

As Passed by the House

130th General Assembly

Regular Session

2013-2014

Am. Sub. S. B. No. 1

Senators Beagle, Balderson

**Cosponsors: Senators Faber, Bacon, Eklund, Gardner, Hite, LaRose, Lehner,
Manning, Oelslager, Seitz, Uecker, Widener, Peterson, Obhof, Schaffer,
Burke, Hughes, Jones, Patton**

**Representatives Hottinger, Amstutz, Adams, R., Anielski, Antonio, Ashford,
Baker, Beck, Boose, Brown, Buchy, Burkley, Butler, Damschroder,
Derickson, Dovilla, Duffey, Fedor, Gonzales, Grossman, Hackett, Hagan, C.,
Hall, Henne, Hill, Huffman, Letson, Mallory, McClain, McGregor, Milkovich,
O'Brien, Pelanda, Perales, Rogers, Romanchuk, Rosenberger, Ruhl, Scherer,
Sears, Slaby, Smith, Sprague, Stebelton, Thompson, Williams, Winburn
Speaker Batchelder**

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A B I L L

To enact section 6301.14 of the Revised Code to	1
create the OhioMeansJobs Workforce Development	2
Revolving Loan Fund, to create the OhioMeansJobs	3
Workforce Development Revolving Loan Program, to	4
allocate a portion of casino license fees to	5
finance the loan program, and to make an	6
appropriation.	7

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

Section 1. That section 6301.14 of the Revised Code be	8
enacted to read as follows:	9

<u>Sec. 6301.14. The OhioMeansJobs workforce development</u>	10
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revolving loan fund is hereby created in the state treasury. The 11
fund shall consist of a portion of the proceeds from the upfront 12
license fees paid for the casino facilities authorized under 13
Section 6(C) of Article XV, Ohio Constitution. The investment 14
earnings of the fund shall be credited to the fund. 15

Section 2. (A) As used in this section: 16

(1) "Institution" means any of the following: 17

(a) A state institution of higher education, as defined in 18
section 3345.011 of the Revised Code; 19

(b) A private career school, as defined in section 3332.01 of 20
the Revised Code; 21

(c) A private, nonprofit institution in this state holding a 22
certificate of authorization pursuant to Chapter 1713. of the 23
Revised Code; 24

(d) A private institution exempt from regulation under 25
Chapter 3332. of the Revised Code as prescribed in section 26
3333.046 of the Revised Code, if the program has a certificate of 27
authorization pursuant to Chapter 1713. of the Revised Code; 28

(e) A career-technical center, joint vocational school 29
district, comprehensive career-technical center, or compact 30
career-technical center offering adult training. 31

(2) "Workforce training program" includes any of the 32
following: 33

(a) Courses, programs, or a degree from an institution; 34

(b) Vocational education classes offered to adult learners; 35

(c) Any other training program designed to meet the special 36
requirements of a particular employer. 37

(B)(1) The OhioMeansJobs Workforce Development Revolving Loan 38

Program is hereby established for the purpose of assisting with 39
job growth and advancement through training and retraining. The 40
Chancellor of the Ohio Board of Regents shall administer the 41
program and shall award funds to an institution that the 42
institution shall use to award loans to participants in a 43
workforce training program that is approved by the Chancellor and 44
that is administered by the institution. 45

(2) In awarding funds under this section, the Chancellor 46
shall give a preference to an institution for a workforce training 47
program in which the institution partners with a business that is 48
willing to repay all or part of the loan on behalf of a program 49
participant or with a business that also provides funding for the 50
program, in comparison to a program that does not have such a 51
partnership. The Chancellor shall consider a program that has 52
employment opportunities in areas that are in demand, including, 53
but not limited to, energy exploration. 54

(3) The Chancellor also shall consider all of the following 55
factors when determining whether to award funds under this section 56
to an institution for a workforce training program, to the extent 57
that these factors apply to the program: 58

(a) The success rate of the workforce training program 59
offered by the institution; 60

(b) The cost of the workforce training program based upon a 61
comparison of similar workforce training programs offered in this 62
state; 63

(c) The rate that the workforce training program participants 64
obtain employment in the field in which they receive training 65
under the program; 66

(d) The willingness of the institution to assist a 67
participant in paying for the costs of participating in the 68
workforce training program; 69

(e) The extent to which the program has demonstrated support 70
from business partners. 71

