career colleges and schools shall direct that a written survey be obtained by schools subject to this chapter, which shall be used to solicit comments from students enrolled at such schools. The board shall establish the guidelines for the survey by rule. The survey shall be designed to determine student satisfaction with the quality of instruction, facilities, school personnel, and business operations, including recruitment and recruitment agents. The board shall adopt rules for the administration of surveys and shall include

provisions to ensure student anonymity. Surveys shall be administered prior to the end of each school year. Completed surveys shall be collected by the holder of the certificate of registration or the director or administrator of the school and shall be compiled by the school. Each school shall retain the surveys and the compiled results on file for at least three years and shall make them available to the state board for examination upon request. The holder of a certificate of registration shall be responsible for ensuring that completed surveys are in no way altered.

Sec. 3332.06. (A)(1) No program shall be established, offered, or given for a charge, fee, or other contribution; no certificate, diploma, degree, or other written evidence of proficiency or achievement shall be offered whether in a specified place, by correspondence, or any other means of communication, or awarded; and no student enrollment in such program shall be solicited through advertising, agents, mail circulars, or other means, until the person planning to offer or offering such program, certificate, diploma, or degree has obtained a certificate of registration and appropriate program authorization in accordance with section 3332.05 of the Revised Code. No school shall offer a baccalaureate, master's, or doctoral degree program unless it has received a certificate of authorization from the Ohio board of regents and program authorization from the state board of ~~proprietary school registration~~ career colleges and schools.

(2) No institution receiving a certificate of registration after July 28, 1989, shall call itself a "university" unless it meets all of the following conditions:

(a) It also holds an equivalent certificate issued by another state;

(b) It calls itself a "university" in that other state, as permitted under the terms of the other state's certificate;

(c) It has been issued degree program authorization under division (C) of section 3332.05 of the Revised Code.

(B) The board shall petition the court of common pleas of the county in which a person or agent, as defined in section 3332.01 of the Revised Code, offers one or more programs subject to this chapter or advertises for the offering of such programs without a certificate of registration and program authorization, for an order enjoining such offering or advertising. The court may grant such injunctive relief upon a showing that the respondent named in the petition is offering or advertising one or more programs without a certificate of registration and program authorization.

Sec. 3332.07. (A) Each application for issuance and renewal of a certificate of registration, for the issuance and renewal of program authorization, for issuance and renewal of agent's permits, and for any other

service specified by the state board of ~~proprietary school registration~~ career colleges and schools shall be accompanied by the required fee. Fees submitted under this section are not returnable even if approval or renewal is denied.

(B) Fee schedules for the issuance and renewal of certificates of registration, for the issuance and renewal of program authorization, for issuance and renewal of agent's permits, and for any other service specified by the board shall be established by rule adopted by the state board. The fee for a one-year certificate of registration shall be one-half the fee for a two-year certificate.

(C) If in any fiscal year the amount received in fees under this section does not equal or exceed fifty per cent of board expenditures for the fiscal year, the board shall increase fees for the ensuing fiscal year by an amount estimated to be sufficient to produce revenues equal to fifty per cent of estimated expenditures for that ensuing fiscal year.

Sec. 3332.08. The application for a certificate of registration shall be accompanied by a surety bond in the penal sum of ten thousand dollars with conditions and in a form prescribed by the state board of ~~proprietary school registration~~ career colleges and schools with at least one corporate bonding company approved by the department of insurance as surety thereon. Bond shall be maintained in effect for ~~three years by any school that has existed under the same ownership for five years immediately before the effective date of this amendment, for five years after the effective date of this amendment, or its later original registration, for any other school; and for five years after the approval of a change of ownership of any school~~ a period specified by rule of the board. The board may permit a school to cancel its bond if the school has been approved to participate in any federal student financial assistance program authorized under Title IV of the "Higher Education Act of 1965," 20 U.S.C.A. 1070 et seq., as amended, or if the school meets standards of financial responsibility otherwise established by the board. The bond shall provide for the indemnification of any person suffering loss as the result of any fraud or misrepresentation used in behalf of the principal in procuring such person's enrollment in a program, including repayment of tuition paid in advance by any student.

The liability of the surety on such bond for the school covered shall not exceed the sum of ten thousand dollars as an aggregate for all students for all breaches of the conditions of the bond by the school. The term of the bond shall be continuous, but it shall be subject to cancellation by the surety in the manner described in this section. The bond shall provide blanket coverage for the acts of all persons engaged as agents of the school without

naming them and without regard to the time they are engaged during the term of the bond.

The surety may terminate the bond upon giving a sixty-day written notice to the principal and to the state board of ~~proprietary school registration~~ career colleges and schools, but the liability of the surety for acts of the principal and its agents continues during the sixty days of cancellation notice. The notice does not absolve the surety from liability which accrues before the cancellation becomes final but which is discovered after that date and which may have arisen at any time during the term of the bond. Unless the bond is replaced by that of another surety before the expiration of the sixty days notice of cancellation, the certificate of registration shall be suspended. Any person subject to this section required to file a bond with an application for a certificate of registration may file, in lieu thereof, cash, a certificate of deposit, letter of credit, or government bonds in the amount of ten thousand dollars. The deposit is subject to the same terms and conditions as are provided for in the surety bond required herein. Any interest or earnings on such deposits are payable to the depositor.

Sec. 3332.081. The student tuition recovery authority is created as a body corporate and politic of this state. The purpose of the authority is to protect students of any school registered by the state board of ~~proprietary school registration~~ career colleges and schools from prepaid tuition loss for the academic term~~, whether~~ due to ~~business failure or any other reason for which the student is not legally responsible~~ a school closure.

The authority shall consist of five members as follows: the executive director of the state board of ~~proprietary school registration~~ career colleges and schools, the executive director of the Ohio ~~council of private~~ association of career colleges and schools, the treasurer of state or ~~his~~ the treasurer of state's designee, the ~~chairman~~ chairperson of the senate committee that primarily deals with education, and the ~~chairman~~ chairperson of the committee of the house of representatives that primarily deals with education. The chairpersons of the legislative committees that primarily deal with education shall be nonvoting ex officio members. Each voting member of the authority, before entering upon ~~his~~ the member's official duties, shall take an oath as provided by Section 7 of Article XV, Ohio Constitution. The authority shall elect one of its voting members as ~~chairman~~ chairperson and another as ~~vice-chairman~~ vice-chairperson, and shall appoint a secretary-treasurer who need not be a member of the authority.

All meetings of the authority shall be public. All final actions of the authority shall be journalized and such journal and the records of the

hority shall be open to public inspection at all reasonable times.

Sec. 3332.082. The state board of ~~proprietary school registration~~ career colleges and schools may pursue any lawful means of assuring that students of any school registered by the state board do not suffer prepaid tuition loss as a result of ~~a business failure or other default~~ the closure of a school. This may include lawsuits against a school or any individual who may reasonably have liability as a result of the default, in which the attorney general shall advise and represent the board. Any student seeking reimbursement for a prepaid tuition loss shall submit a claim for reimbursement to the board not later than one year following the school's closure.

~~On and after January 1, 1991, any~~ Any reimbursement for a prepaid tuition loss or advance against a possible prepaid tuition loss of a student, and any expenses reasonably incurred by the board in its pursuit of any remedy, shall be paid from the student tuition recovery fund created by section 3332.083 of the Revised Code. ~~This~~ Tuition loss does not include moneys held by a school in escrow accounts for tuition or fees for future terms, as uncommitted grants, loans, or Pell grant money. If the fund is not of sufficient size to pay the students the full amount of their prepaid fee, the ~~students~~ student tuition recovery authority shall determine the percentage of the amount that will be paid.

Any money recovered from the defaulting school, any individual with liability for the default, or the surety under a bond provided under section 3332.08 of the Revised Code shall be deposited into the fund.

Sec. 3332.083. The student tuition recovery fund is created in the custody of the treasurer of state, but not as a part of the state treasury. All revenues received from payments ~~recieved~~ received under section 3332.085 of the Revised Code from schools registered by the state board of ~~proprietary school registration~~ career colleges and schools and any other sources shall be deposited into the fund. The treasurer of state shall invest any portion of the fund not needed for immediate use in the same manner as in the investment of state funds. All investment earnings of the fund shall be credited to the fund. The treasurer of state shall disburse money from the fund on order of the ~~chairman~~ chairperson of the student tuition recovery authority or ~~his~~ the chairperson's designee.

All moneys and other assets acquired by the authority shall be held in trust to carry out its powers and duties and shall be used and reused to provide for the services described in this chapter.

Sec. 3332.085. (A) Not later than the thirty-first day of August in each year, each school registered by the state board of ~~proprietary school registration~~ career colleges and schools shall pay into the student tuition

recovery fund in the following amounts:

(1) Schools initially registered or sold on or after July 28, 1989, for the first five payments $500;

(2) Any other school, according to its prior year's tuition receipts:

Up to $400,000	$ 200
$400,001 to $700,000	400
$700,001 to $1,000,000	800
Over $1,000,000	1,000

Checks shall be made payable to the student tuition recovery fund and sent to the executive director of the state board, who shall promptly forward all such receipts to the treasurer of state. Failure of a school to make a payment is cause for cancellation of its certificate of registration.

(B) The student tuition recovery authority may impose a special assessment on the schools in an amount up to the amount of an annual contribution if the draw on the money exceeds the money on hand.

(C) Once the fund has assets in excess of liabilities of approximately one million dollars, the authority may:

(1) Reduce or eliminate the annual contributions, except on institutions that are required to contribute to the fund for at least a five-year period. The reduction in contributions to the fund will be at the discretion of the authority but they will be guided by the objective to maintain assets in excess of liabilities of approximately one million dollars.

(2) Utilize moneys in excess of the assets required to be maintained in the fund by division (C)(1) of this section for the purposes of disseminating consumer information about ~~proprietary~~ private career schools and maintaining student records from closed schools.

Sec. 3332.09. The state board of ~~proprietary school registration~~ career colleges and schools may limit, suspend, revoke, or refuse to issue or renew a certificate of registration or program authorization or may impose a penalty pursuant to section 3332.091 of the Revised Code for any one or combination of the following causes:

(A) Violation of any provision of sections 3332.01 to 3332.09 of the Revised Code, the board's minimum standards, or any rule made by the board;

(B) Furnishing of false, misleading, deceptive, altered, or incomplete information or documents to the board;

(C) The signing of an application or the holding of a certificate of registration by a person who has pleaded guilty or has been found guilty of a felony or has pleaded guilty or been found guilty of a crime involving moral turpitude;

(D) The signing of an application or the holding of a certificate of registration by a person who is addicted to the use of any controlled substance, or who is found to be mentally incompetent;

(E) Violation of any commitment made in an application for a certificate of registration or program authorization;

(F) Presenting to prospective students, either at the time of solicitation or enrollment, or through advertising, mail circulars, or phone solicitation, misleading, deceptive, false, or fraudulent information relating to any program, employment opportunity, or opportunities for enrollment in accredited institutions of higher education after entering or completing programs offered by the holder of a certificate of registration;

(G) Failure to provide or maintain premises or equipment for offering programs in a safe and sanitary condition;

(H) Refusal by an agent to display the agent's permit upon demand of a prospective student or other interested person;

(I) Failure to maintain financial resources adequate for the satisfactory conduct of programs as presented in the plan of operation or to retain a sufficient number and qualified staff of instruction, except that nothing in this chapter requires an instructor to be licensed by the state board of education or to hold any type of post-high school degree;

(J) Offering training or programs other than those presented in the application, except that schools may offer special courses adapted to the needs of individual students when the special courses are in the subject field specified in the application;

(K) Discrimination in the acceptance of students upon the basis of race, color, religion, sex, or national origin;

(L) Accepting the services of an agent not holding a valid permit issued under section 3332.10 or 3332.11 of the Revised Code;

(M) The use of monetary or other valuable consideration by the school's agents or representatives to induce prospective students to enroll in the school, or the practice of awarding monetary or other valuable considerations <u>without board approval</u> to students in exchange for procuring the enrollment of others;

(N) Failure to provide at the request of the board, any information, records, or files pertaining to the operation of the school or recruitment and enrollment of students.

If the board modifies or adopts additional minimum standards or rules pursuant to section 3332.031 of the Revised Code, all schools and agents shall have sixty days from the effective date of the modifications or additional standards or rules to comply with such modifications or additions.

Sec. 3332.091. (A)(1) Any person adversely affected by the actions of a certificate holder may file a complaint with the state board of ~~proprietary school registration~~ career colleges and schools alleging that any school registered with the board has violated any provision of section 3332.09 of the Revised Code. The complaint shall be in writing and signed by the complainant and shall be filed with the board within six months after the violations allegedly were committed. Upon receiving a complaint, the board shall initiate a preliminary investigation to determine whether it is probable that violations were committed. If the board determines after preliminary investigation that it is not probable that any violations were committed, it shall notify the person who filed the complaint that it has so determined and that it will not issue a formal complaint in the matter.

If the board determines after a preliminary investigation that it is probable that violations were committed, it may issue a formal complaint under division (A)(2) of this section or it may endeavor to eliminate such practices by informal methods of conference, conciliation, and persuasion. Nothing said or done during these endeavors shall be disclosed by any member of the board or its staff or be used as evidence in any subsequent proceedings. If, after such investigation and conference, the board is satisfied that such violations will be eliminated, it may treat the complaint as conciliated, and entry of such disposition shall be made in the records of the board.

