

As Introduced

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H. B. No. 242

Representatives Miller, A., Stein

Cosponsors: Representatives Blackshear, Brennan, Brown, Forhan, Fowler
Arthur, Gross, Lampton, Rogers, Russo, Seitz, Thomas, C., Weinstein

A BILL

To enact sections 3333.46, 3333.461, and 3333.462 1
of the Revised Code to establish the Armed 2
Forces Reserve Component Scholarship Program and 3
related funds. 4

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

Section 1. That sections 3333.46, 3333.461, and 3333.462 5
of the Revised Code be enacted to read as follows: 6

Sec. 3333.46. (A) As used in this section: 7

(1) "Academic term," "private institution of higher 8
education," "state institution of higher education," and 9
"tuition" have the same meanings as in section 5919.34 of the 10
Revised Code. 11

(2) "Eligible applicant" means any individual to whom all 12
of the following apply: 13

(a) The individual does not possess a baccalaureate 14
degree. 15

(b) The individual is a member of a reserve component of 16

the United States army, navy, marine corps, air force, coast 17
guard, or space force or is an individual to which division (F) 18
of this section applies. 19

(c) The individual is actively enrolled as a full-time or 20
part-time student for at least three credit hours of course work 21
in a semester or quarter in a two-year or four-year degree- 22
granting program at a state institution of higher education or a 23
private institution of higher education, in a diploma-granting 24
program at a state or private institution of higher education 25
that is a school of nursing, or in a credential-certifying 26
program, licensing program, trade certification program, or 27
apprenticeship program for an in-demand occupation as identified 28
by the chancellor of higher education, in consultation with the 29
governor's office of workforce transformation. 30

(d) The individual has not accumulated ninety-six 31
eligibility units under division (E) of this section. 32

(e) The individual has not received financial assistance 33
from the scholarship program described in section 5919.34 of the 34
Revised Code. 35

(B) The armed forces reserve component scholarship program 36
is created. 37

(C) (1) The chancellor shall approve scholarships for all 38
eligible applicants. The chancellor shall process all 39
applications for scholarships for each academic term in the 40
order in which they are received. The scholarships shall be made 41
without regard to financial need. At no time shall one person be 42
placed in priority over another because of sex, race, or 43
religion. 44

(2) The chancellor shall develop and provide a written 45

explanation that informs all eligible scholarship recipients 46
that the recipient may become ineligible and liable for 47
repayment for an amount of scholarship payments received in 48
accordance with division (G) of this section. The written 49
explanation shall be reviewed by the scholarship recipient 50
before acceptance of the scholarship and before acceptance of an 51
enlistment, warrant, commission, or appointment for a term not 52
less than the recipient's remaining term in a reserve component 53
of the armed forces. 54

(D) (1) Except as provided in divisions (I) and (J) of this 55
section, for each academic term that an eligible applicant is 56
approved for a scholarship under this section and remains a 57
current member in good standing of a reserve component of the 58
armed forces or is eligible for a scholarship under division (F) 59
(1) of this section, the institution of higher education in 60
which the applicant is enrolled shall, if the applicant's 61
enlistment obligation extends beyond the end of that academic 62
term or if division (F) (1) of this section applies, be paid on 63
the applicant's behalf one of the following applicable amounts: 64

(a) If the institution is a state institution of higher 65
education, an amount equal to one hundred per cent of the 66
institution's tuition charges; 67

(b) If the institution is a nonprofit private institution 68
or a private institution exempt from regulation under Chapter 69
3332. of the Revised Code as prescribed in section 3333.046 of 70
the Revised Code, an amount equal to one hundred per cent of the 71
average tuition charges of all state universities; 72

(c) If the institution is an institution that holds a 73
certificate of registration from the state board of career 74
colleges and schools, the lesser of the following: 75

(i) An amount equal to one hundred per cent of the 76
institution's tuition; 77

(ii) An amount equal to one hundred per cent of the 78
average tuition charges of all state universities, as that term 79
is defined in section 3345.011 of the Revised Code. 80

(2) The chancellor may adopt rules to require the use of 81
other federal educational financial assistance programs, 82
including such programs offered by the United States department 83
of defense, for which an applicant is eligible based on the 84
applicant's military service. If such rules are adopted, the 85
rules shall require that financial assistance received by a 86
scholarship recipient under those programs be applied to all 87
eligible expenses prior to the use of scholarship funds awarded 88
under this section. Scholarship funds awarded under this section 89
shall then be applied to the recipient's remaining eligible 90
expenses. 91

(3) An eligible applicant's scholarship shall not be 92
reduced by the amount of that applicant's benefits under "the 93
Montgomery G.I. Bill Act of 1984," Pub. L. No. 98-525. 94

(E) A scholarship recipient under this section shall be 95
entitled to receive scholarships under this section for the 96
number of quarters or semesters it takes the recipient to 97
accumulate ninety-six eligibility units as determined under 98
divisions (E) (1) to (3) of this section. 99

(1) To determine the maximum number of semesters or 100
quarters for which a recipient is entitled to a scholarship 101
under this section, the chancellor shall convert a recipient's 102
credit hours of enrollment for each academic term into 103
eligibility units in accordance with the following table: 104

