

As Introduced

131st General Assembly

Regular Session

2015-2016

H. B. No. 1

Representatives Schuring, Manning

A BILL

To amend section 5747.98 and to enact sections 1
3333.92 and 5747.78 of the Revised Code to 2
establish the Workforce Grant Program, to 3
authorize an income tax credit equal to 25% of 4
the student loan payments a grant recipient 5
makes per year, and to make an appropriation. 6

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

Section 1. That section 5747.98 be amended and sections 7
3333.92 and 5747.78 of the Revised Code be enacted to read as 8
follows: 9

Sec. 3333.92. (A) As used in this section, "eligible 10
student" means a student who is enrolled in a state institution 11
of higher education as defined in section 3345.011 of the 12
Revised Code. 13

(B) The workforce grant program is hereby established. 14
Under the program, the chancellor of the Ohio board of regents 15
shall award grants to eligible students who are pursuing the 16
degrees or certifications that are required for the jobs that 17
are determined to be the most in demand in this state by the 18
department of job and family services under section 6301.11 of 19

the Revised Code. 20

(C) (1) On an annual basis, the maximum amount of a grant 21
awarded to an eligible student shall be five thousand dollars. 22
One-third of the amount of the grant shall be distributed at the 23
beginning of the academic year, and the remainder of the grant 24
shall be distributed proportionally throughout the remainder of 25
the academic year upon the student's successful completion of 26
the milestones specified in rules adopted by the chancellor 27
under division (D) (3) of this section. 28

(2) A grant may be renewed in accordance with the rules 29
adopted by the chancellor under division (D) of this section. 30

(D) The chancellor shall adopt rules regarding the 31
operations of the grant program, including all of the following: 32

(1) Application procedures; 33

(2) The method for selecting grant recipients that shall 34
include both of the following: 35

(a) An assessment of an applicant's need for financial 36
aid; 37

(b) An analysis of whether the degree or certification 38
that is being pursued by an applicant is required for one or 39
more of the jobs that are determined to be the most in demand in 40
this state by the department of job and family services under 41
section 6301.11 of the Revised Code. 42

(3) Milestones that must be attained by a grant recipient 43
in order to receive the remainder of an annual grant under 44
division (C) of this section, including spending thirty to 45
ninety days in a workplace where the degree or certification 46
that is being pursued by the grant recipient is required for 47

employment or participating in a cooperative or internship 48
program in a workplace where the degree or certification that is 49
being pursued by the grant recipient is required for employment; 50

(4) Other requirements that must be completed by a grant 51
recipient, including both of the following: 52

(a) The completion of curriculum that includes skills 53
needed by employers; 54

(b) The completion of counseling regarding the proper 55
management of student loans. 56

(5) Grant renewal procedures. 57

(E) The chancellor shall adopt rules establishing a 58
procedure for distributing information to high school students 59
and first-year college students in this state regarding the jobs 60
that are determined to be the most in demand in this state by 61
the department of job and family services under section 6301.11 62
of the Revised Code and the educational requirements for those 63
jobs. 64

Sec. 5747.78. (A) As used in this section: 65

(1) "Eligible student loan" means a loan used to pay the 66
tuition and related expenses required to earn a qualifying 67
degree or certification from an institution of higher education 68
as defined in section 3345.011 of the Revised Code. 69

(2) "Eligible grant recipient" means a person who received 70
a grant under section 3333.92 of the Revised Code and who is 71
employed in an in-demand job. 72

(3) "In-demand job" means a job that is determined to be 73
one of the most in demand in this state by the department of job 74
and family services under section 6301.11 of the Revised Code. 75