(2) If as a result of any informal methods utilized under division (A)(1) of this section, the board fails to effect the elimination of violations or fails to obtain voluntary compliance with this chapter, the board shall issue a formal complaint to the holder of a certificate of registration of the school under investigation. The formal complaint shall state the charges against the school and ~~require~~ grant the certificate holder the opportunity to appear before the board at a public hearing pursuant to Chapter 119. of the Revised Code. The board shall hold the public hearing not sooner than thirty days after issuance of the formal complaint. Any formal complaint issued pursuant to this section must be issued within one year after the state board's receipt of a complaint from a person adversely affected by the actions of a certificate holder.

If at the time of issuing a formal complaint, the board has reasonable cause to believe that the violations that are the subject of the complaint will continue and constitute an immediate threat to the welfare of current and prospective students, the board, for a period not to exceed the lesser of ninety days or the period of time until a final adjudication order dismissing the complaint or imposing a penalty is issued under this section, may:

(a) Issue an order prohibiting the school's agents from personally contacting students;

(b) Issue an order prohibiting the school from using any advertising, recruiting, or promotional materials unless such materials have been approved by the board. The board must approve or disapprove any materials submitted to it under such an order within thirty days of their receipt.

(c) Issue an order prohibiting the operation of a school.

If, after a public hearing, the board determines that the holder of a certificate of registration has violated any provision of section 3332.09 of the Revised Code, the board shall issue a final adjudication order levying a civil penalty pursuant to division (B) of this section or limiting, suspending, or revoking the certificate of registration or program authorization or any combination thereof. The board may impose additional penalties including but not necessarily limited to curtailment of advertising, and discontinuation of enrollment of students in specific programs. Upon suspension or revocation, the board immediately shall also issue an order pursuant to Chapter 119. of the Revised Code requiring such person immediately to cease all sales, advertising, and enrollment activities.

(B) Pursuant to division (A) of this section, the board may impose a civil penalty of not less than one thousand nor more than three thousand five hundred dollars for each violation of section 3332.09 of the Revised Code, but not to exceed an aggregate penalty of thirty-five thousand dollars in any six-month period.

(C) The board shall prepare an annual report that documents the disposition of all complaints, their status, board action, and the elapsed time from the initial filing of the complaint until final resolution. The report shall be made available to anyone upon request.

(D) The board may, upon its own initiative and independent of the filing of any complaints, conduct a preliminary investigation relating to any possible violations of section 3332.09 of the Revised Code.

At any time while a school is in session, the board or its designee may conduct on-site inspections and reviews of a school and its courses of instruction. The board shall conduct such visits and reviews, including visits without prior notice to the schools, as necessary to ensure compliance with this chapter.

All books, records, and files of a school shall be open for inspection by the board, its designees, or staff during on-site inspections, or whenever requested by the board for the purpose of ensuring compliance with the provisions of this chapter.

For the purpose of conducting any investigation, inspection, or review,

the board may administer oaths, take the testimony of any person under oath, issue subpoenas, compel the attendance of witnesses, or require the production for examination of any books and papers relating to any matter under investigation or in question before the board.

(E) During the course of any investigation under division (A) or (D) of this section, the board shall refer all possible violations of Chapter 1345. of the Revised Code to the attorney general.

Sec. 3332.092. Any school subject to this chapter receiving money under section 3333.12 of the Revised Code on behalf of a student who is determined by the state board of ~~proprietary school registration~~ career colleges and schools to be ineligible under such section because the program in which ~~he~~ the student is enrolled does not lead to an associate or baccalaureate degree, shall be liable to the state for the amount specified in section 3333.12 of the Revised Code. The state board of ~~proprietary school registration~~ career colleges and schools shall suspend the certificate of registration of a school receiving money under section 3333.12 of the Revised Code for such ineligible student until such time as the money is repaid to the Ohio board of regents.

Sec. 3332.10. (A) No individual shall sell any program or solicit students therefor in this state unless ~~he~~ the individual is an employee of the school. Any individual whose primary duty, whether on or off school premises, is to solicit prospective students shall first secure a permit as an agent from the state board of ~~proprietary school registration~~ career colleges and schools. If the agent represents more than one school, a separate permit shall be obtained for each school represented by ~~him~~ the agent. An agent who represents a person that operates more than one school in the same geographical area, as determined by the board, need not obtain a separate permit for each such school. Upon approval for a permit, the board shall issue a pocket card to the individual, giving ~~his~~ the individual's name, address, permit number, and the name and address of ~~his~~ the employing school, and certifying that the individual whose name appears on the card is an authorized agent of the school.

(B) The application for a permit shall be made on forms to be furnished by the board and accompanied by the fee established in accordance with section 3332.07 of the Revised Code ~~and a surety bond acceptable to the board in the penal sum of one thousand dollars~~. A permit shall be renewed every twelve months and shall be valid for up to thirty days after its expiration date. ~~The surety bond may be continuous and shall be conditioned to provide indemnification to any student suffering loss as a result of any fraud or misrepresentation used in procuring his enrollment,~~

~~and may be supplied by an agent of a school or by the school itself as a blanket bond covering all of its agents in the amount of one thousand dollars for each agent. The liability of the surety on such bond for each agent covered shall not exceed the sum of one thousand dollars as an aggregate for all students for all breaches of the conditions of the bond by such agents. The surety of any such bond may cancel the same upon giving thirty days' notice in writing to the board and is relieved of liability for any breach of condition occurring after the effective date of the cancellation.~~ An application for renewal shall be accompanied by the fee established in accordance with section 3332.07 of the Revised Code ~~and a surety bond as provided in this section, if a continuous bond has not been furnished~~.

(C) Each school subject to this chapter shall assume full responsibility for the actions, statements, and conduct of its agents, and shall provide them with adequate training and arrange for proper supervision of their work. The board shall hold schools liable for the actions, statements, and conduct of agents that violate any provision of this chapter, unless an agent's acts or omissions were manifestly outside the scope of ~~his~~ the agent's employment or official responsibilities.

Sec. 3332.11. Any agent's permit applied for pursuant to section 3332.10 of the Revised Code shall be granted or denied within thirty days of the receipt of the application by the state board of ~~proprietary school registration~~ career colleges and schools. If the board has not completed its determination with respect to the issuance of a permit within such thirty-day period, it shall issue a temporary permit to the applicant, which permit is sufficient to meet the requirements of section 3332.10 of the Revised Code until such time as such determination is made.

No permit shall be issued to any person found by the board not to be of good moral character.

Sec. 3332.12. Any agent's permit issued may be suspended or revoked by the state board of ~~proprietary school registration~~ career colleges and schools if the holder of the permit solicits or enrolls students through fraud, deception, or misrepresentation, upon a finding that the permit holder has violated any provision enumerated in division (A), (B), (F), (H), (J), (K), or (M) of section 3332.09 of the Revised Code, or upon finding that the permit holder is not of good moral character.

Upon receipt of any written complaint from any person, the board shall conduct a preliminary investigation. If after such investigation or if as a result of any investigation conducted under division (A) or (D) of section 3332.091 of the Revised Code, the board determines it is probable violations were committed, the board shall hold informal conferences in the same

nner as provided in section 3332.091 of the Revised Code with an agent believed to be in violation of one or more of the above conditions. If after sixty days these conferences fail to eliminate the agent's objectionable practices or procedures, the board shall issue a formal complaint to the agent and the school that employs the agent. The formal complaint shall state the charges against the agent and the holder of the ~~certificate~~ certificate of registration of the school and shall require them to appear before the board at a public hearing pursuant to Chapter 119. of the Revised Code. If, after the public hearing, the board determines that an agent has violated one or more of the provisions described above, the board shall suspend or revoke the agent's permit.

If after such hearing the board also determines that the school at which the agent was employed was negligent in its supervision of the agent or encouraged or caused the commission of the violations, the board shall levy penalties against such school in accordance with division (A) of section 3332.091 of the Revised Code. Nothing said or done in the informal conferences shall be disclosed by the board or any member of its staff nor be used as evidence in any subsequent proceedings.

Sec. 3332.13. The fact that a bond is in force pursuant to section ~~3332.10~~ 3332.08 of the Revised Code does not limit nor impair any right of recovery otherwise available pursuant to law, nor is the amount of such bond relevant in determining the amount of damages or other relief to which any plaintiff may be entitled.

Sec. 3332.18. On receipt of a notice pursuant to section 3123.43 of the Revised Code, the state board of ~~proprietary school registration~~ career colleges and schools shall comply with sections 3123.41 to 3123.50 of the Revised Code and any applicable rules adopted under section 3123.63 of the Revised Code with respect to a permit issued pursuant to this chapter.

Sec. 3333.043. (A) As used in this section:

(1) "Institution of higher education" means the state universities listed in section 3345.011 of the Revised Code, municipal educational institutions established under Chapter 3349. of the Revised Code, community colleges established under Chapter 3354. of the Revised Code, university branches established under Chapter 3355. of the Revised Code, technical colleges established under Chapter 3357. of the Revised Code, state community colleges established under Chapter 3358. of the Revised Code, any institution of higher education with a certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools, and any institution for which the Ohio board of regents receives a notice pursuant to division (C) of this section.

(2) "Community service" has the same meaning as in section 3313.605 of the Revised Code.

(B)(1) The board of trustees or other governing entity of each institution of higher education shall encourage and promote participation of students in community service through a program appropriate to the mission, student population, and environment of each institution. The program may include, but not be limited to, providing information about community service opportunities during student orientation or in student publications; providing awards for exemplary community service; encouraging faculty members to incorporate community service into students' academic experiences wherever appropriate to the curriculum; encouraging recognized student organizations to undertake community service projects as part of their purposes; and establishing advisory committees of students, faculty members, and community and business leaders to develop cooperative programs that benefit the community and enhance student experience. The program shall be flexible in design so as to permit participation by the greatest possible number of students, including part-time students and students for whom participation may be difficult due to financial, academic, personal, or other considerations. The program shall emphasize community service opportunities that can most effectively use the skills of students, such as tutoring or literacy programs. The programs shall encourage students to perform services that will not supplant the hiring of, result in the displacement of, or impair any existing employment contracts of any particular employee of any private or governmental entity for which services are performed.

(2) The Ohio board of regents shall encourage all institutions of higher education in the development of community service programs. With the assistance of the Ohio community service council created in section 121.40 of the Revised Code, the board of regents shall make available information about higher education community service programs to institutions of higher education and to statewide organizations involved with or promoting volunteerism, including information about model community service programs, teacher training courses, and community service curricula and teaching materials for possible use by institutions of higher education in their programs. The board shall encourage institutions of higher education to jointly coordinate higher education community service programs through consortia of institutions or other appropriate means of coordination.

(C) The board of trustees of any nonprofit institution with a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or the governing authority of a private institution

exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code may notify the board of regents that it is making itself subject to divisions (A) and (B) of this section. Upon receipt of such a notice, these divisions shall apply to that institution.

Sec. 3333.12. (A) As used in this section:

(1) "Eligible student" means an undergraduate student who is:

(a) An Ohio resident;

(b) Enrolled in either of the following:

(i) An accredited institution of higher education in this state that meets the requirements of Title VI of the Civil Rights Act of 1964 and is state-assisted, is nonprofit and has a certificate of authorization from the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, has a certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools and program authorization to award an associate or bachelor's degree, or is a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code. Students who attend an institution that holds a certificate of registration shall be enrolled in a program leading to an associate or bachelor's degree for which associate or bachelor's degree program the institution has program authorization issued under section 3332.05 of the Revised Code.

(ii) A technical education program of at least two years duration sponsored by a private institution of higher education in this state that meets the requirements of Title VI of the Civil Rights Act of 1964.

(c) Enrolled as a full-time student or enrolled as a less than full-time student for the term expected to be the student's final term of enrollment and is enrolled for the number of credit hours necessary to complete the requirements of the program in which the student is enrolled.

(2) "Gross income" includes all taxable and nontaxable income of the parents, the student, and the student's spouse, except income derived from an Ohio academic scholarship, income earned by the student between the last day of the spring term and the first day of the fall term, and other income exclusions designated by the board. Gross income may be verified to the board by the institution in which the student is enrolled using the federal financial aid eligibility verification process or by other means satisfactory to the board.

(3) "Resident," "full-time student," "dependent," "financially independent," and "accredited" shall be defined by rules adopted by the board.

(B) The Ohio board of regents shall establish and administer an instructional grant program and may adopt rules to carry out this section. The general assembly shall support the instructional grant program by such sums and in such manner as it may provide, but the board may also receive funds from other sources to support the program. If the amounts available for support of the program are inadequate to provide grants to all eligible students, preference in the payment of grants shall be given in terms of income, beginning with the lowest income category of gross income and proceeding upward by category to the highest gross income category.

