

As Introduced

**135th General Assembly
Regular Session
2023-2024**

H. B. No. 414

Representative Forhan

A BILL

To amend sections 9.37, 101.711, 151.04, 154.01, 1
2917.31, 3305.01, 3307.01, 3309.01, 3333.045, 2
3334.01, 3345.011, 3345.12, 3345.17, 3345.31, 3
3345.71, and 4713.08 and to enact sections 4
3363.01, 3363.02, 3363.03, 3363.04, 3363.05, 5
3363.06, and 4713.47 of the Revised Code to 6
establish the Comprehensive Science of Hair 7
Learning Institute as a state institution of 8
higher education, to establish a natural curly 9
textured hair science grant program, and to make 10
an appropriation. 11

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

Section 1. That sections 9.37, 101.711, 151.04, 154.01, 12
2917.31, 3305.01, 3307.01, 3309.01, 3333.045, 3334.01, 3345.011, 13
3345.12, 3345.17, 3345.31, 3345.71, and 4713.08 be amended and 14
sections 3363.01, 3363.02, 3363.03, 3363.04, 3363.05, 3363.06, 15
and 4713.47 of the Revised Code be enacted to read as follows: 16

Sec. 9.37. (A) As used in this section, "public official" 17
means any elected or appointed officer, employee, or agent of 18
the state, any state institution of higher education, any 19

political subdivision, board, commission, bureau, or other 20
public body established by law. "State institution of higher 21
education" means any state university or college as defined in 22
division (A) (1) of section 3345.12 of the Revised Code, 23
community college, state community college, university branch, 24
~~or technical college, or the comprehensive science of hair~~ 25
learning institute. 26

(B) Except as provided in divisions (F) and (G) of this 27
section, any public official may make by direct deposit of funds 28
by electronic transfer, if the payee provides a written 29
authorization designating a financial institution and an account 30
number to which the payment is to be credited, any payment such 31
public official is permitted or required by law in the 32
performance of official duties to make by issuing a check or 33
warrant. 34

(C) Such public official may contract with a financial 35
institution for the services necessary to make direct deposits 36
and draw lump-sum checks or warrants payable to that institution 37
in the amount of the payments to be transferred. 38

(D) Before making any direct deposit as authorized under 39
this section, the public official shall ascertain that the 40
account from which the payment is to be made contains sufficient 41
funds to cover the amount of the payment. 42

(E) If the issuance of checks and warrants by a public 43
official requires authorization by a governing board, 44
commission, bureau, or other public body having jurisdiction 45
over the public official, the public official may only make 46
direct deposits and contracts under this section pursuant to a 47
resolution of authorization duly adopted by such governing 48
board, commission, bureau, or other public body. 49

(F) Pursuant to sections 307.55, 319.16, and 321.15 of the Revised Code, a county auditor may issue, and a county treasurer may redeem, electronic warrants authorizing direct deposit for payment of county obligations in accordance with rules adopted by the director of budget and management pursuant to Chapter 119. of the Revised Code.

(G) The legislative authority of a municipal corporation, for public officials of the municipal corporation, a county auditor, for county public officials, or a board of township trustees, for township public officials, may adopt a direct deposit payroll policy under which all public officials of the municipal corporation, all county public officials, or all township public officials, as the case may be, provide a written authorization designating a financial institution and an account number to which payment of the public official's compensation shall be credited under the municipal corporation's, county's, or township's direct deposit payroll policy. The direct deposit payroll policy adopted by the legislative authority of a municipal corporation, a county auditor, or a board of township trustees may exempt from the direct deposit requirement those municipal, county, or township public officials who cannot provide an account number, or for other reasons specified in the policy. The written authorization is not a public record under section 149.43 of the Revised Code.

Sec. 101.711. (A) As used in this section:

(1) "Legislative agent" has the meaning defined in section 101.70 of the Revised Code.

(2) "State agency" has the meaning defined in section 117.01 of the Revised Code.