(4) "Qualifying degree or certification" means a degree or certification the pursuit of which qualified the eligible grant recipient for a grant under section 3333.92 of the Revised Code. 76
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(B) There is hereby allowed a refundable credit against the tax imposed by section 5747.02 of the Revised Code for an eligible grant recipient who makes payments on an eligible student loan during the taxable year. The amount of the credit shall equal twenty-five per cent of the amount of principal and interest paid on the eligible student loan, excluding any such principal or interest that is otherwise deducted or excluded in computing the federal or Ohio adjusted gross income of the taxpayer, during the taxable year. The credit shall be claimed in the order prescribed by section 5747.98 of the Revised Code. If the credit exceeds the amount of tax otherwise due for the taxable year, the excess shall be refunded to the taxpayer. 79
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(C) The tax commissioner may require an eligible grant recipient to furnish any information necessary to support a claim for a credit under this section, and no credit shall be allowed unless such information is provided. 91
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Sec. 5747.98. (A) To provide a uniform procedure for calculating the amount of tax due under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order: 95
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(1) The retirement income credit under division (B) of section 5747.055 of the Revised Code; 99
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(2) The senior citizen credit under division (C) of section 5747.05 of the Revised Code; 101
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(3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code; 103
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(4) The dependent care credit under section 5747.054 of the Revised Code;	105 106
(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	107 108
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	109 110
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	111 112
(8) The low-income credit under section 5747.056 of the Revised Code;	113 114
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	115 116
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	117 118
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	119 120
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	121 122
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	123 124
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	125 126
(15) The earned income credit under section 5747.71 of the Revised Code;	127 128
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	129 130

(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	131 132
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	133 134
(19) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	135 136
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	137 138
(21) The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code;	139 140 141
(22) The job training credit under section 5747.39 of the Revised Code;	142 143
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	144 145
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	146 147
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	148 149
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	150 151
(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	152 153
(28) The small business investment credit under section 5747.81 of the Revised Code;	154 155
(29) The enterprise zone credits under section 5709.65 of the Revised Code;	156 157

(30) The research and development credit under section 5747.331 of the Revised Code;	158 159
(31) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	160 161
(32) The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	162 163
(33) The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	164 165 166
(34) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	167 168
(35) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	169 170 171
(36) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;	172 173 174 175
(37) The refundable motion picture production credit under section 5747.66 of the Revised Code;	176 177
(38) The refundable credit for financial institution taxes paid by a pass-through entity granted under section 5747.65 of the Revised Code;	178 179 180
<u>(39) The refundable credit for student loan payments made by eligible grant recipients under section 5747.78 of the Revised Code.</u>	181 182 183
(B) For any credit, except the refundable credits	184

enumerated in this section and the credit granted under division 185
(H) of section 5747.08 of the Revised Code, the amount of the 186
credit for a taxable year shall not exceed the tax due after 187
allowing for any other credit that precedes it in the order 188
required under this section. Any excess amount of a particular 189
credit may be carried forward if authorized under the section 190
creating that credit. Nothing in this chapter shall be construed 191
to allow a taxpayer to claim, directly or indirectly, a credit 192
more than once for a taxable year. 193

Section 2. That existing section 5747.98 of the Revised 194
Code is hereby repealed. 195

Section 3. All items in this section are hereby 196
appropriated as designated out of any moneys in the state 197
treasury to the credit of the designated fund. For all 198
appropriations made in this act, those in the first column are 199
for fiscal year 2016 and those in the second column are for 200
fiscal year 2017. The appropriations made in this act are in 201
addition to any other appropriations made for the FY 2016-FY 202
2017 biennium. 203

BOR BOARD OF REGENTS 204

General Revenue Fund 205

GRF 235581	Workforce Grants	\$0	\$100,000,000	206
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TOTAL GRF General Revenue Fund		\$0	\$100,000,000	207
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TOTAL ALL BUDGET FUND GROUPS		\$0	\$100,000,000	208
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WORKFORCE GRANTS 209

Of the foregoing appropriation item 235581, Workforce 210
Grants, up to \$500,000 in fiscal year 2015 shall be used by the 211
Chancellor of the Board of Regents to coordinate a statewide 212

effort to promote workforce grant programs. 213

The remainder of appropriation item 235581, Workforce 214
Grants, shall be used by the Chancellor to distribute grant 215
awards pursuant to section 3333.92 of the Revised Code. 216

Section 4. Within the limits set forth in this act, the 217
Director of Budget and Management shall establish accounts 218
indicating the source and amount of funds for each appropriation 219
made in this act, and shall determine the form and manner in 220
which appropriation accounts shall be maintained. Expenditures 221
from appropriations contained in this act shall be accounted for 222
as though made in the main operating appropriations act of the 223
131st General Assembly. 224

The appropriations made in this act are subject to all 225
provisions of the main operating appropriations act of the 131st 226
General Assembly that are generally applicable to such 227
appropriations. 228