An instructional grant shall be paid to an eligible student through the institution in which the student is enrolled, except that no instructional grant shall be paid to any person serving a term of imprisonment. Applications for such grants shall be made as prescribed by the board, and such applications may be made in conjunction with and upon the basis of information provided in conjunction with student assistance programs funded by agencies of the United States government or from financial resources of the institution of higher education. The institution shall certify that the student applicant meets the requirements set forth in divisions (A)(1)(b) and (c) of this section. Instructional grants shall be provided to an eligible student only as long as the student is making appropriate progress toward a nursing diploma or an associate or bachelor's degree. No student shall be eligible to receive a grant for more than ten semesters, fifteen quarters, or the equivalent of five academic years. A grant made to an eligible student on the basis of less than full-time enrollment shall be based on the number of credit hours for which the student is enrolled and shall be computed in accordance with a formula adopted by the board. No student shall receive more than one grant on the basis of less than full-time enrollment.

An instructional grant shall not exceed the total instructional and general charges of the institution.

(C) The tables in this division prescribe the maximum grant amounts covering two semesters, three quarters, or a comparable portion of one academic year. Grant amounts for additional terms in the same academic year shall be determined under division (D) of this section.

For a full-time student who is a dependent and enrolled in a nonprofit educational institution that is not a state-assisted institution and that has a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Private Institution

Table of Grants
Maximum Grant $5,466

Gross Income	Number of Dependents				
	1	2	3	4	5 or more
$0 - $15,000	$5,466	$5,466	$5,466	$5,466	$5,466
$15,001 - $16,000	4,920	5,466	5,466	5,466	5,466
$16,001 - $17,000	4,362	4,920	5,466	5,466	5,466
$17,001 - $18,000	3,828	4,362	4,920	5,466	5,466
$18,001 - $19,000	3,288	3,828	4,362	4,920	5,466
$19,001 - $22,000	2,736	3,288	3,828	4,362	4,920
$22,001 - $25,000	2,178	2,736	3,288	3,828	4,362
$25,001 - $28,000	1,626	2,178	2,736	3,288	3,828
$28,001 - $31,000	1,344	1,626	2,178	2,736	3,288
$31,001 - $32,000	1,080	1,344	1,626	2,178	2,736
$32,001 - $33,000	984	1,080	1,344	1,626	2,178
$33,001 - $34,000	888	984	1,080	1,344	1,626
$34,001 - $35,000	444	888	984	1,080	1,344
$35,001 - $36,000	--	444	888	984	1,080
$36,001 - $37,000	--	--	444	888	984
$37,001 - $38,000	--	--	--	444	888
$38,001 - $39,000	--	--	--	--	444

For a full-time student who is financially independent and enrolled in a nonprofit educational institution that is not a state-assisted institution and that has a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Private Institution
Table of Grants
Maximum Grant $5,466

Gross Income	Number of Dependents					
	0	1	2	3	4	5 or more
$0 - $4,800	$5,466	$5,466	$5,466	$5,466	$5,466	$5,466
$4,801 - $5,300	4,920	5,466	5,466	5,466	5,466	5,466
$5,301 - $5,800	4,362	4,920	5,466	5,466	5,466	5,466
$5,801 - $6,300	3,828	4,362	4,920	5,466	5,466	5,466
$6,301 - $6,800	3,288	3,828	4,362	4,920	5,466	5,466
$6,801 - $7,300	2,736	3,288	3,828	4,362	4,920	5,466

$7,301 - $8,300	2,178	2,736	3,288	3,828	4,362	4,920
$8,301 - $9,300	1,626	2,178	2,736	3,288	3,828	4,362
$9,301 - $10,300	1,344	1,626	2,178	2,736	3,288	3,828
$10,301 - $11,800	1,080	1,344	1,626	2,178	2,736	3,288
$11,801 - $13,300	984	1,080	1,344	1,626	2,178	2,736
$13,301 - $14,800	888	984	1,080	1,344	1,626	2,178
$14,801 - $16,300	444	888	984	1,080	1,344	1,626
$16,301 - $19,300	--	444	888	984	1,080	1,344
$19,301 - $22,300	--	--	444	888	984	1,080
$22,301 - $25,300	--	--	--	444	888	984
$25,301 - $30,300	--	--	--	--	444	888
$30,301 - $35,300	--	--	--	--	--	444

For a full-time student who is a dependent and enrolled in an educational institution that holds a certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

~~Proprietary~~ Career Institution
Table of Grants
Maximum Grant $4,632

Gross Income	Number of Dependents				
	1	2	3	4	5 or more
$0 - $15,000	$4,632	$4,632	$4,632	$4,632	$4,632
$15,001 - $16,000	4,182	4,632	4,632	4,632	4,632
$16,001 - $17,000	3,684	4,182	4,632	4,632	4,632
$17,001 - $18,000	3,222	3,684	4,182	4,632	4,632
$18,001 - $19,000	2,790	3,222	3,684	4,182	4,632
$19,001 - $22,000	2,292	2,790	3,222	3,684	4,182
$22,001 - $25,000	1,854	2,292	2,790	3,222	3,684
$25,001 - $28,000	1,416	1,854	2,292	2,790	3,222
$28,001 - $31,000	1,134	1,416	1,854	2,292	2,790
$31,001 - $32,000	906	1,134	1,416	1,854	2,292
$32,001 - $33,000	852	906	1,134	1,416	1,854
$33,001 - $34,000	750	852	906	1,134	1,416
$34,001 - $35,000	372	750	852	906	1,134
$35,001 - $36,000	--	372	750	852	906

$36,001 - $37,000	--	--	372	750	852
$37,001 - $38,000	--	--	--	372	750
$38,001 - $39,000	--	--	--	--	372

For a full-time student who is financially independent and enrolled in an educational institution that holds a certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

~~Proprietary~~ Career Institution

Table of Grants

Maximum Grant $4,632

Gross Income	Number of Dependents					
	0	1	2	3	4	5 or more
$0 - $4,800	$4,632	$4,632	$4,632	$4,632	$4,632	$4,632
$4,801 - $5,300	4,182	4,632	4,632	4,632	4,632	4,632
$5,301 - $5,800	3,684	4,182	4,632	4,632	4,632	4,632
$5,801 - $6,300	3,222	3,684	4,182	4,632	4,632	4,632
$6,301 - $6,800	2,790	3,222	3,684	4,182	4,632	4,632
$6,801 - $7,300	2,292	2,790	3,222	3,684	4,182	4,632
$7,301 - $8,300	1,854	2,292	2,790	3,222	3,684	4,182
$8,301 - $9,300	1,416	1,854	2,292	2,790	3,222	3,684
$9,301 - $10,300	1,134	1,416	1,854	2,292	2,790	3,222
$10,301 - $11,800	906	1,134	1,416	1,854	2,292	2,790
$11,801 - $13,300	852	906	1,134	1,416	1,854	2,292
$13,301 - $14,800	750	852	906	1,134	1,416	1,854
$14,801 - $16,300	372	750	852	906	1,134	1,416
$16,301 - $19,300	--	372	750	852	906	1,134
$19,301 - $22,300	--	--	372	750	852	906
$22,301 - $25,300	--	--	--	372	750	852
$25,301 - $30,300	--	--	--	--	372	750
$30,301 - $35,300	--	--	--	--	--	372

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution

Table of Grants

Gross Income	Maximum Grant $2,190 Number of Dependents				
	1	2	3	4	5 or more
$0 - $15,000	$2,190	$2,190	$2,190	$2,190	$2,190
$15,001 - $16,000	1,974	2,190	2,190	2,190	2,190
$16,001 - $17,000	1,740	1,974	2,190	2,190	2,190
$17,001 - $18,000	1,542	1,740	1,974	2,190	2,190
$18,001 - $19,000	1,320	1,542	1,740	1,974	2,190
$19,001 - $22,000	1,080	1,320	1,542	1,740	1,974
$22,001 - $25,000	864	1,080	1,320	1,542	1,740
$25,001 - $28,000	648	864	1,080	1,320	1,542
$28,001 - $31,000	522	648	864	1,080	1,320
$31,001 - $32,000	420	522	648	864	1,080
$32,001 - $33,000	384	420	522	648	864
$33,001 - $34,000	354	384	420	522	648
$34,001 - $35,000	174	354	384	420	522
$35,001 - $36,000	--	174	354	384	420
$36,001 - $37,000	--	--	174	354	384
$37,001 - $38,000	--	--	--	174	354
$38,001 - $39,000	--	--	--	--	174

For a full-time student who is financially independent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution
Table of Grants

Gross Income	Maximum Grant $2,190 Number of Dependents					
	0	1	2	3	4	5 or more
$0 - $4,800	$2,190	$2,190	$2,190	$2,190	$2,190	$2,190
$4,801 - $5,300	1,974	2,190	2,190	2,190	2,190	2,190
$5,301 - $5,800	1,740	1,974	2,190	2,190	2,190	2,190
$5,801 - $6,300	1,542	1,740	1,974	2,190	2,190	2,190
$6,301 - $6,800	1,320	1,542	1,740	1,974	2,190	2,190
$6,801 - $7,300	1,080	1,320	1,542	1,740	1,974	2,190
$7,301 - $8,300	864	1,080	1,320	1,542	1,740	1,974
$8,301 - $9,300	648	864	1,080	1,320	1,542	1,740

$9,301 - $10,300	522	648	864	1,080	1,320	1,542
$10,301 - $11,800	420	522	648	864	1,080	1,320
$11,801 - $13,300	384	420	522	648	864	1,080
$13,301 - $14,800	354	384	420	522	648	864
$14,801 - $16,300	174	354	384	420	522	648
$16,301 - $19,300	--	174	354	384	420	522
$19,301 - $22,300	--	--	174	354	384	420
$22,301 - $25,300	--	--	--	174	354	384
$25,301 - $30,300	--	--	--	--	174	354
$30,301 - $35,300	--	--	--	--	--	174

(D) For a full-time student enrolled in an eligible institution for a semester or quarter in addition to the portion of the academic year covered by a grant determined under division (C) of this section, the maximum grant amount shall be a percentage of the maximum prescribed in the applicable table of that division. The maximum grant for a fourth quarter shall be one-third of the maximum amount prescribed under that division. The maximum grant for a third semester shall be one-half of the maximum amount prescribed under that division.

(E) No grant shall be made to any student in a course of study in theology, religion, or other field of preparation for a religious profession unless such course of study leads to an accredited bachelor of arts, bachelor of science, associate of arts, or associate of science degree.

(F)(1) Except as provided in division (F)(2) of this section, no grant shall be made to any student for enrollment during a fiscal year in an institution with a cohort default rate determined by the United States secretary of education pursuant to the "Higher Education Amendments of 1986," 100 Stat. 1278, 1408, 20 U.S.C.A. 1085, as amended, as of the fifteenth day of June preceding the fiscal year, equal to or greater than thirty per cent for each of the preceding two fiscal years.

(2) Division (F)(1) of this section does not apply to the following:

(a) Any student enrolled in an institution that under the federal law

appeals its loss of eligibility for federal financial aid and the United States secretary of education determines its cohort default rate after recalculation is lower than the rate specified in division (F)(1) of this section or the secretary determines due to mitigating circumstances the institution may continue to participate in federal financial aid programs. The board shall adopt rules requiring institutions to provide information regarding an appeal to the board.

(b) Any student who has previously received a grant under this section who meets all other requirements of this section.

(3) The board shall adopt rules for the notification of all institutions whose students will be ineligible to participate in the grant program pursuant to division (F)(1) of this section.

(4) A student's attendance at an institution whose students lose eligibility for grants under division (F)(1) of this section shall not affect that student's eligibility to receive a grant when enrolled in another institution.

(G) Institutions of higher education that enroll students receiving instructional grants under this section shall report to the board all students who have received instructional grants but are no longer eligible for all or part of such grants and shall refund any moneys due the state within thirty days after the beginning of the quarter or term immediately following the quarter or term in which the student was no longer eligible to receive all or part of the student's grant. There shall be an interest charge of one per cent per month on all moneys due and payable after such thirty-day period. The board shall immediately notify the office of budget and management and the legislative service commission of all refunds so received.

Sec. 3333.29. (A) As used in this section:

(1) "Resident" has the meaning established for purposes of this section by rule of the Ohio board of regents.

(2) "Eligible institution" means either:

(a) A private career school registered in accordance with section 3332.05 of the Revised Code;

(b) A private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code.

(B) ~~Beginning July 1, 2000, the~~ The Ohio board of regents shall establish and administer the student workforce development grant program and shall adopt rules for the administration of the program. Such rules shall be similar to the rules the Ohio board of regents adopts under section 3333.27 of the Revised Code.

(C) The Ohio board of regents may make a grant to any resident of this state who is enrolled as a full-time student in an authorized baccalaureate

degree or associate degree program at an eligible institution and who maintains an academic record that meets or exceeds a standard established by rule of the state board of ~~proprietary school registration, except that no grant shall be made to any individual who was enrolled as a student in an eligible institution before July 1, 2000~~ career colleges and schools. The size of an annual grant award shall be determined by the Ohio board of regents based on the amount of funds available for the program. The grant shall be prorated and paid in equal installments per academic term in accordance with division (E) of this section.

(D) The Ohio board of regents shall prescribe the form and manner of application for grants and shall provide a method for eligible institutions to certify applicants who are enrolled in authorized baccalaureate degree or associate degree programs and have academic records meeting or exceeding the standard established by the state board of ~~proprietary school registration~~ career colleges and schools.