(3) "State institution of higher education" means any 79
state university or college as defined in division (A)(1) of 80
section 3345.12 of the Revised Code, community college 81
established under Chapter 3354. of the Revised Code, state 82
community college established under Chapter 3358. of the Revised 83
Code, university branch established under Chapter 3355. of the 84
Revised Code, ~~or~~ technical college established under Chapter 85
3357. of the Revised Code, or the comprehensive science of hair 86
learning institute. 87

(B) No state agency or state institution of higher 88
education shall enter into a contract with a legislative agent, 89
with a cost exceeding fifty thousand dollars in a calendar year, 90
without the approval of the controlling board. 91

This section does not apply to an employment contract 92
pursuant to which an individual is employed directly by a state 93
agency or state institution of higher education as a legislative 94
agent. 95

Sec. 151.04. This section applies to obligations as 96
defined in this section. 97

(A) As used in this section: 98

(1) "Costs of capital facilities" include related direct 99
administrative expenses and allocable portions of direct costs 100
of the using institution. 101

(2) "Obligations" means obligations as defined in section 102
151.01 of the Revised Code issued to pay costs of capital 103
facilities for state-supported or state-assisted institutions of 104
higher education. 105

(3) "State-supported or state-assisted institutions of 106
higher education" means a state university or college, ~~or~~ 107

community college district, technical college district, 108
university branch district, ~~or~~ state community college, the 109
comprehensive science of hair learning institute, or other 110
institution for education, including technical education, beyond 111
the high school, receiving state support or assistance for its 112
expenses of operation. "State university or college" means each 113
of the state universities identified in section 3345.011 of the 114
Revised Code and the northeast Ohio medical university. 115

(4) "Using institution" means the state-supported or 116
state-assisted institution of higher education, or two or more 117
institutions acting jointly, that are the ultimate users of 118
capital facilities for state-supported and state-assisted 119
institutions of higher education financed with net proceeds of 120
obligations. 121

(B) The issuing authority shall issue obligations to pay 122
costs of capital facilities for state-supported and state- 123
assisted institutions of higher education pursuant to Section 2n 124
of Article VIII, Ohio Constitution, section 151.01 of the 125
Revised Code, and this section. 126

(C) Net proceeds of obligations shall be deposited into 127
the higher education improvement fund created by division (F) of 128
section 154.21 of the Revised Code or into the higher education 129
improvement taxable fund created by division (G) of section 130
154.21 of the Revised Code, as appropriate. 131

(D) There is hereby created in the state treasury the 132
"higher education capital facilities bond service fund." All 133
moneys received by the state and required by the bond 134
proceedings, consistent with sections 151.01 and 151.04 of the 135
Revised Code, to be deposited, transferred, or credited to the 136
bond service fund, and all other moneys transferred or allocated 137

to or received for the purposes of that fund, shall be deposited 138
and credited to the bond service fund, subject to any applicable 139
provisions of the bond proceedings but without necessity for any 140
act of appropriation. During the period beginning with the date 141
of the first issuance of obligations and continuing during the 142
time that any obligations are outstanding in accordance with 143
their terms, so long as moneys in the bond service fund are 144
insufficient to pay debt service when due on those obligations 145
payable from that fund (except the principal amounts of bond 146
anticipation notes payable from the proceeds of renewal notes or 147
bonds anticipated) and due in the particular fiscal year, a 148
sufficient amount of revenues of the state is committed and, 149
without necessity for further act of appropriation, shall be 150
paid to the bond service fund for the purpose of paying that 151
debt service when due. 152

Sec. 154.01. As used in this chapter: 153

(A) "Commission" means the Ohio public facilities 154
commission created in section 151.02 of the Revised Code. 155

(B) "Obligations" means bonds, notes, or other evidences 156
of obligation, including interest coupons pertaining thereto, 157
issued pursuant to Chapter 154. of the Revised Code. 158