(4) After the initial funds are awarded to institutions under 72
this section, the Chancellor, in awarding subsequent funds under 73
this section, shall give greater weight to the factors listed in 74
division (B)(3)(a) of this section in comparison to the other 75
factors listed in division (B)(3) of this section, but shall not 76
give that factor greater weight than the preference given in 77
division (B)(2) of this section. 78

(C) Funds shall be disbursed to successful applicants using 79
moneys from the OhioMeansJobs Workforce Development Revolving Loan 80
Fund established in section 6301.14 of the Revised Code. The 81
Chancellor shall not award to an institution more than one hundred 82
thousand dollars per workforce training program per year under 83
this section. An institution receiving funds under this section 84
shall establish, in consultation with the Board of Regents, 85
eligibility requirements that a participant in the workforce 86
training program for which the institution received the funds 87
shall satisfy to receive a loan under this section, and the 88
institution shall disburse the loan to program participants who 89
satisfy those requirements. A loan awarded by an institution to a 90
program participant under this section shall not exceed ten 91
thousand dollars per program in which the participant 92
participates. 93

(D) Except as provided in the rules adopted by the Chancellor 94
pursuant to division (E)(3) of this section, a loan to a program 95
participant shall remain interest-free until six months after the 96
date the participant successfully completes the workforce training 97
program, if the participant also continues to reside in this 98
state. Beginning on the earlier of the date that is six months 99
after the individual completes the workforce training program for 100
which the participant received a loan under this section or the 101

date the participant ceases to reside in this state, the 102
Chancellor shall assess a rate of interest of not more than four 103
per cent per annum on any outstanding principal balance of that 104
loan. The Chancellor shall not assess a zero per cent interest 105
rate. The Chancellor shall establish a payment schedule not to 106
exceed seven years after the date a participant successfully 107
completes the workforce training program. 108

(E) The Chancellor shall prescribe, by rule adopted in 109
accordance with Chapter 119. of the Revised Code, procedures 110
necessary to carry out this section, including all of the 111
following: 112

(1) Application procedures for funds under this section, 113
which shall require an applicant to include a description of the 114
workforce training program for which the institution intends to 115
award loans and the number of individuals who will be 116
participating in that program; 117

(2) Terms for repayment of a loan; 118

(3) Assessment of interest on loans for a participant who 119
fails to comply with continuing eligibility requirements, who 120
fails to complete the workforce training program for which the 121
participant received the loan, or whose participation in the 122
program is on a staggered basis; 123

(4) A method to determine the amount of funds awarded to an 124
institution based on the costs of the workforce training program 125
for which a program participant receives a loan and the number of 126
individuals the institution estimates will participate in the 127
program; 128

(5) Disbursement of funds to an institution; 129

(6) The process by which the Chancellor approves workforce 130
training programs for which loans are granted under this section. 131

(F) The Treasurer of State shall serve as an agent for the 132
Chancellor in the making of deposits and withdrawals and 133
maintenance of records pertaining to the OhioMeansJobs Workforce 134
Development Revolving Loan Fund. 135

(G)(1) The Chancellor may designate either the Treasurer of 136
State or a third party to serve as the Chancellor's agent in 137
servicing the loans described in this section. The agent 138
designated by the Chancellor pursuant to this division is 139
authorized to take such actions and to enter into such contracts 140
and to execute all instruments necessary or appropriate to service 141
loans described in this section. If the Chancellor or an agent of 142
the Chancellor designated by the Chancellor who is not the 143
Treasurer of State services the loans described in this section, 144
the Chancellor shall adopt rules in accordance with Chapter 119. 145
of the Revised Code to establish a fee to be charged to a loan 146
recipient to offset the cost of servicing the loan. 147

(2) If the Treasurer of State is designated the agent 148
pursuant to this division, the Treasurer of State may designate a 149
third party to serve as an agent of the Treasurer of State in 150
servicing the loans. The third party designated by the Treasurer 151
of State is authorized to take such actions, to enter into such 152
contracts, and to execute all instruments necessary or appropriate 153
to service those loans. If the Treasurer of State or an agent of 154
the Treasurer of State services the loans pursuant to this 155
division, the Treasurer of State shall adopt rules pursuant to 156
section 111.15 of the Revised Code to establish a fee to be 157
charged to a loan recipient to offset the cost of servicing the 158
loan. The Treasurer of State may adopt any additional rules 159
pursuant to section 111.15 of the Revised Code that the Treasurer 160
of State considers necessary to implement this division. 161