(E) A grant awarded to an eligible student shall be paid to the eligible institution in which the student is enrolled, and the institution shall reduce the student's instructional and general charges by the amount of the grant. Each grant awarded shall be paid in accordance with division (C) of this section within thirty days after the start of each term of the academic year for which the grant is awarded. No student shall be eligible to receive grants for more than the equivalent of five academic years.

(F) The receipt of a workforce development grant shall not affect a student's eligibility for assistance or the amount of such assistance granted under any other provision of state law. If a student receives assistance under one or more other provisions of state law, the grant made to the student under this section shall not exceed the difference between the total instructional and general charges assessed to the student by the eligible institution and the amount of total assistance the student receives under other provisions of state law.

(G) The general assembly shall support the workforce development grant program with such appropriations as the general assembly sees fit. The Ohio board of regents may also receive funds from other sources to support the program.

(H) Eligible institutions that enroll students receiving grants under this section shall report to the Ohio board of regents the name of each student who has received such a grant but who is no longer eligible for such a grant. In the event that an eligible student who has been awarded a grant under this section withdraws from enrollment at an institution during any term, the institution shall refund a prorated amount of the student's grant for that term

to the Ohio board of regents in accordance with the school's refund policy.

(I) ~~Beginning July 1, 2000, the~~ The state board of ~~proprietary school registration~~ career colleges and schools shall report to the Ohio board of regents each degree granting ~~proprietary~~ private career school's job placement rate for the immediately preceding academic year. No grant awarded to an eligible student under this section shall be paid to a registered private career school if the school's job placement rate for baccalaureate degree and associate degree programs for the preceding academic year was less than seventy-five per cent.

Sec. 3334.01. As used in this chapter:

(A) "Aggregate original principal amount" means the aggregate of the initial offering prices to the public of college savings bonds, exclusive of accrued interest, if any. "Aggregate original principal amount" does not mean the aggregate accreted amount payable at maturity or redemption of such bonds.

(B) "Beneficiary" means:

(1) An individual designated by the purchaser under a tuition payment contract or through a scholarship program as the individual on whose behalf tuition credits purchased under the contract or awarded through the scholarship program will be applied toward the payment of undergraduate, graduate, or professional tuition; or

(2) An individual designated by the contributor under a variable college savings program contract as the individual whose tuition and other higher education expenses will be paid from a variable college savings program account.

(C) "Capital appreciation bond" means a bond for which the following is true:

(1) The principal amount is less than the amount payable at maturity or early redemption; and

(2) No interest is payable on a current basis.

(D) "Tuition credit" means a credit of the Ohio tuition trust authority purchased under section 3334.09 of the Revised Code.

(E) "College savings bonds" means revenue and other obligations issued on behalf of the state or any agency or issuing authority thereof as a zero-coupon or capital appreciation bond, and designated as college savings bonds as provided in this chapter. "College savings bond issue" means any issue of bonds of which any part has been designated as college savings bonds.

(F) "Institution of higher education" means a state institution of higher education, a private college, university, or other postsecondary institution

located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or a certificate of registration issued by the state board of ~~proprietary school registration~~ career colleges and schools under Chapter 3332. of the Revised Code, or an accredited college, university, or other postsecondary institution located outside this state that is accredited by an accrediting organization or professional association recognized by the authority. To be considered an institution of higher education, an institution shall meet the definition of an eligible educational institution under section 529 of the Internal Revenue Code.

(G) "Issuing authority" means any authority, commission, body, agency, or individual empowered by the Ohio Constitution or the Revised Code to issue bonds or any other debt obligation of the state or any agency or department thereof. "Issuer" means the issuing authority or, if so designated under division (B) of section 3334.04 of the Revised Code, the treasurer of state.

(H) "Tuition" means the charges imposed to attend an institution of higher education as an undergraduate, graduate, or professional student and all fees required as a condition of enrollment, as determined by the Ohio tuition trust authority. "Tuition" does not include laboratory fees, room and board, or other similar fees and charges.

(I) "Weighted average tuition" means the tuition cost resulting from the following calculation:

(1) Add the products of the annual undergraduate tuition charged to Ohio residents at each four-year state university multiplied by that institution's total number of undergraduate fiscal year equated students; and

(2) Divide the gross total of the products from division (I)(1) of this section by the total number of undergraduate fiscal year equated students attending four-year state universities.

(J) "Zero-coupon bond" means a bond which has a stated interest rate of zero per cent and on which no interest is payable until the maturity or early redemption of the bond, and is offered at a substantial discount from its original stated principal amount.

(K) "State institution of higher education" includes the state universities listed in section 3345.011 of the Revised Code, community colleges created pursuant to Chapter 3354. of the Revised Code, university branches created pursuant to Chapter 3355. of the Revised Code, technical colleges created pursuant to Chapter 3357. of the Revised Code, state community colleges created pursuant to Chapter 3358. of the Revised Code, the medical college of Ohio at Toledo, and the northeastern Ohio universities college of

medicine.

(L) "Four-year state university" means those state universities listed in section 3345.011 of the Revised Code.

(M) "Principal amount" refers to the initial offering price to the public of an obligation, exclusive of the accrued interest, if any. "Principal amount" does not refer to the aggregate accreted amount payable at maturity or redemption of an obligation.

(N) "Scholarship program" means a program registered with the Ohio tuition trust authority pursuant to section 3334.17 of the Revised Code.

(O) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1 et seq., as amended.

(P) "Other higher education expenses" means room and board and books, supplies, equipment, and nontuition-related fees associated with the cost of attendance of a beneficiary at an institution of higher education, but only to the extent that such expenses meet the definition of "qualified higher education expenses" under section 529 of the Internal Revenue Code. "Other higher education expenses" does not include tuition as defined in division (H) of this section.

(Q) "Purchaser" means the person signing the tuition payment contract, who controls the account and acquires tuition credits for an account under the terms and conditions of the contract.

(R) "Contributor" means a person who signs a variable college savings program contract with the Ohio tuition trust authority and contributes to and owns the account created under the contract.

Sec. 3365.01. As used in sections 3365.01 to 3365.10 of the Revised Code:

(A) "College" means any state-assisted college or university described in section 3333.041 of the Revised Code, any nonprofit institution holding a certificate of authorization pursuant to Chapter 1713. of the Revised Code, any private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, and any institution holding a certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools and program authorization for an associate or bachelor's degree program issued under section 3332.05 of the Revised Code.

(B) "School district," except as specified in division (G) of this section, means any school district to which a student is admitted under section 3313.64, 3313.65, 3313.98, or 3317.08 of the Revised Code and does not include a joint vocational or cooperative education school district.

(C) "Parent" has the same meaning as in section 3313.64 of the Revised

Code.

(D) "Participant" means a student enrolled in a college under the post-secondary enrollment options program established by this chapter.

(E) "Secondary grade" means the ninth through twelfth grades.

(F) "School foundation payments" means the amount required to be paid to a school district for a fiscal year under Chapter 3317. of the Revised Code.

(G) "Tuition base" means, with respect to a participant's school district, the formula amount defined in division (B) of section 3317.02 of the Revised Code multiplied by the district's cost-of-doing-business factor defined in division (N) of section 3317.02 of the Revised Code. The participant's "school district" in the case of a participant enrolled in a community school shall be the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(H) "Educational program" means enrollment in one or more school districts, in a nonpublic school, or in a college under division (B) of section 3365.04 of the Revised Code.

(I) "Nonpublic school" means a chartered or nonchartered school for which minimum standards are prescribed by the state board of education pursuant to division (D) of section 3301.07 of the Revised Code.

(J) "School year" means the year beginning on the first day of July and ending on the thirtieth day of June.

(K) "Community school" means any school established pursuant to Chapter 3314. of the Revised Code that includes secondary grades.

(L) "Community school payments" means payments made by the department of education to a community school pursuant to division (D) of section 3314.08 of the Revised Code.

Sec. 3365.15. This section does not apply to students enrolled in twelfth grade after July 1, 2001.

No later than July 1, 1999, the board of regents shall adopt rules under which it shall award at least a five-hundred dollar scholarship to each student who both:

(A) After July 1, 1998, and while the student attends twelfth grade, attains on all five tests at least the scores designated under former division (A)(3) of section 3301.0710 of the Revised Code;

(B) Submits to the board of regents, in the form and manner and by any deadline prescribed by the rules, evidence of having enrolled in a state-assisted college or university, a nonprofit institution holding a certificate of authorization pursuant to Chapter 1713. of the Revised Code, or an institution registered by the state board of ~~proprietary school~~

~~registration~~ career colleges and schools that has program authorization to award an associate or bachelor's degree.

The board of regents shall pay each scholarship awarded under this section to the student. It may be used to defray any educational expenses.

Sec. 4742.05. (A) A ~~proprietary~~ career school that holds a valid certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools may apply to the state board of education for certification of a basic course of emergency service telecommunicator training or of continuing education coursework in emergency service telecommunicator training. The state board of education shall prescribe the form of the application.

(B) Upon receipt of an application, the state board of education shall review it and consider whether the proposed course or coursework meets the requirements of division (A) or (B) of section 4742.03 of the Revised Code concerning course length and content. If the proposed course or coursework meets those requirements, the state board of education shall issue a certification of that fact to the ~~proprietary~~ career school. Inclusion of on-site verifiable electronic training as part of a proposed basic or continuing education course shall not be a reason for the state board to deny certification.

(C) If, after receiving a certification from the state board of education under this section, the ~~proprietary~~ career school changes the approved course or coursework, the prior certification is canceled and the ~~proprietary~~ career school shall apply to the state board of education for certification of the changed course or coursework.

Sec. 4742.06. (A) A person may obtain certification as an emergency service telecommunicator by successfully completing a basic course of emergency service telecommunicator training that is conducted by a ~~proprietary~~ career school that has obtained certification of that course from the state board of education under section 4742.05 of the Revised Code. If a person successfully completes the course, the ~~proprietary~~ career school shall certify the person's successful completion.

(B) A person may maintain certification as an emergency service telecommunicator by successfully completing continuing education coursework in emergency service telecommunicator training that is conducted by a ~~proprietary~~ career school that has obtained certification of that coursework from the state board of education under section 4742.05 of the Revised Code. If a person successfully completes the coursework, the ~~proprietary~~ career school shall certify the person's successful completion.

(C) Upon certification of a person's successful completion under

division (A) or (B) of this section, the ~~proprietary~~ career school shall send a copy of the certification to the person and to the emergency service provider that employs the person.

(D) Tuition and materials costs for a person enrolled in a certified basic or continuing education course conducted by a ~~proprietary~~ career school shall be paid by the person, an emergency service provider, or any other entity on behalf of the person or an emergency service provider.

Sec. 4743.03. No board, commission, or agency created under or by virtue of Title 47 of the Revised Code shall restrict entry into any occupation, profession, or trade under its supervision or regulation by:

(A) Unreasonably restricting the number of schools or other institutions it certifies or accredits for the purpose of fulfilling educational or training requirements for such occupation, profession, or trade;

(B) Denying certification or accreditation for the purpose of fulfilling such educational or training requirements to any school, college, or other educational institution that has been certified by the Ohio board of regents or the state board of ~~proprietary school registration~~ career colleges and schools or to a high school for which the state board of education prescribes minimum standards under division (D) of section 3301.07 of the Revised Code, unless the educational or training program offered by such school, college, or institution is not in substantial compliance with applicable standards of the occupation, profession, or trade.

(C) Rules of state regulatory boards relevant to age and level of education required for admission to courses of study leading to examination and licensing in professions or occupations controlled by regulatory boards not requiring a technical, associate, or baccalaureate degree shall not apply to vocational education programs conducted in the public schools where such vocational education programs in all other respects meet the minimum standards and requirements of any regulatory board and students completing such programs are of the minimum age required for examination and licensing for the purpose of practicing professions or occupations controlled by regulatory boards.

Nothing in this section shall prohibit a board, commission, or agency from prescribing and enforcing educational and training requirements and standards for certification and accreditation of schools and other institutions that constitute reasonable bases for maintaining necessary standards of performance in any occupation, profession, or trade.

Sec. 4762.02. (A) Except as provided in division (B) of this section, no person shall engage in the practice of acupuncture unless the person holds a valid certificate of registration as an acupuncturist issued by the state

medical board under this chapter.

(B) Division (A) of this section does not apply to a physician or to a person who performs acupuncture as part of a training program in acupuncture operated by an educational institution that holds an effective certificate of authorization issued by the Ohio board of regents under section 1713.02 of the Revised Code or a school that holds an effective certificate of registration issued by the state board of ~~proprietary school registration~~ career colleges and schools under section 3332.05 of the Revised Code.

Sec. 4763.05. (A)(1) A person shall make application for an initial state-certified general real estate appraiser certificate, an initial state-certified residential real estate appraiser certificate, an initial state-licensed residential real estate appraiser license, or an initial state-registered real estate appraiser assistant registration in writing to the superintendent of real estate on a form the superintendent prescribes. The application shall include the address of the applicant's principal place of business and all other addresses at which the applicant currently engages in the business of preparing real estate appraisals and the address of the applicant's current residence. The superintendent shall retain the applicant's current residence address in a separate record which shall not constitute a public record for purposes of section 149.03 of the Revised Code. The application shall indicate whether the applicant seeks certification as a general real estate appraiser or as a residential real estate appraiser, licensure as a residential real estate appraiser, or registration as a real estate appraiser assistant and be accompanied by the prescribed examination and certification, registration, or licensure fees set forth in section 4763.09 of the Revised Code. The application also shall include a pledge, signed by the applicant, that the applicant will comply with the standards set forth in this chapter and a statement that the applicant understands the types of misconduct for which disciplinary proceedings may be initiated against the applicant pursuant to this chapter.