(C) "Bond proceedings" means the order or orders, 159
resolution or resolutions, trust agreement, indenture, lease, 160
and other agreements, amendments and supplements to the 161
foregoing, or any combination thereof, authorizing or providing 162
for the terms and conditions applicable to, or providing for the 163
security of, obligations issued pursuant to Chapter 154. of the 164
Revised Code, and the provisions contained in such obligations. 165

(D) "State agencies" means the state of Ohio and officers, 166

boards, commissions, departments, divisions, or other units or 167
agencies of the state. 168

(E) "Governmental agency" means state agencies, state 169
supported and assisted institutions of higher education, 170
municipal corporations, counties, townships, school districts, 171
and any other political subdivision or special district in this 172
state established pursuant to law, and, except where otherwise 173
indicated, also means the United States or any department, 174
division, or agency thereof, and any agency, commission, or 175
authority established pursuant to an interstate compact or 176
agreement. 177

(F) "Institutions of higher education" and "state 178
supported or state assisted institutions of higher education" 179
means the state universities identified in section 3345.011 of 180
the Revised Code, the northeast Ohio medical university, state 181
universities or colleges at any time created, community college 182
districts, university branch districts, and technical college 183
districts at any time established or operating under Chapter 184
3354., 3355., or 3357. of the Revised Code, the comprehensive 185
science of hair learning institute, and other institutions for 186
education, including technical education, beyond the high 187
school, receiving state support or assistance for their expenses 188
of operation. 189

(G) "Governing body" means: 190

(1) In the case of institutions of higher education, the 191
board of trustees, board of directors, commission, or other body 192
vested by law with the general management, conduct, and control 193
of one or more institutions of higher education; 194

(2) In the case of a county, the board of county 195

commissioners or other legislative body; in the case of a 196
municipal corporation, the council or other legislative body; in 197
the case of a township, the board of township trustees; in the 198
case of a school district, the board of education; 199

(3) In the case of any other governmental agency, the 200
officer, board, commission, authority or other body having the 201
general management thereof or having jurisdiction or authority 202
in the particular circumstances. 203

(H) "Person" means any person, firm, partnership, 204
association, or corporation. 205

(I) "Bond service charges" means principal, including 206
mandatory sinking fund requirements for retirement of 207
obligations, and interest, and redemption premium, if any, 208
required to be paid by the state on obligations. If not 209
prohibited by the applicable bond proceedings, bond service 210
charges may include costs relating to credit enhancement 211
facilities that are related to and represent, or are intended to 212
provide a source of payment of or limitation on, other bond 213
service charges. 214

(J) "Capital facilities" means buildings, structures, and 215
other improvements, and equipment, real estate, and interests in 216
real estate therefor, within the state, and any one, part of, or 217
combination of the foregoing, to serve the general purposes for 218
which the issuing authority is authorized to issue obligations 219
pursuant to Chapter 154. of the Revised Code, including, but not 220
limited to, drives, roadways, parking facilities, walks, 221
lighting, machinery, furnishings, utilities, landscaping, 222
wharves, docks, piers, reservoirs, dams, tunnels, bridges, 223
retaining walls, riprap, culverts, ditches, channels, 224
watercourses, retention basins, standpipes and water storage 225

facilities, waste treatment and disposal facilities, heating, 226
air conditioning and communications facilities, inns, lodges, 227
cabins, camping sites, golf courses, boat and bathing 228
facilities, athletic and recreational facilities, and site 229
improvements. 230

(K) "Costs of capital facilities" means the costs of 231
acquiring, constructing, reconstructing, rehabilitating, 232
remodeling, renovating, enlarging, improving, equipping, or 233
furnishing capital facilities, and the financing thereof, 234
including the cost of clearance and preparation of the site and 235
of any land to be used in connection with capital facilities, 236
the cost of any indemnity and surety bonds and premiums on 237
insurance, all related direct administrative expenses and 238
allocable portions of direct costs of the commission or issuing 239
authority and department of administrative services, or other 240
designees of the commission under section 154.17 of the Revised 241
Code, cost of engineering and architectural services, designs, 242
plans, specifications, surveys, and estimates of cost, legal 243
fees, fees and expenses of trustees, depositories, and paying 244
agents for the obligations, cost of issuance of the obligations 245
and financing charges and fees and expenses of financial 246
advisers and consultants in connection therewith, interest on 247
obligations, including but not limited to, interest from the 248
date of their issuance to the time when interest is to be 249
covered from sources other than proceeds of obligations, amounts 250
necessary to establish reserves as required by the bond 251
proceedings, costs of audits, the reimbursement of all moneys 252
advanced or applied by or borrowed from any governmental agency, 253
whether to or by the commission or others, from whatever source 254
provided, for the payment of any item or items of cost of the 255
capital facilities, any share of the cost undertaken by the 256