(3) The loan servicing fee established pursuant to division 162
(G)(1) or (2) of this section shall not exceed the actual cost of 163

servicing the loan. 164

(H)(1) The Chancellor shall prepare a report outlining the 165
amount each institution received under this section during the 166
previous year, including the amount awarded to each individual 167
workforce training program. The Chancellor may include in the 168
report any recommendations for legislative changes to the Program 169
that the Chancellor determines are necessary to improve the 170
functioning and efficiency of the Program. 171

(2) Beginning on July 1, 2014, and continuing every year 172
thereafter for so long as the Chancellor awards funds under the 173
Program, the Chancellor shall submit the report prepared in 174
division (H)(1) of this section to the Governor, the Speaker and 175
Minority Leader of the House of Representatives, and the President 176
and Minority Leader of the Senate. 177

Section 3. All items in this section are hereby appropriated 178
as designated out of any moneys in the state treasury to the 179
credit of the designated fund. For all appropriations made in this 180
act, those in the first column are for fiscal year 2014 and those 181
in the second column are for fiscal year 2015. The appropriations 182
made in this act are in addition to any other appropriations made 183
for the FY 2014-FY 2015 biennium. 184

Appropriations

BOR BOARD OF REGENTS 185

State Special Revenue Fund Group 186

5NH0 235684 OhioMeansJobs \$ 25,000,000 \$ 0 187

Workforce Development

Revolving Loan

Program

TOTAL SSR State Special Revenue \$ 25,000,000 \$ 0 188

Fund Group

TOTAL ALL BUDGET FUND GROUPS \$ 25,000,000 \$ 0 189

OHIOMEANSJOBS WORKFORCE DEVELOPMENT REVOLVING LOAN PROGRAM 190

The foregoing appropriation item 235684, OhioMeansJobs 191
Workforce Development Revolving Loan Program, shall be used for 192
the OhioMeansJobs Workforce Development Revolving Loan Program to 193
provide loans to individuals for workforce training as described 194
in Section 2 of this act. 195

The Chancellor of the Ohio Board of Regents and Treasurer of 196
State may each certify to the Director of Budget and Management 197
the amount of administrative expenses estimated as a result of 198
implementing and operating the OhioMeansJobs Workforce Development 199
Revolving Loan Program over the FY 2014-FY 2015 biennium. 200

Of the foregoing appropriation item 235684, OhioMeansJobs 201
Workforce Development Revolving Loan Program, up to \$250,000 in 202
fiscal year 2014 may be used by the Chancellor of the Board of 203
Regents for administrative expenses of the Program, and up to 204
\$250,000 in fiscal year 2014 may be used by the Treasurer of State 205
for administrative expenses of the Program. 206

Any unexpended and unencumbered portion of the foregoing 207
appropriation item 235684, OhioMeansJobs Workforce Development 208
Revolving Loan Program, at the end of fiscal year 2014 is hereby 209
reappropriated for the same purpose in fiscal year 2015. To the 210
extent that reappropriated funds are available, of the foregoing 211
appropriation item 235684, OhioMeansJobs Workforce Development 212
Revolving Loan Program, up to \$250,000 in fiscal year 2015 may be 213
used by the Chancellor of the Board of Regents for administrative 214
expenses of the Program, and up to \$250,000 in fiscal year 2015 215
may be used by the Treasurer of State for administrative expenses 216
of the Program. 217

Section 4. TRANSFER TO OHIOMEANSJOBS WORKFORCE DEVELOPMENT 218
REVOLVING LOAN FUND 219

On July 1, 2013, or as soon as possible thereafter, the 220
Director of Budget and Management shall transfer \$25,000,000 from 221
the Economic Development Programs Fund (Fund 5JC0) used by the 222
Board of Regents to the OhioMeansJobs Workforce Development 223
Revolving Loan Fund (Fund 5NH0) used by the Board of Regents. 224

Section 5. Within the limits set forth in this act, the 225
Director of Budget and Management shall establish accounts 226
indicating the source and amount of funds for each appropriation 227
made in this act, and shall determine the form and manner in which 228
appropriation accounts shall be maintained. Expenditures from 229
appropriations contained in this act shall be accounted for as 230
though made in the main operating appropriations act of the 130th 231
General Assembly. 232

The appropriations made in this act are subject to all 233
provisions of the main operating appropriations act of the 130th 234
General Assembly that are generally applicable to such 235
appropriations. 236