(2) For purposes of providing funding for the real estate appraiser recovery fund established by section 4763.16 of the Revised Code, the real estate appraiser board shall levy an assessment against each person issued an initial certificate, registration, or license and against current licensees, registrants, and certificate holders, as required by board rule. The assessment is in addition to the application and examination fees for initial applicants required by division (A)(1) of this section and the renewal fees required for current certificate holders, registrants, and licensees. The superintendent shall deposit the assessment into the state treasury to the credit of the real estate appraiser recovery fund. The assessment for initial

certificate holders, registrants, and licensees shall be paid prior to the issuance of a certificate, registration, or license, and for current certificate holders, registrants, and licensees, at the time of renewal.

(B) An applicant for an initial general real estate appraiser certificate shall possess at least thirty months of experience in real estate appraisal, or any equivalent experience the board prescribes. An applicant for a residential real estate appraiser certificate or residential real estate appraiser license shall possess at least two years of experience in real estate appraisal, or any equivalent experience the board prescribes. In addition to any other information required by the board, the applicant shall furnish, under oath, a detailed listing of the appraisal reports or file memoranda for each year for which experience is claimed and, upon request of the superintendent or the board, shall make available for examination a sample of the appraisal reports prepared by the applicant in the course of the applicant's practice.

(C)(1) Except as provided in division (C)(2) of this section, an applicant for an initial certificate, registration, or license shall be at least eighteen years of age, honest, truthful, and of good reputation and shall present satisfactory evidence to the superintendent of the following, as appropriate:

(a) If the applicant is seeking a state-certified general real estate appraiser certificate, that the applicant has successfully completed at least one hundred sixty-five classroom hours of courses in subjects related to real estate appraisal, including at least one course devoted exclusively to federal, state, and municipal fair housing law, presented by a nationally recognized appraisal organization, an institution of higher education, a ~~proprietary~~ career school registered by the state board of ~~proprietary school registration~~ career colleges and schools, a state or federal commission or agency, or any other organization that represents the interests of financial institutions or real estate brokers, appraisers, or agents and that provides appraisal education, plus fifteen classroom hours related to standards of professional practice and the provisions of this chapter;

(b) If the applicant is seeking a state-certified residential real estate appraiser certificate, that the applicant has successfully completed at least one hundred five classroom hours of courses in subjects related to real estate appraisal, including at least one course devoted exclusively to federal, state, and municipal fair housing law, presented by a nationally recognized appraisal organization, an institution of higher education, a ~~proprietary~~ career school registered by the state board of ~~proprietary school registration~~ career colleges and schools, or any other organization that represents the interests of financial institutions or real estate brokers, appraisers, or agents and that provides appraisal education, plus fifteen classroom hours related to

standards of professional practice and the provisions of this chapter;

(c) If the applicant is seeking a state-licensed residential real estate appraiser license, that the applicant has successfully completed at least seventy-five classroom hours of courses in subjects related to real estate appraisal, including at least one course devoted exclusively to federal, state, and municipal fair housing law, presented by a nationally recognized appraisal organization, an institution of higher education, a ~~proprietary~~ career school registered by the state board of ~~proprietary school registration~~ career colleges and schools, a state or federal commission or agency, or any other organization that represents the interests of financial institutions or real estate brokers, appraisers, or agents and that provides appraisal education, plus fifteen classroom hours related to standards of professional practice and the provisions of this chapter;

(d) If the applicant is seeking a state-registered real estate appraiser assistant registration, that the applicant has successfully completed at least seventy-five classroom hours of courses in subjects related to real estate appraisal, including at least one course devoted exclusively to federal, state, and municipal fair housing law, presented by a nationally recognized appraisal organization, an institution of higher education, a ~~proprietary~~ career school registered by the state board of ~~proprietary school registration~~ career colleges and schools, or any other organization that represents the interests of financial institutions or real estate brokers, appraisers, or agents, and that provides appraisal education that included at least fifteen classroom hours of instruction related to standards of professional practice and the requirements of this chapter and the rules adopted under this chapter.

(2) Each person who files an application for an initial certificate or license within one year of the date established by the board as the first date on which applications will be accepted under this section, which date shall be no later than September 1, 1990, and who, at the time of filing that application, does not satisfy the educational requirements for the certification or licensure sought of either division (C)(1)(a) or (b) of this section is exempt from those educational requirements for the term of the initial certification or licensure. In applying for a renewal certificate or license pursuant to section 4763.06 of the Revised Code, a certificate holder or licensee who was exempted from the educational requirements of division (C)(1)(a) or (b) of this section when applying for the initial certificate or license shall present satisfactory evidence to the superintendent that the certificate holder or licensee has completed the educational requirements for the certification or licensure to be renewed of one of those divisions before the renewal certificate or license may be issued.

(D) An applicant for an initial general real estate appraiser or residential real estate appraiser certificate or residential real estate appraiser license shall take and successfully complete a written examination in order to qualify for the certificate or license. The examination shall require the applicant to demonstrate all of the following:

(1) Appropriate knowledge of technical terms commonly used in or related to real estate appraising, appraisal report writing, and the economic concepts applicable to real estate;

(2) Understanding of the principles of land economics, real estate appraisal processes, and problems likely to be encountered in gathering, interpreting, and processing of data in carrying out appraisal disciplines;

(3) Understanding of the standards for the development and communication of real estate appraisals as provided in this chapter and the rules adopted thereunder;

(4) Knowledge of theories of depreciation, cost estimating, methods of capitalization, direct sales comparison, and the mathematics of real estate appraisal that are appropriate for the certification or licensure for which the applicant has applied;

(5) Knowledge of other principles and procedures as appropriate for the certification or license;

(6) Basic understanding of real estate law;

(7) Understanding of the types of misconduct for which disciplinary proceedings may be initiated against a certificate holder and licensee.

(E)(1) A nonresident, natural person of this state who has complied with this section may obtain a certificate, registration, or license. The board shall adopt rules relating to the certification, registration, and licensure of a nonresident applicant whose state of residence the board determines to have certification, registration, or licensure requirements that are substantially similar to those set forth in this chapter and the rules adopted thereunder.

(2) A nonresident appraiser may apply for, and the board may issue, a temporary certificate or license if the board determines that the state in which the nonresident appraiser is licensed or certified has licensing or certification requirements that are substantially similar to the certification or licensure requirements set forth in this chapter and the rules adopted thereunder.

The board shall adopt rules relating to the temporary certification and licensure of nonresident appraisers. Each temporary certificate and license issued by the board shall identify the location of the real estate property to be appraised and shall not authorize appraisal of more than one real estate property located in this state. The board shall not issue more than two

temporary certificates or licenses in any one calendar year to any one applicant.

(3) In addition to any other information required to be submitted with the nonresident applicant's or appraiser's application for a certificate, registration, license, or temporary certificate or license, each nonresident applicant or appraiser shall submit a statement consenting to the service of process upon the nonresident applicant or appraiser by means of delivering that process to the secretary of state if, in an action against the applicant, certificate holder, registrant, or licensee arising from the applicant's, certificate holder's, registrant's, or licensee's activities as a certificate holder, registrant, or licensee, the plaintiff, in the exercise of due diligence, cannot effect personal service upon the applicant, certificate holder, registrant, or licensee.

(F) The superintendent shall not issue a certificate, registration, temporary certificate or license, or license to a corporation, partnership, or association. This prohibition shall not be construed to prevent a certificate holder or licensee from signing an appraisal report on behalf of a corporation, partnership, or association.

(G) Every person licensed, registered, or certified under this chapter shall notify the superintendent, on a form provided by the superintendent, of a change in the address of the licensee's, registrant's, or certificate holder's principal place of business or residence within thirty days of the change. If a licensee's, registrant's, or certificate holder's license, registration, or certificate is revoked or not renewed, the licensee, registrant, or certificate holder immediately shall return the annual and any renewal certificate, registration, or license to the superintendent.

(H) The superintendent shall not issue a certificate, registration, temporary certificate or license, or license to any person who does not meet applicable minimum criteria for state certification, registration, or licensure prescribed by federal law or rule.

Sec. 5107.58. In accordance with a federal waiver granted by the United States secretary of health and human services pursuant to a request made under former section 5101.09 of the Revised Code, county departments of job and family services may establish and administer as a work activity for minor heads of households and adults participating in Ohio works first an education program under which the participant is enrolled full-time in post-secondary education leading to vocation at a state institution of higher education, as defined in section 3345.031 of the Revised Code; a private nonprofit college or university that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the

Revised Code, or is exempted by division (E) of section 1713.02 of the Revised Code from the requirement of a certificate; a school that holds a certificate of registration and program authorization issued by the state board of ~~proprietary school registration~~ career colleges and schools under Chapter 3332. of the Revised Code; a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code; or a school that has entered into a contract with the county department of job and family services. The participant shall make reasonable efforts, as determined by the county department, to obtain a loan, scholarship, grant, or other assistance to pay for the tuition, including a federal Pell grant under 20 U.S.C.A. 1070a and an Ohio instructional grant under section 3333.12 of the Revised Code. If the participant has made reasonable efforts but is unable to obtain sufficient assistance to pay the tuition the program may pay the tuition. On or after October 1, 1998, the county department may enter into a loan agreement with the participant to pay the tuition. The total period for which tuition is paid and loans made shall not exceed two years. If the participant, pursuant to division (B)(3) of section 5107.43 of the Revised Code, volunteers to participate in the education program for more hours each week than the participant is assigned to the program, the program may pay or the county department may loan the cost of the tuition for the additional voluntary hours as well as the cost of the tuition for the assigned number of hours. The participant may receive, for not more than three years, support services, including publicly funded child day-care under Chapter 5104. of the Revised Code and transportation, that the participant needs to participate in the program. To receive support services in the third year, the participant must be, as determined by the educational institution in which the participant is enrolled, in good standing with the institution.

A county department that provides loans under this section shall establish procedures governing loan application for and approval and administration of loans granted pursuant to this section.

Sec. 5747.01. Except as otherwise expressly provided or clearly appearing from the context, any term used in this chapter has the same meaning as when used in a comparable context in the Internal Revenue Code, and all other statutes of the United States relating to federal income taxes.

As used in this chapter:

(A) "Adjusted gross income" or "Ohio adjusted gross income" means adjusted gross income as defined and used in the Internal Revenue Code, adjusted as provided in this section:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States that are exempt from federal income taxes but not from state income taxes.

(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.

(5) Deduct benefits under Title II of the Social Security Act and tier 1 railroad retirement benefits to the extent included in federal adjusted gross income under section 86 of the Internal Revenue Code.

(6) In the case of a taxpayer who is a beneficiary of a trust that makes an accumulation distribution as defined in section 665 of the Internal Revenue Code, add, for the beneficiary's taxable years beginning before 2002 or after 2004, the portion, if any, of such distribution that does not exceed the undistributed net income of the trust for the three taxable years preceding the taxable year in which the distribution is made to the extent that the portion was not included in the trust's taxable income for any of the trust's taxable years beginning in 2002, 2003, or 2004. "Undistributed net income of a trust" means the taxable income of the trust increased by (a)(i) the additions to adjusted gross income required under division (A) of this section and (ii) the personal exemptions allowed to the trust pursuant to section 642(b) of the Internal Revenue Code, and decreased by (b)(i) the deductions to adjusted gross income required under division (A) of this section, (ii) the amount of federal income taxes attributable to such income, and (iii) the amount of taxable income that has been included in the adjusted gross income of a beneficiary by reason of a prior accumulation distribution. Any undistributed net income included in the adjusted gross income of a beneficiary shall reduce the undistributed net income of the trust commencing with the earliest years of the accumulation period.

(7) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal adjusted gross income for the taxable year, had the targeted jobs credit allowed and determined under sections 38, 51, and 52 of the Internal Revenue Code not been in effect.

(8) Deduct any interest or interest equivalent on public obligations and purchase obligations to the extent included in federal adjusted gross income.

(9) Add any loss or deduct any gain resulting from the sale, exchange, or other disposition of public obligations to the extent included in federal adjusted gross income.

(10) Deduct or add amounts, as provided under section 5747.70 of the Revised Code, related to contributions to variable college savings program accounts made or tuition credits purchased pursuant to Chapter 3334. of the Revised Code.

(11)(a) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer paid during the taxable year for medical care insurance and qualified long-term care insurance for the taxpayer, the taxpayer's spouse, and dependents. No deduction for medical care insurance under division (A)(11) of this section shall be allowed either to any taxpayer who is eligible to participate in any subsidized health plan maintained by any employer of the taxpayer or of the taxpayer's spouse, or to any taxpayer who is entitled to, or on application would be entitled to, benefits under part A of Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of division (A)(11)(a) of this section, "subsidized health plan" means a health plan for which the employer pays any portion of the plan's cost. The deduction allowed under division (A)(11)(a) of this section shall be the net of any related premium refunds, related premium reimbursements, or related insurance premium dividends received during the taxable year.