commission pursuant to arrangements made with governmental 257
agencies under division (H) of section 154.06 of the Revised 258
Code, and all other expenses necessary or incident to planning 259
or determining feasibility or practicability with respect to 260
capital facilities, and such other expenses as may be necessary 261
or incident to the acquisition, construction, reconstruction, 262
rehabilitation, remodeling, renovation, enlargement, 263
improvement, equipment, and furnishing of capital facilities, 264
the financing thereof and the placing of the same in use and 265
operation, including any one, part of, or combination of such 266
classes of costs and expenses. 267

(L) "Public service facilities" means inns, lodges, 268
hotels, cabins, camping sites, scenic trails, picnic sites, 269
restaurants, commissaries, golf courses, boating and bathing 270
facilities and other similar facilities in state parks. 271

(M) "State parks" means: 272

(1) State reservoirs described and identified in section 273
1546.11 of the Revised Code; 274

(2) All lands or interests therein of the state identified 275
as administered by the division of parks and watercraft in the 276
"inventory of state owned lands administered by the department 277
of natural resources as of June 1, 1963," as recorded in the 278
journal of the director, which inventory was prepared by the 279
real estate section of the department and is supported by maps 280
now on file in said real estate section; 281

(3) All lands or interests in lands of the state 282
designated after June 1, 1963, as state parks in the journal of 283
the director with the approval of the director of natural 284
resources. 285

State parks do not include any lands or interest in lands 286
of the state administered jointly by two or more divisions of 287
the department of natural resources. The designation of lands as 288
state parks under divisions (M) (1) to (3) of this section is 289
conclusive and such lands shall be under the control of and 290
administered by the division of parks and watercraft. No order 291
or proceeding designating lands as state parks or park purchase 292
areas is subject to any appeal or review by any officer, board, 293
commission, or court. 294

(N) "Bond service fund" means the applicable fund created 295
for and pledged to the payment of bond service charges under 296
section 154.20, 154.21, 154.22, or 154.23 of the Revised Code, 297
including all moneys and investments, and earnings from 298
investments, credited and to be credited thereto. 299

(O) "Improvement fund" means the applicable fund created 300
for the payment of costs of capital facilities under section 301
123.201, 154.20, 154.21, or 154.22 of the Revised Code, 302
including all moneys and investments, and earnings from 303
investments, credited and to be credited thereto. 304

(P) "Special funds" or "funds" means, except where the 305
context does not permit, the bond service funds, the 306
improvements funds, and any other funds for similar or different 307
purposes created under bond proceedings, including all moneys 308
and investments, and earnings from investments, credited and to 309
be credited thereto. 310

(Q) "Year" unless the context indicates a different 311
meaning or intent, means a calendar year beginning on the first 312
day of January and ending on the thirty-first day of December. 313

(R) "Fiscal year" means the period of twelve months 314

beginning on the first day of July and ending on the thirtieth
day of June. 315
316

(S) "Issuing authority" means the treasurer of state or 317
the officer or employee who by law performs the functions of 318
that office. 319

(T) "Credit enhancement facilities" has the same meaning 320
as in section 133.01 of the Revised Code. 321

(U) "Ohio cultural facility" and "Ohio sports facility" 322
have the same meanings as in section 123.28 of the Revised Code. 323