	1	2	3	4	5
A	<u>Number of credit hours of enrollment in an academic term</u>	<u>equals</u>	<u>The following number of eligibility units if a semester</u>	<u>or</u>	<u>The following number of eligibility units if a quarter</u>
B	<u>12 or more hours</u>		<u>12 units</u>		<u>8 units</u>
C	<u>9 but less than 12</u>		<u>9 units</u>		<u>6 units</u>
D	<u>6 but less than 9</u>		<u>6 units</u>		<u>4 units</u>
E	<u>3 but less than 6</u>		<u>3 units</u>		<u>2 units</u>

(2) A scholarship recipient under this section may 106
continue to apply for scholarships under this section until the 107
recipient has accumulated ninety-six eligibility units. 108

(3) If a scholarship recipient withdraws from courses 109
prior to the end of an academic term so that the recipient's 110
enrollment for that academic term is less than three credit 111
hours, no scholarship shall be paid on behalf of that person for 112
that academic term. Except as provided in division (F) (3) of 113
this section, if a scholarship has already been paid on behalf 114
of the person for that academic term, the chancellor shall add 115
to that person's accumulated eligibility units the number of 116
eligibility units for which the scholarship was paid. 117

(F) This division applies to any eligible applicant called 118
into active duty on or after September 11, 2001. As used in this 119
division, "active duty" means active duty pursuant to an 120

executive order of the president of the United States, an act of 121
the congress of the United States, or section 5919.29 or 5923.21 122
of the Revised Code. 123

(1) For a period of up to five years from when an 124
individual's enlistment obligation in a reserve component of the 125
armed forces ends, an individual to whom this division applies 126
is eligible for scholarships under this section for those 127
academic terms that were missed or could have been missed as a 128
result of the individual's call into active duty. Scholarships 129
shall not be paid for the academic term in which an eligible 130
applicant's enlistment obligation ends unless an applicant is 131
eligible under this division for a scholarship for such academic 132
term due to previous active duty. 133

(2) When an individual to whom this division applies 134
withdraws or otherwise fails to complete courses for which 135
scholarships have been awarded under this section because the 136
individual was called into active duty, the institution of 137
higher education shall grant the individual a leave of absence 138
from the individual's education program and shall not impose any 139
academic penalty for such withdrawal or failure to complete 140
courses. Division (F) (2) of this section applies regardless of 141
whether the scholarship amount was paid to the institution of 142
higher education. 143

(3) If an individual to whom this division applies 144
withdraws or otherwise fails to complete courses because the 145
individual was called into active duty, and if scholarships for 146
those courses have already been paid, either: 147

(a) The chancellor shall not add to that person's 148
accumulated eligibility units calculated under division (E) of 149
this section the number of eligibility units for the academic 150

courses or term for which the scholarship was paid and the 151
institution of higher education shall repay the scholarship 152
amount to the state. 153

(b) The chancellor shall add to that individual's 154
accumulated eligibility units calculated under division (E) of 155
this section the number of eligibility units for the academic 156
courses or term for which the scholarship was paid if the 157
institution of higher education agrees to permit the individual 158
to complete the remainder of the academic courses in which the 159
individual was enrolled at the time the individual was called 160
into active duty. 161

(4) No individual who is discharged from any branch of the 162
armed forces under other than honorable conditions shall be 163
eligible for scholarships under this division. 164

(G) A scholarship recipient under this section who fails 165
to complete the term of enlistment, re-enlistment, or extension 166
of current enlistment the recipient was serving at the time a 167
scholarship was paid on behalf of the recipient under this 168
section is liable to the state for repayment of a percentage of 169
all armed forces reserve component scholarships paid on behalf 170
of the recipient under this section, plus interest at the rate 171
of ten per cent per annum calculated from the dates the 172
scholarships were paid. This percentage shall equal the 173
percentage of the current term of enlistment, re-enlistment, or 174
extension of enlistment a recipient has not completed as of the 175
date the recipient is discharged from a reserve component of the 176
armed forces. 177

The attorney general may commence a civil action on behalf 178
of the chancellor to recover the amount of the scholarships and 179
the interest provided for in this division and the expenses 180

incurred in prosecuting the action, including court costs and 181
reasonable attorney's fees. A scholarship recipient is not 182
liable under this division if the recipient's failure to 183
complete the term of enlistment being served at the time a 184
scholarship was paid on behalf of the recipient under this 185
section is due to the recipient's death or discharge from a 186
reserve component of the armed forces due to disability. 187