(b) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income during the taxable year, the amount the taxpayer paid during the taxable year, not compensated for by any insurance or otherwise, for medical care of the taxpayer, the taxpayer's spouse, and dependents, to the extent the expenses exceed seven and one-half per cent of the taxpayer's federal adjusted gross income.

(c) For purposes of division (A)(11) of this section, "medical care" has the meaning given in section 213 of the Internal Revenue Code, subject to the special rules, limitations, and exclusions set forth therein, and "qualified long-term care" has the same meaning given in section 7702(B)(b) of the Internal Revenue Code.

(12)(a) Deduct any amount included in federal adjusted gross income solely because the amount represents a reimbursement or refund of expenses that in any year the taxpayer had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable United

States department of the treasury regulations. The deduction otherwise allowed under division (A)(12)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio adjusted gross income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio adjusted gross income in any taxable year.

(13) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year;

(b) It does not otherwise reduce the taxpayer's adjusted gross income for the current or any other taxable year.

(14) Deduct an amount equal to the deposits made to, and net investment earnings of, a medical savings account during the taxable year, in accordance with section 3924.66 of the Revised Code. The deduction allowed by division (A)(14) of this section does not apply to medical savings account deposits and earnings otherwise deducted or excluded for the current or any other taxable year from the taxpayer's federal adjusted gross income.

(15)(a) Add an amount equal to the funds withdrawn from a medical savings account during the taxable year, and the net investment earnings on those funds, when the funds withdrawn were used for any purpose other than to reimburse an account holder for, or to pay, eligible medical expenses, in accordance with section 3924.66 of the Revised Code;

(b) Add the amounts distributed from a medical savings account under division (A)(2) of section 3924.68 of the Revised Code during the taxable year.

(16) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that such amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal adjusted gross income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction of the taxpayer's federal adjusted

gross income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(17) Deduct the amount contributed by the taxpayer to an individual development account program established by a county department of job and family services pursuant to sections 329.11 to 329.14 of the Revised Code for the purpose of matching funds deposited by program participants. On request of the tax commissioner, the taxpayer shall provide any information that, in the tax commissioner's opinion, is necessary to establish the amount deducted under division (A)(17) of this section.

(18) Beginning in taxable year 2001, if the taxpayer is married and files a joint return and the combined federal adjusted gross income of the taxpayer and the taxpayer's spouse for the taxable year does not exceed one hundred thousand dollars, or if the taxpayer is single and has a federal adjusted gross income for the taxable year not exceeding fifty thousand dollars, deduct amounts paid during the taxable year for qualified tuition and fees paid to an eligible institution for the taxpayer, the taxpayer's spouse, or any dependent of the taxpayer, who is a resident of this state and is enrolled in or attending a program that culminates in a degree or diploma at an eligible institution. The deduction may be claimed only to the extent that qualified tuition and fees are not otherwise deducted or excluded for any taxable year from federal or Ohio adjusted gross income. The deduction may not be claimed for educational expenses for which the taxpayer claims a credit under section 5747.27 of the Revised Code.

(19) Add any reimbursement received during the taxable year of any amount the taxpayer deducted under division (A)(18) of this section in any previous taxable year to the extent the amount is not otherwise included in Ohio adjusted gross income.

(20)(a) Add five-sixths of the amount of depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code, including the taxpayer's proportionate or distributive share of the amount of depreciation expense allowed by that subsection to a pass-through entity in which the taxpayer has a direct or indirect ownership interest. The tax commissioner, under procedures established by the commissioner, may waive the add-back related to a pass-through entity if the taxpayer owns, directly or indirectly, less than five per cent of the pass-through entity.

(b) Nothing in division (A)(20) of this section shall be construed to adjust or modify the adjusted basis of any asset.

(c) To the extent the add-back required under division (A)(20)(a) of this section is attributable to property generating nonbusiness income or loss allocated under section 5747.20 of the Revised Code, the add-back shall be

sitused to the same location as the nonbusiness income or loss generated by the property for the purpose of determining the credit under division (A) of section 5747.05 of the Revised Code. Otherwise, the add-back shall be apportioned, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(21)(a) If the taxpayer was required to add an amount under division (A)(20)(a) of this section for a taxable year, deduct one-fifth of the amount so added for each of the five succeeding taxable years.

(b) If the amount deducted under division (A)(21)(a) of this section is attributable to an add-back allocated under division (A)(20)(c) of this section, the amount deducted shall be sitused to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(B) "Business income" means income arising from transactions, activities, and sources in the regular course of a trade or business and includes income from real property, tangible property, and intangible property if the acquisition, rental, management, and disposition of the property constitute integral parts of the regular course of a trade or business operation. "Business income" includes income, including gain or loss, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill.

(C) "Nonbusiness income" means all income other than business income and may include, but is not limited to, compensation, rents and royalties from real or tangible personal property, capital gains, interest, dividends and distributions, patent or copyright royalties, or lottery winnings, prizes, and awards.

(D) "Compensation" means any form of remuneration paid to an employee for personal services.

(E) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any individual, trust, or estate.

(F) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December.

(G) "Individual" means any natural person.

(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(I) "Resident" means:

(1) An individual who is domiciled in this state, subject to section

5747.24 of the Revised Code;

(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code and any election under section 5747.25 of the Revised Code are not controlling for purposes of division (I)(2) of this section.

(3) Division (I)(3) of this section applies only to taxable years of a trust beginning in 2002, 2003, or 2004.

A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part. For the purposes of division (I)(3) of this section, a trust resides in this state to the extent that it consists, directly or indirectly, in whole or in part, of the net current value, adjusted for any profits, gains, or losses, of assets or liabilities that were transferred to the trust by any of the following:

(a) The will of a decedent who was domiciled in this state at the time of the decedent's death;

(b) A person who is domiciled in this state if the trust or part of the trust is not irrevocable;

(c) A person who was domiciled in this state when the trust or part of the trust became irrevocable, but only if, for all or some portion of the current taxable year of the trust, at least one beneficiary of the trust is a resident for the purposes of this chapter.

For the purpose of divisions (I)(3)(b) and (c) of this section, the transfer of net assets to a trust is irrevocable to the extent that the transferor is not considered to be the owner of the net assets of the trust under sections 671 to 678 of the Internal Revenue Code.

The tax commissioner may adopt rules to ascertain the part of a trust residing in this state under this division.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.

(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.

(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the

election under division (D) of section 5747.08 of the Revised Code.

(O) "Dependents" means dependents as defined in the Internal Revenue Code and as claimed in the taxpayer's federal income tax return for the taxable year or which the taxpayer would have been permitted to claim had the taxpayer filed a federal income tax return.

(P) "Principal county of employment" means, in the case of a nonresident, the county within the state in which a taxpayer performs services for an employer or, if those services are performed in more than one county, the county in which the major portion of the services are performed.

(Q) As used in sections 5747.50 to 5747.55 of the Revised Code:

(1) "Subdivision" means any county, municipal corporation, park district, or township.

(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.

(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.

(S) "Taxable income" applies only to estates and trusts, and means taxable income as defined and used in the Internal Revenue Code adjusted as follows:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities;

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States that are exempt from federal income taxes but not from state income taxes;

(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code;

(4) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States that are exempt from state taxes under the laws of the United States;

(5) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal taxable income for the taxable year, had the targeted jobs credit allowed under sections 38, 51, and 52 of the Internal Revenue Code not been in effect;

(6) Deduct any interest or interest equivalent on public obligations and

purchase obligations to the extent included in federal taxable income;

(7) Add any loss or deduct any gain resulting from sale, exchange, or other disposition of public obligations to the extent included in federal taxable income;

(8) Except in the case of the final return of an estate, add any amount deducted by the taxpayer on both its Ohio estate tax return pursuant to section 5731.14 of the Revised Code, and on its federal income tax return in determining either federal adjusted gross income or federal taxable income;

(9)(a) Deduct any amount included in federal taxable income solely because the amount represents a reimbursement or refund of expenses that in a previous year the decedent had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable treasury regulations. The deduction otherwise allowed under division (S)(9)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer or decedent deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio taxable income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio taxable income in any taxable year.

(10) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's taxable income or the decedent's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year.

(b) It does not otherwise reduce the taxpayer's taxable income or the decedent's adjusted gross income for the current or any other taxable year.

(11) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that the amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal taxable income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction in the taxpayer's federal taxable income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(12) Deduct any amount that a trust is required to report as farm income on its federal income tax return, but only if the assets of the trust include at

least ten acres of land satisfying the definition of "land devoted exclusively to agricultural use" under section 5713.30 of the Revised Code, regardless of whether the land is valued for tax purposes as such land under sections 5713.30 to 5713.38 of the Revised Code. Division (S)(12) of this section applies only to taxable years of a trust beginning in 2002, 2003, or 2004.

(13) Add the net amount of income described in section 641(c) of the Internal Revenue Code to the extent that amount is not included in federal taxable income.

(14) Add or deduct the amount the taxpayer would be required to add or deduct under division (A)(20) or (21) of this section if the taxpayer's taxable income were computed in the same manner as an individual's adjusted gross income is computed under this section. In the case of a trust, division (S)(14) of this section applies only to any of the trust's taxable years beginning in 2002, 2003, or 2004.

(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code.

(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code.

(V) "Limited liability company" means any limited liability company formed under Chapter 1705. of the Revised Code or under the laws of any other state.

(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or investor in that pass-through entity.

(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.

(Y) "Month" means a calendar month.

(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.

(AA)(1) "Eligible institution" means a state university or state institution of higher education as defined in section 3345.011 of the Revised Code, or a private, nonprofit college, university, or other post-secondary institution located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or a certificate of registration issued by the state board of ~~proprietary school registration~~ career colleges and schools under Chapter 3332. of the Revised Code.

(2) "Qualified tuition and fees" means tuition and fees imposed by an

eligible institution as a condition of enrollment or attendance, not exceeding two thousand five hundred dollars in each of the individual's first two years of post-secondary education. If the individual is a part-time student, "qualified tuition and fees" includes tuition and fees paid for the academic equivalent of the first two years of post-secondary education during a maximum of five taxable years, not exceeding a total of five thousand dollars. "Qualified tuition and fees" does not include:

(a) Expenses for any course or activity involving sports, games, or hobbies unless the course or activity is part of the individual's degree or diploma program;

(b) The cost of books, room and board, student activity fees, athletic fees, insurance expenses, or other expenses unrelated to the individual's academic course of instruction;

(c) Tuition, fees, or other expenses paid or reimbursed through an employer, scholarship, grant in aid, or other educational benefit program.

(BB)(1) "Modified business income" means the business income included in a trust's taxable income after such taxable income is first reduced by the qualifying amount, if any.

(2) "Qualifying amount" of a trust means capital gains and losses from the sale, exchange, or other disposition of equity or ownership interest in, or debt obligations of, a qualifying investee to the extent included in the trust's taxable income, but only if the location of the physical assets of the qualifying investee is available to the trust.

(3) "Modified nonbusiness income" means a trust's taxable income other than modified business income and other than the qualifying amount.

(4) "Modified taxable income" applies only to trusts and means the sum of the following:

(a) Modified business income multiplied by the fraction calculated under division (B)(2) of section 5733.05, and applying section 5733.057 of the Revised Code, as if the trust were a corporation subject to the tax imposed by section 5733.06 of the Revised Code;

(b) The qualifying amount multiplied by the ratio of the book value of the physical assets in this state of the qualifying investee to the book value of the total physical assets everywhere of the qualifying investee. If, for a taxable year, the trust recognizes a qualifying amount with respect to more than one qualifying investee, the amount described in division (BB)(4)(b) of this section shall equal the sum of the products so computed for each such qualifying investee.

(c) Modified nonbusiness income to the extent produced by assets held by a trust or portion of a trust that is a resident for the purposes of this

chapter.

If the allocation and apportionment of a trust's income under divisions (BB)(4)(a) and (c) of this section do not fairly represent the modified taxable income of the trust in this state, the alternative methods described in division (C) of section 5747.21 of the Revised Code may be applied in the manner and to the same extent provided in that section.

(5) "Qualifying investee" means a person in which a trust has an equity or ownership interest, or a person or unit of government the debt obligations of either of which are owned by a trust.

(CC) Any term used in this chapter that is not otherwise defined in this section and that is not used in a comparable context in the Internal Revenue Code and other statutes of the United States relating to federal income taxes has the same meaning as in section 5733.40 of the Revised Code.

Sec. 5919.34. (A) As used in this section:

(1) "Academic term" means any one of the following:

(a) Fall term, which consists of fall semester or fall quarter, as appropriate;

(b) Winter term, which consists of winter semester, winter quarter, or spring semester, as appropriate;

(c) Spring term, which consists of spring quarter;

(d) Summer term, which consists of summer semester or summer quarter, as appropriate.

(2) "Eligible applicant" means any individual to whom all of the following apply:

(a) The individual does not possess a baccalaureate degree.

(b) The individual has enlisted, re-enlisted, or extended current enlistment in the Ohio national guard or is an individual to which division (F) of this section applies.

