

As Introduced

131st General Assembly

Regular Session

2015-2016

H. B. No. 549

Representative Patterson

**Cosponsors: Representatives Antonio, Bishoff, O'Brien, S., Boggs, O'Brien, M.,
Reece, Howse**

A BILL

To enact section 3333.27 of the Revised Code to 1
create the STEM Degree Loan Repayment Program 2
and to make an appropriation. 3

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

Section 1. That section 3333.27 of the Revised Code be 4
enacted to read as follows: 5

Sec. 3333.27. (A) As used in this section: 6

(1) "Eligible participant" means an individual to whom all 7
of the following apply: 8

(a) The individual holds an associate, bachelor's, 9
master's, or doctorate degree in a STEM-related field awarded on 10
or after July 1, 2016, by any public or private institution of 11
higher education in this state. 12

(b) The individual has outstanding student loans for the 13
degree described in division (A) (1) (a) of this section. 14

(c) The individual is employed in a STEM-related field in 15
the state. 16

(d) The individual has applied for and was approved to participate in the STEM degree loan repayment program. 17
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(2) "Employed in the state" means that an individual is employed by an entity that has a valid mailing address in the state or is self-employed using a valid mailing address in the state. 19
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(3) "STEM" is an abbreviation for "science, technology, engineering, and mathematics." 23
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(4) "STEM-related field" has the meaning as determined by the chancellor of higher education for the purposes of this section. 25
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(B) The chancellor of higher education shall establish and administer the STEM degree loan repayment program. The program shall begin to operate on July 1, 2017. Under the program, the chancellor shall pay the amounts specified in division (E) of this section to repay outstanding student loans for degrees described in division (A) (1) (a) of this section on behalf of eligible participants who are graduates of Ohio colleges and universities with STEM degrees and are employed in STEM-related fields in the state. 28
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The general assembly shall appropriate funds specifically for the purpose of this section out of the STEM degree loan repayment program fund, which is hereby created in the state treasury. 37
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(C) The chancellor shall adopt rules to administer the program. 41
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(D) The chancellor shall establish an application process for the program. The chancellor shall conduct two application periods each year for the STEM degree loan repayment program as 43
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follows: 46

(1) One application period with a deadline of the 47
thirtieth day of June of each year; 48

(2) One application period with a deadline of the thirty- 49
first day of December of each year. 50

The chancellor shall notify an applicant of the 51
chancellor's decision within ninety days of the application 52
deadline. The application shall require proof of employment in 53
the state in a STEM-related field. 54

(E) (1) The annual amount for awards under the program 55
shall be as follows for the highest level of education attained: 56

(a) \$2,000 for an eligible participant who has been 57
awarded an associate degree; 58

(b) \$4,000 for an eligible participant who has been 59
awarded a bachelor's degree; 60

(c) \$8,000 for an eligible participant who has been 61
awarded a graduate degree. 62

(2) Awards shall be paid on behalf of an eligible 63
participant as long as the general assembly appropriates funds 64
for the program, or there are sufficient funds in the STEM 65
degree loan repayment program fund, and only so long as the 66
eligible participant remains employed in the state in a STEM- 67
related field. The chancellor shall cease making payments on 68
behalf of an eligible participant once the participant's loans 69
are paid in full. 70

(3) The chancellor shall disburse each grant award twice a 71
year in accordance with division (F) of this section. 72

(4) If, for any fiscal year, the amounts available for support of the program are insufficient to provide grants to all eligible participants, the chancellor shall proportionately reduce the amount of each grant to be awarded for the fiscal year. 73
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(F) (1) The chancellor shall make payments on behalf of eligible participants on the thirtieth day of April and the thirty-first day of October of each year. 78
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(2) An eligible participant shall provide proof of employment in the state in a STEM-related field as frequently as, and in the manner, required by the chancellor. Upon receiving evidence of the eligible graduate's employment in the state, the chancellor shall make semiannual payments directly to the eligible participant's lender. If an eligible participant has more than one loan, the chancellor shall determine the method by which payments shall be disbursed and for which loans. 81
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(3) The participant shall continue to be eligible for the program so long as the participant is employed in a STEM-related field. If the participant changes places of employment, the participant shall notify the chancellor of that change. The chancellor shall verify that the participant's new employment is in a STEM-related field. 89
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The chancellor shall cease making payments on behalf of a participant who ceases to be employed in a STEM-related field until the participant finds new employment in a STEM-related field. A former participant who is not employed in a STEM-related field for one year or more shall reapply in order to participate in the program. 95
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(G) Each participant in the STEM degree loan repayment 101

program shall sign a promissory note payable to the state in the 102
event the participant does not satisfy the employment 103
requirements of the program. The amount payable under the note 104
shall be the amount of total loan repayment made on behalf of 105
the participant under the program prorated for the period the 106
participant worked in the state in a STEM field. The terms of 107
repayment under the note shall be determined by the chancellor. 108
The note shall stipulate that the obligation to make payments 109
under the note is canceled if the recipient dies or becomes 110
totally and permanently disabled. 111

(H) The chancellor shall not make payments for more than 112
one degree earned by any individual. 113

Section 2. All items in this section are hereby 114
appropriated as designated out of any moneys in the state 115
treasury to the credit of the designated fund. For all 116
appropriations made in this act, those in the first column are 117
for fiscal year 2017 and those in the second column are for 118
fiscal year 2018. The appropriations made in this act are in 119
addition to any other appropriations made for the FY 2016-FY 120
2017 biennium and the FY 2018-FY 2019 biennium. 121

BOR DEPARTMENT OF HIGHER EDUCATION 122

Dedicated Purpose Fund Group 123

5SF0 235564	STEM Degree Loan	\$	0	\$	2,000,000	124
	Repayment Program					125

Total DPF Dedicated Purpose	\$	0	\$	2,000,000	126
Fund Group					127

TOTAL ALL BUDGET FUND GROUPS	\$	0	\$	2,000,000	128
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STEM DEGREE LOAN REPAYMENT PROGRAM 129

The foregoing appropriation item 235564, STEM Degree Loan Repayment Program, shall be used by the Chancellor of Higher Education to provide grants under the STEM Degree Loan Repayment Program pursuant to section 3333.27 of the Revised Code.

Section 3. Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained.

Expenditures from the FY 2017 appropriation contained in this act shall be accounted for as though made in Am. Sub. H.B. 64 of the 131st General Assembly. The FY 2017 appropriation made in this act is subject to all provisions of Am. Sub. H.B. 64 of the 131st General Assembly that are generally applicable to such appropriations. Expenditures from the FY 2018 appropriation contained in this act shall be accounted for as though made in the main operating appropriations act of the 132nd General Assembly. The FY 2018 appropriation made in this act is subject to all provisions of the main operating appropriations act of the 132nd General Assembly that are generally applicable to such appropriations.

Section 4. On July 1, 2017, or as soon as possible thereafter, the Director of Budget and Management shall transfer \$2,000,000 cash from the General Revenue Fund to the STEM Degree Loan Repayment Program Fund (Fund 5SF0).