(H) On or before the first day of each academic term, the 188
chancellor shall request that the United States department of 189
defense provide an eligibility roster to the chancellor and to 190
each institution of higher education at which one or more 191
scholarship recipients have applied for enrollment. The 192
institution shall use the roster to certify the actual full-time 193
or part-time enrollment of each scholarship recipient listed as 194
enrolled at the institution and return the roster to the 195
chancellor. Except as provided in division (J) of this section, 196
the chancellor shall provide for payment of the appropriate 197
number and amount of scholarships to each institution of higher 198
education pursuant to division (D) of this section. If an 199
institution of higher education fails to certify the actual 200
enrollment of a scholarship recipient listed as enrolled at the 201
institution within thirty days of the end of an academic term, 202
the institution shall not be eligible to receive payment from 203
the armed forces reserve component scholarship program or from 204
the individual enrollee. The chancellor shall report on a 205
semiannual basis to the director of budget and management, the 206
speaker of the house of representatives, and the president of 207
the senate the number of armed forces reserve component 208
scholarship recipients, the size of the scholarship-eligible 209
population, and a projection of the cost of the program for the 210
remainder of the biennium. 211

(I) The chancellor may adopt rules pursuant to Chapter 212
119. of the Revised Code governing the administration and fiscal 213
management of the armed forces reserve component scholarship 214
program and the procedure by which the chancellor may modify the 215
amount of scholarships a member receives based on the amount of 216
other state financial aid a member receives. 217

(J) The chancellor and the director of budget and 218
management, or their designees, shall jointly estimate the costs 219
of the armed forces reserve component scholarship program for 220
each upcoming fiscal biennium, and shall report that estimate 221
prior to the beginning of the fiscal biennium to the 222
chairpersons of the finance committees in the general assembly. 223
During each fiscal year of the biennium, the chancellor and the 224
director, or their designees, shall meet regularly to monitor 225
the actual costs of the armed forces reserve component 226
scholarship program and update cost projections for the 227
remainder of the biennium as necessary. If the amounts 228
appropriated for the armed forces reserve component scholarship 229
program and any funds in the armed forces reserve component 230
scholarship reserve fund and the armed forces reserve component 231
scholarship donation fund are not adequate to provide 232
scholarships in the amounts specified in division (D)(1) of this 233
section for all eligible applicants, the chancellor shall do all 234
of the following: 235

(1) Notify each private institution of higher education, 236
where a scholarship recipient is enrolled, that, by accepting 237
the armed forces reserve component scholarship program as 238
payment for all or part of the institution's tuition, the 239
institution agrees that if the chancellor reduces the amount of 240
each scholarship, the institution shall provide each scholarship 241
recipient a grant or tuition waiver in an amount equal to the 242

amount the recipient's scholarship was reduced by the 243
chancellor. 244

(2) Reduce the amount of each scholarship under division 245
(D) (1) (a) of this section proportionally based on the amount of 246
remaining available funds. Each state institution of higher 247
education shall provide each scholarship recipient under 248
division (D) (1) (a) of this section a grant or tuition waiver in 249
an amount equal to the amount the recipient's scholarship was 250
reduced by the chancellor. 251

(K) Notwithstanding division (A) of section 127.14 of the 252
Revised Code, the controlling board shall not transfer all or 253
part of any appropriation for the armed forces reserve component 254
scholarship program. 255

(L) The chancellor may apply for, receive, and accept 256
grants, and may receive and accept gifts, bequests, and 257
contributions, from public and private sources, including 258
agencies and instrumentalities of the United States and this 259
state, and shall deposit the grants, gifts, bequests, or 260
contributions into the armed forces reserve component 261
scholarship donation fund. 262

Sec. 3333.461. There is created in the state treasury the 263
armed forces reserve component scholarship reserve fund. As soon 264
as possible following the end of each fiscal year, and when 265
funds are made available, the chancellor of higher education 266
shall certify to the director of budget and management the 267
unencumbered balance of the general revenue fund any 268
appropriations made in the immediately preceding fiscal year for 269
purposes of the armed forces reserve component scholarship 270
program created under section 3333.46 of the Revised Code. Upon 271
receipt of the certification, the director of budget and 272

management may transfer an amount not exceeding the certified 273
amount from the general revenue fund to the armed forces reserve 274
component scholarship reserve fund. Moneys in the armed forces 275
reserve component scholarship reserve fund shall be used to pay 276
scholarship obligations in excess of the general revenue fund 277
appropriations made for that purpose. 278

The director of budget and management may transfer any 279
unencumbered balance from the armed forces reserve component 280
scholarship reserve fund to the general revenue fund. 281

If it is determined that general revenue fund 282
appropriations are insufficient to meet the obligations of the 283
armed forces reserve component scholarship in a fiscal year, the 284
director of budget and management may transfer funds from the 285
armed forces reserve component scholarship reserve fund to the 286
general revenue fund in order to meet those obligations. If the 287
funds transferred from the armed forces reserve component 288
scholarship reserve fund are not needed, the director of budget 289
and management may transfer the unexpended balance from the 290
general revenue fund back to the armed forces reserve component 291
scholarship reserve fund. 292

Sec. 3333.462. The armed forces reserve component 293
scholarship donation fund is created in the state treasury. The 294
fund shall consist of gifts, bequests, grants, and contributions 295
made to the fund under division (L) of section 3333.46 of the 296
Revised Code. Investment earnings of the fund shall be deposited 297
into the fund. The fund shall be used to operate the armed 298
forces reserve component scholarship program created under 299
section 3333.46 of the Revised Code. 300