(c) The individual is actively enrolled as a full-time or part-time student for at least six credit hours of course work in a semester or quarter in a two-year or four-year degree-granting program at an institution of higher education or in a diploma-granting program at an institution of higher education that is a school of nursing.

(d) The individual has not accumulated ninety-six eligibility units under division (E) of this section.

(3) "Institution of higher education" means an Ohio institution of higher education that is state-assisted, that is nonprofit and has received a certificate of authorization from the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, that is a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section

3333.046 of the Revised Code, or that holds a certificate of registration and program authorization issued by the state board of ~~proprietary school registration~~ career colleges and schools pursuant to section 3332.05 of the Revised Code.

(4) "State university" has the same meaning as in section 3345.011 of the Revised Code.

(B)(1) There is hereby created a scholarship program to be known as the Ohio national guard scholarship program. For the fiscal year 2000, the number of participants in the program for the fall term is limited to the equivalent of two thousand five hundred full-time participants; the number of participants in the program for the winter term is limited to the equivalent of two thousand five hundred full-time participants; the number of participants in the program for the spring term is limited to the equivalent of one thousand six hundred seventy-five full-time participants; and the number of participants in the program for the summer term is limited to the equivalent of six hundred full-time participants. Except as provided in division (B)(2) of this section for the fiscal year 2001 and succeeding fiscal years, the number of participants in the program for the fall term is limited to the equivalent of three thousand five hundred full-time participants; the number of participants in the program for the winter term is limited to the equivalent of three thousand five hundred full-time participants; the number of participants in the program for the spring term is limited to the equivalent of two thousand three hundred forty-five full-time participants; and the number of participants in the program for the summer term is limited to the equivalent of eight hundred full-time participants.

(2) After the application deadline for any academic term in fiscal year 2001, the adjutant general may request the controlling board, if sufficient appropriated funds are available, to approve the following number of additional participants for that term:

(a) For the fall or winter academic term, up to the equivalent of five hundred additional full-time participants;

(b) For the spring academic term, up to the equivalent of three hundred seventy-five additional full-time participants;

(c) For the summer academic term, up to the equivalent of one hundred twenty-five additional full-time participants.

(C) If the adjutant general estimates that appropriations for all scholarships applied for under this section and likely to be used during an academic term are inadequate for all eligible applicants for that academic term to receive scholarships, the adjutant general shall promptly inform all applicants not receiving scholarships for that academic term of the next

academic term that appropriations will be adequate for the scholarships. Any such eligible applicant may again apply for a scholarship beginning that academic term if the applicant is in compliance with all requirements established by this section and the adjutant general for the program. The adjutant general shall process all applications for scholarships for each academic term in the order in which they are received. The scholarships shall be made without regard to financial need. At no time shall one person be placed in priority over another because of sex, race, or religion.

(D)(1) Except as provided in division (I) of this section, for each academic term that an eligible applicant is approved for a scholarship under this section and either remains a current member in good standing of the Ohio national guard or is eligible for a scholarship under division (F)(1) of this section, the institution of higher education in which the applicant is enrolled shall, if the applicant's enlistment obligation extends beyond the end of that academic term or if division (F)(1) of this section applies, be paid on the applicant's behalf the applicable one of the following amounts:

(a) If the institution is state-assisted, an amount equal to one hundred per cent of the institution's tuition charges;

(b) If the institution is a nonprofit private institution or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, an amount equal to one hundred per cent of the average tuition charges of all state universities;

(c) If the institution is an institution that holds a certificate of registration from the state board of ~~proprietary school registration~~ career colleges and schools, the lesser of the following:

(i) An amount equal to one hundred per cent of the total instructional and general charges of the institution;

(ii) An amount equal to one hundred per cent of the average tuition charges of all state universities.

(2) An eligible applicant's scholarship shall not be reduced by the amount of that applicant's benefits under "the Montgomery G.I. Bill Act of 1984," Pub. L. No. 98-525, 98 Stat. 2553 (1984).

(E) A scholarship recipient under this section shall be entitled to receive scholarships under this section for the number of quarters or semesters it takes the recipient to accumulate ninety-six eligibility units as determined under divisions (E)(1) to (3) of this section.

(1) To determine the maximum number of semesters or quarters for which a recipient is entitled to a scholarship under this section, the adjutant general shall convert a recipient's credit hours of enrollment for each academic term into eligibility units in accordance with the following table:

Number of credit hours of enrollment in an academic term		The following number of eligibility units if a semester		The following number of eligibility units if a quarter
	equals		or	
12 or more hours		12 units		8 units
9 but less than 12		9 units		6 units
6 but less than 9		6 units		4 units

(2) A scholarship recipient under this section may continue to apply for scholarships under this section until the recipient has accumulated ninety-six eligibility units.

(3) If a scholarship recipient withdraws from courses prior to the end of an academic term so that the recipient's enrollment for that academic term is less than six credit hours, no scholarship shall be paid on behalf of that person for that academic term. Except as provided in division (F)(3) of this section, if a scholarship has already been paid on behalf of the person for that academic term, the adjutant general shall add to that person's accumulated eligibility units the number of eligibility units for which the scholarship was paid.

(F) This division applies to any eligible applicant called into active duty on or after September 11, 2001. As used in this division, "active duty" means active duty pursuant to an executive order of the president of the United States, an act of the congress of the United States, or section 5919.29 or 5923.21 of the Revised Code.

(1) An individual to whom this division applies is eligible for scholarships under this section for those academic terms that were missed or could have been missed as a result of the individual's call into active duty. Scholarships shall not be paid for the academic term in which an eligible applicant's enlistment obligation ends unless an applicant is eligible under this division for a scholarship for such academic term due to previous active duty.

(2) When an individual to whom this division applies withdraws or otherwise fails to complete courses, for which scholarships have been awarded under this section, because the individual was called into active duty, the institution of higher education shall grant the individual a leave of absence from the individual's education program and shall not impose any academic penalty for such withdrawal or failure to complete courses. Division (F)(2) of this section applies regardless of whether or not the

scholarship amount was paid to the institution of higher education.

(3) If an individual to whom this division applies withdraws or otherwise fails to complete courses because the individual was called into active duty, and if scholarships for those courses have already been paid, either:

(a) The adjutant general shall not add to that person's accumulated eligibility units calculated under division (E) of this section the number of eligibility units for the academic courses or term for which the scholarship was paid and the institution of higher education shall repay the scholarship amount to the state.

(b) The adjutant general shall add to that individual's accumulated eligibility units calculated under division (E) of this section the number of eligibility units for the academic courses or term for which the scholarship was paid if the institution of higher education agrees to permit the individual to complete the remainder of the academic courses in which the individual was enrolled at the time the individual was called into active duty.

(G) A scholarship recipient under this section who fails to complete the term of enlistment, re-enlistment, or extension of current enlistment the recipient was serving at the time a scholarship was paid on behalf of the recipient under this section is liable to the state for repayment of a percentage of all Ohio national guard scholarships paid on behalf of the recipient under this section, plus interest at the rate of ten per cent per annum calculated from the dates the scholarships were paid. This percentage shall equal the percentage of the current term of enlistment, re-enlistment, or extension of enlistment a recipient has not completed as of the date the recipient is discharged from the Ohio national guard.

The attorney general may commence a civil action on behalf of the adjutant general to recover the amount of the scholarships and the interest provided for in this division and the expenses incurred in prosecuting the action, including court costs and reasonable attorney's fees. A scholarship recipient is not liable under this division if the recipient's failure to complete the term of enlistment being served at the time a scholarship was paid on behalf of the recipient under this section is due to the recipient's death; discharge from the national guard due to disability; or the recipient's enlistment, for a term not less than the recipient's remaining term in the national guard, in the active component of the United States armed forces or the active reserve component of the United States armed forces.

(H) On or before the first day of each academic term, the adjutant general shall provide an eligibility roster to each institution of higher education at which one or more scholarship recipients have applied for

enrollment. The institution shall use the roster to certify the actual full-time or part-time enrollment of each scholarship recipient listed as enrolled at the institution and return the roster to the adjutant general within thirty days after the first day of the academic term. The adjutant general shall report to the Ohio board of regents the number of students in the Ohio national guard scholarship program at each institution of higher education. The Ohio board of regents shall provide for payment of the appropriate number and amount of scholarships to each institution of higher education pursuant to division (D) of this section. The adjutant general shall report on a quarterly basis to the director of budget and management, the speaker of the house of representatives, and the president of the senate the number of Ohio national guard scholarship recipients and a projection of the cost of the program for the remainder of the biennium.

(I) The chancellor of the Ohio board of regents and the adjutant general may adopt rules pursuant to Chapter 119. of the Revised Code governing the administration and fiscal management of the Ohio national guard scholarship program and the procedure by which the Ohio board of regents and the department of the adjutant general may modify the amount of scholarships a member receives based on the amount of other state financial aid a member receives.

(J) Notwithstanding division (A) of section 127.14 of the Revised Code, the controlling board shall not transfer all or part of any appropriation for the Ohio national guard scholarship program.

SECTION 2. That existing sections 955.43, 1713.02, 1713.03, 1713.25, 2741.01, 3332.01, 3332.02, 3332.03, 3332.031, 3332.04, 3332.05, 3332.051, 3332.06, 3332.07, 3332.08, 3332.081, 3332.082, 3332.083, 3332.085, 3332.09, 3332.091, 3332.092, 3332.10, 3332.11, 3332.12, 3332.13, 3332.18, 3333.043, 3333.12, 3333.29, 3334.01, 3365.01, 3365.15, 4742.05, 4742.06, 4743.03, 4762.02, 4763.05, 5107.58, 5747.01, and 5919.34 of the Revised Code are hereby repealed.

SECTION 3. That sections 3332.04, 3332.08, 3332.082, and 3332.084 of the Revised Code be amended to read as follows:

Sec. 3332.04. The state board of career colleges and schools may appoint an executive director and such other staff as may be required for the performance of the board's duties and provide necessary facilities. In selecting an executive director, the board shall appoint an individual with a background or experience in the regulation of commerce, business, or

education. The board may also arrange for services and facilities to be provided by the state board of education and the Ohio board of regents. All receipts of the board shall be deposited in the career colleges and schools operating fund, which is hereby created in the state treasury ~~to the credit of the general revenue fund~~. Moneys in the fund shall be used solely for the administration and enforcement of Chapter 3332. of the Revised Code. All investment earnings on the fund shall be credited to the fund.

Sec. 3332.08. The application for a certificate of registration for a school located within Ohio shall be accompanied by a surety bond in ~~the~~ a penal sum ~~of ten thousand dollars~~ established by rule of the state board of career colleges and schools pursuant to Chapter 119. of the Revised Code with conditions and in a form prescribed by the ~~state~~ board ~~of career colleges and schools~~ with at least one corporate bonding company approved by the department of insurance as surety thereon. Bond shall be maintained in effect for a period specified by rule of the board. The board may permit a school to cancel its bond if the school has been approved to participate in any federal student financial assistance program authorized under Title IV of the "Higher Education Act of 1965," 20 U.S.C.A. 1070 et seq., as amended, or if the school meets standards of financial responsibility otherwise established by the board. The bond shall provide for the indemnification of any person suffering prepaid tuition loss as the result of ~~any fraud or misrepresentation used in behalf of the principal in procuring such person's enrollment in a program, including repayment of tuition paid in advance by any student~~ a school closure in accordance with section 3332.082 of the Revised Code.

The liability of the surety on such bond for the school covered shall not exceed the sum of ~~ten thousand dollars~~ the bond as an aggregate for all students for all breaches of the conditions of the bond by the school. The term of the bond shall be continuous, but it shall be subject to cancellation by the surety in the manner described in this section. The bond shall provide blanket coverage for the acts of all persons engaged as agents of the school without naming them and without regard to the time they are engaged during the term of the bond.

The surety may terminate the bond upon giving a sixty-day written notice to the principal and to the state board of career colleges and schools, but the liability of the surety for acts of the principal and its agents continues during the sixty days of cancellation notice. The notice does not absolve the surety from liability which accrues before the cancellation becomes final but which is discovered after that date and which may have arisen at any time during the term of the bond. Unless the bond is replaced by that of another

surety before the expiration of the sixty days notice of cancellation, the certificate of registration shall be suspended. Any person subject to this section required to file a bond with an application for a certificate of registration may file, in lieu thereof, cash, a certificate of deposit, letter of credit, or government bonds in the amount ~~of ten thousand dollars~~ established by the board. The deposit is subject to the same terms and conditions as are provided for in the surety bond required herein. Any interest or earnings on such deposits are payable to the depositor.

Sec. 3332.082. The state board of career colleges and schools may pursue any lawful means of assuring that students of any school registered by the state board do not suffer prepaid tuition loss as a result of the closure of a school. This may include lawsuits against a school or any individual who may reasonably have liability as a result of the default, in which the attorney general shall advise and represent the board. Any student seeking reimbursement for a prepaid tuition loss shall submit a claim for reimbursement to the board not later than one year following the school's closure.

Any reimbursement for a prepaid tuition loss or advance against a possible prepaid tuition loss of a student, and any expenses reasonably incurred by the board in its pursuit of any remedy, shall be paid by the surety on the bond provided by the school pursuant to section 3332.08 of the Revised Code. If proceeds from the surety bond are not sufficient to cover such payments, any additional payments shall be paid from the student tuition recovery fund created by section 3332.083 of the Revised Code. Tuition loss does not include moneys held by a school in escrow accounts for tuition or fees for future terms, as uncommitted grants, loans, or Pell grant money. If the fund is not of sufficient size to pay the students the full amount of their prepaid fee, the student tuition recovery authority shall determine the percentage of the amount that will be paid.

Any money recovered from the defaulting school~~,~~ or any individual with liability for the default~~,~~ or from the surety under a bond provided under section 3332.08 of the Revised Code in excess of any payments made under this section shall be deposited into the fund.

Sec. 3332.084. The student tuition recovery authority may:

(A) Adopt bylaws for the regulation of its affairs and the conduct of its business;

(B) Maintain a principal office at such place within the state as is designated by the authority;

(C) ~~Distribute~~ Direct moneys ~~from~~ to be paid by the surety on the bond required by section 3332.08 of the Revised Code and distribute moneys

from the student tuition recovery fund to or on behalf of students who are determined eligible by the authority;

(D) Reduce contributions to or utilize excess money in the fund, as provided in division (C) of section 3332.085 of the Revised Code.

SECTION 4. That existing sections 3332.04, 3332.08, 3332.082, and 3332.084 of the Revised Code are hereby repealed.

SECTION 5. That Section 94.10 of Am. Sub. H.B. 94 of the 124th General Assembly be amended to read as follows:

Sec. 94.10. SEA GRANTS

The foregoing appropriation item 235-402, Sea Grants, shall be disbursed to The Ohio State University and shall be used to conduct research on fish in Lake Erie.

INFORMATION SYSTEM

The foregoing appropriation item 235-409, Information System, shall be used by the Board of Regents to operate the higher education information data system known as the Higher Education Information System.

STUDENT SUPPORT SERVICES

The foregoing appropriation item 235-502, Student Support Services, shall be distributed by the Board of Regents to Ohio's state-assisted colleges and universities that incur disproportionate costs in the provision of support services to disabled students.

CENTRAL STATE SUPPLEMENT

The foregoing appropriation item 235-514, Central State Supplement, shall be used by Central State University to keep undergraduate fees below the statewide average, consistent with its mission of service to many first-generation college students from groups historically underrepresented in higher education and from families with limited incomes.

SHAWNEE STATE SUPPLEMENT

The foregoing appropriation item 235-520, Shawnee State Supplement, shall be used by Shawnee State University as detailed by both of the following:

(A) To allow Shawnee State University to keep its undergraduate fees below the statewide average, consistent with its mission of service to an economically depressed Appalachian region;

(B) To allow Shawnee State University to employ new faculty to develop and teach in new degree programs that meet the needs of Appalachians.

POLICE AND FIRE PROTECTION

The foregoing appropriation item 235-524, Police and Fire Protection, shall be used for police and fire services in the municipalities of Kent, Athens, Oxford, Fairborn, Bowling Green, Portsmouth, Xenia Township (Greene County), and Rootstown Township, which may be used to assist these local governments in providing police and fire protection for the central campus of the state-affiliated university located therein. Each participating municipality and township shall receive at least five thousand dollars per year. Funds shall be distributed by the Board of Regents.

SCHOOL OF INTERNATIONAL BUSINESS

Of the foregoing appropriation item 235-547, School of International Business, $1,218,764 in each fiscal year shall be used for the continued development and support of the School of International Business of the state universities of northeast Ohio. The money shall go to the University of Akron. These funds shall be used by the university to establish a School of International Business located at the University of Akron. It may confer with Kent State University, Youngstown State University, and Cleveland State University as to the curriculum and other matters regarding the school.

Of the foregoing appropriation item 235-547, School of International Business, $245,000 in each fiscal year shall be used by the University of Toledo College of Business for expansion of its international business programs.

Of the foregoing appropriation item 235-547, School of International Business, $245,000 in each fiscal year shall be used ~~by~~ to support the Ohio State University BioMEMS program.

CAPITAL COMPONENT

The foregoing appropriation item 235-552, Capital Component, shall be used by the Board of Regents to implement the capital funding policy for state-assisted colleges and universities established in Am. H.B. No. 748 of the 121st General Assembly. Appropriations from this item shall be distributed to all campuses for which the estimated campus debt service attributable to new qualifying capital projects is less than the campus's formula-determined capital component allocation. Campus allocations shall be determined by subtracting the estimated campus debt service attributable to new qualifying capital projects from the campus formula-determined capital component allocation. Moneys distributed from this appropriation item shall be restricted to capital-related purposes.

DAYTON AREA GRADUATE STUDIES INSTITUTE

The foregoing appropriation item 235-553, Dayton Area Graduate Studies Institute, shall be used by the Board of Regents to support the

Dayton Area Graduate Studies Institute, an engineering graduate consortium of three universities in the Dayton area: Wright State University, the University of Dayton, and the Air Force Institute of Technology, with the participation of the University of Cincinnati and The Ohio State University.

LONG-TERM CARE RESEARCH

The foregoing appropriation item 235-558, Long-term Care Research, shall be disbursed to Miami University for long-term care research.

BOWLING GREEN STATE UNIVERSITY CANADIAN STUDIES CENTER

The foregoing appropriation item 235-561, Bowling Green State University Canadian Studies Center, shall be used by the Canadian Studies Center at Bowling Green State University to study opportunities for Ohio and Ohio businesses to benefit from the Free Trade Agreement between the United States and Canada.

URBAN UNIVERSITY PROGRAMS

Of the foregoing appropriation item 235-583, Urban University Programs, universities receiving funds that are used to support an ongoing university unit shall certify periodically in a manner approved by the Board of Regents that program funds are being matched on a one-to-one basis with equivalent resources. Overhead support may not be used to meet this requirement. Where Urban University Program funds are being used to support an ongoing university unit, matching funds must come from continuing rather than one-time sources. At each participating state-assisted institution of higher education, matching funds must be within the substantial control of the individual designated by the institution's president as the Urban University Program representative.

Of the foregoing appropriation item 235-583, Urban University Programs, $372,400 in each fiscal year shall be used to support a public communication outreach program (WCPN). The primary purpose of the program shall be to develop a relationship between Cleveland State University and nonprofit communications entities.

Of the foregoing appropriation item 235-583, Urban University Programs, $176,400 in each fiscal year shall be used to support the Center for the Interdisciplinary Study of Education and the Urban Child at Cleveland State University. These funds shall be distributed according to rules adopted by the Board of Regents and shall be used by the center for interdisciplinary activities targeted toward increasing the chance of lifetime success of the urban child, including interventions beginning with the prenatal period. The primary purpose of the center is to study issues in urban education and to systematically map directions for new approaches and new

solutions by bringing together a cadre of researchers, scholars, and professionals representing the social, behavioral, education, and health disciplines.

Of the foregoing appropriation item 235-583, Urban University Programs, $254,800 in each fiscal year shall be used to support the Kent State University Learning and Technology Project. This project is a kindergarten through university collaboration between schools surrounding Kent's eight campuses in northeast Ohio, and corporate partners who will assist in development and delivery.

The Kent State University Project shall provide a faculty member who has a full-time role in the development of collaborative activities and teacher instructional programming between Kent and the K-12th grade schools that surround its eight campuses; appropriate student support staff to facilitate these programs and joint activities; and hardware and software to schools that will make possible the delivery of instruction to pre-service and in-service teachers, and their students, in their own classrooms or school buildings. This shall involve the delivery of low-bandwidth streaming video and web-based technologies in a distributed instructional model.

Of the foregoing appropriation item 235-583, Urban University Programs, $98,000 in each fiscal year shall be used to support the Ameritech Classroom/Center for Research at Kent State University.

Of the foregoing appropriation item 235-583, Urban University Programs, $980,000 in each fiscal year shall be used to support the Polymer Distance Learning Project at the University of Akron.

Of the foregoing appropriation item 235-583, Urban University Programs, $49,000 in each fiscal year shall be distributed to the Kent State University/Cleveland Design Center program.

Of the foregoing appropriation item 235-583, Urban University Programs, $245,000 in each fiscal year shall be used to support the Bliss Institute of Applied Politics at the University of Akron.

Of the foregoing appropriation item 235-583, Urban University Programs, $14,700 in each fiscal year shall be used for the Advancing-Up Program at the University of Akron.

Of the foregoing appropriation item 235-583, Urban University Programs, in each fiscal year $2,156,629 shall be distributed by the Board of Regents to Cleveland State University in support of the Maxine Goodman Levin College of Urban Affairs.

Of the foregoing appropriation item 235-583, Urban University Programs, in each fiscal year $2,156,630 shall be distributed to the Northeast Ohio Research Consortium, the Urban Linkages Program, and the

Urban Research Technical Assistance Grant Program. The distribution among the three programs shall be determined by the chair of the Urban University Program.

INTERNATIONAL CENTER FOR WATER RESOURCES DEVELOPMENT

The foregoing appropriation item 235-595, International Center for Water Resources Development, shall be used to support the International Center for Water Resources Development at Central State University. The center shall develop methods to improve the management of water resources for Ohio and for emerging nations.

RURAL UNIVERSITY PROJECTS

Of the foregoing appropriation item 235-587, Rural University Projects, Bowling Green State University shall receive $212,072 in each fiscal year, Miami University shall receive $324,503 in each fiscal year, and Ohio University shall receive $740,977 in each fiscal year. These funds shall be used to support the Institute for Local Government Administration and Rural Development at Ohio University, the Center for Public Management and Regional Affairs at Miami University, and the Center for Policy Analysis and Public Service at Bowling Green State University.

Of the foregoing appropriation item 235-587, Rural University Projects, $24,500 in each fiscal year shall be used to support the Washington State Community College day care center.

Of the foregoing appropriation item 235-587, Rural University Projects, $73,500 in each fiscal year shall be used to support the COAD/ILGARD/GOA Appalachian Leadership Initiative.

A small portion of the funds provided to Ohio University shall also be used for the Institute for Local Government Administration and Rural Development State and Rural Policy Partnership with the Governor's Office of Appalachia and the Appalachian delegation of the General Assembly.

OHIO RESOURCE CENTER FOR MATHEMATICS, SCIENCE, AND READING

The foregoing appropriation item 235-588, Ohio Resource Center for Mathematics, Science, and Reading, shall be used to support a resource center for mathematics, science, and reading to be located at a state-assisted university for the purpose of identifying best educational practices in primary and secondary schools and establishing methods for communicating them to colleges of education and school districts.

HAZARDOUS MATERIALS PROGRAM

The foregoing appropriation item 235-596, Hazardous Materials Program, shall be disbursed to Cleveland State University for the operation

of a program to certify firefighters for the handling of hazardous materials. Training shall be available to all Ohio firefighters.

Of the foregoing appropriation item 235-596, Hazardous Materials Program, $150,000 in each fiscal year shall be used to support the Center for the Interdisciplinary Study of Education and Leadership in Public Service at Cleveland State University. These funds shall be distributed by the Board of Regents and shall be used by the center targeted toward increasing the role of special populations in public service and not-for-profit organizations. The primary purpose of the center is to study issues in public service and to guide strategies for attracting new communities into public service occupations by bringing together a cadre of researchers, scholars and professionals representing the public administration, social behavioral, and education disciplines.

NATIONAL GUARD SCHOLARSHIP PROGRAM

The Board of Regents shall disburse funds from appropriation item 235-599, National Guard Scholarship Program, at the direction of the Adjutant General.

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION SUPPORT

The foregoing appropriation item 235-602, HEFC Administration, shall be used by the Board of Regents for operating expenses related to the Board of Regents' support of the activities of the Ohio Higher Educational Facility Commission. Upon the request of the chancellor, the Director of Budget and Management shall transfer up to $12,000 cash from Fund 461 to Fund 4E8 in each fiscal year of the biennium.

CAPITAL SCHOLARSHIP PROGRAMS

The Chancellor of the Board of Regents may, for the purpose of providing up to one hundred twenty-five scholarships in each fiscal year in the amount of $2,000 each for students enrolled in Ohio's public and private institutions of higher education to participate in either the Washington Center Internship Program or the Kent State University Columbus Program in Intergovernmental Issues, utilize any funds from any appropriation within the budget of the Board of Regents that the Chancellor determines to be available, not to exceed $250,000 in any fiscal year. The scholarships to students participating in the Kent State University Columbus Program in Intergovernmental Issues shall be made only in fiscal year 2003 and only if adequate funds are available. The scholarships to students participating in the Washington Center Internship shall be matched by the Washington Center's scholarship funds.

SECTION 6. That existing Section 94.10 of Am. Sub. H.B. 94 of the 124th General Assembly is hereby repealed.

SECTION 7. Sections 3 and 4 of this act shall take effect July 1, 2003.

SECTION 8. Within sixty days after the effective date of this act, the Governor shall appoint an additional member who has been engaged for at least the immediately preceding five years in an executive or managerial position at a career school to the State Board of Career Colleges and Schools pursuant to section 3332.03 of the Revised Code, as amended by this act. Such member shall hold office until the twentieth day of November following the member's appointment and shall be eligible for reappointment to a full five-year term under that section.

_____

Speaker _____ of the House of Representatives.

_____

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

_____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

_____

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20____.

_____

Secretary of State.

File No. _____ Effective Date _____