Sec. 2917.31. (A) No person shall cause the evacuation of 324
any public place, or otherwise cause serious public 325
inconvenience or alarm, by doing any of the following: 326

(1) Initiating or circulating a report or warning of an 327
alleged or impending fire, explosion, crime, or other 328
catastrophe, knowing that such report or warning is false; 329

(2) Threatening to commit any offense of violence; 330

(3) Committing any offense, with reckless disregard of the 331
likelihood that its commission will cause serious public 332
inconvenience or alarm. 333

(B) Division (A)(1) of this section does not apply to any 334
person conducting an authorized fire or emergency drill. 335

(C)(1) Whoever violates this section is guilty of inducing 336
panic. 337

(2) Except as otherwise provided in division (C)(3), (4), 338
(5), (6), (7), or (8) of this section, inducing panic is a 339
misdemeanor of the first degree. 340

(3) Except as otherwise provided in division (C)(4), (5), 341

(6), (7), or (8) of this section, if a violation of this section 342
results in physical harm to any person, inducing panic is a 343
felony of the fourth degree. 344

(4) Except as otherwise provided in division (C) (5), (6), 345
(7), or (8) of this section, if a violation of this section 346
results in economic harm, the penalty shall be determined as 347
follows: 348

(a) If the violation results in economic harm of one 349
thousand dollars or more but less than seven thousand five 350
hundred dollars and if division (C) (3) of this section does not 351
apply, inducing panic is a felony of the fifth degree. 352

(b) If the violation results in economic harm of seven 353
thousand five hundred dollars or more but less than one hundred 354
fifty thousand dollars, inducing panic is a felony of the fourth 355
degree. 356

(c) If the violation results in economic harm of one 357
hundred fifty thousand dollars or more, inducing panic is a 358
felony of the third degree. 359

(5) If the public place involved in a violation of 360
division (A) (1) of this section is a school or an institution of 361
higher education, inducing panic is a felony of the second 362
degree. 363

(6) If the violation pertains to a purported, threatened, 364
or actual use of a weapon of mass destruction, and except as 365
otherwise provided in division (C) (5), (7), or (8) of this 366
section, inducing panic is a felony of the fourth degree. 367

(7) If the violation pertains to a purported, threatened, 368
or actual use of a weapon of mass destruction, and except as 369
otherwise provided in division (C) (5) of this section, if a 370

violation of this section results in physical harm to any 371
person, inducing panic is a felony of the third degree. 372

(8) If the violation pertains to a purported, threatened, 373
or actual use of a weapon of mass destruction, and except as 374
otherwise provided in division (C)(5) of this section, if a 375
violation of this section results in economic harm of one 376
hundred thousand dollars or more, inducing panic is a felony of 377
the third degree. 378

(D)(1) It is not a defense to a charge under this section 379
that pertains to a purported or threatened use of a weapon of 380
mass destruction that the offender did not possess or have the 381
ability to use a weapon of mass destruction or that what was 382
represented to be a weapon of mass destruction was not a weapon 383
of mass destruction. 384

(2) Any act that is a violation of this section and any 385
other section of the Revised Code may be prosecuted under this 386
section, the other section, or both sections. 387

(E) As used in this section: 388

(1) "Economic harm" means any of the following: 389

(a) All direct, incidental, and consequential pecuniary 390
harm suffered by a victim as a result of criminal conduct. 391

"Economic harm" as described in this division includes, but is 392
not limited to, all of the following: 393

(i) All wages, salaries, or other compensation lost as a 394
result of the criminal conduct; 395

(ii) The cost of all wages, salaries, or other 396
compensation paid to employees for time those employees are 397
prevented from working as a result of the criminal conduct; 398

(iii) The overhead costs incurred for the time that a business is shut down as a result of the criminal conduct;	399 400
(iv) The loss of value to tangible or intangible property that was damaged as a result of the criminal conduct.	401 402
(b) All costs incurred by the state or any political subdivision as a result of, or in making any response to, the criminal conduct that constituted the violation of this section or section 2917.32 of the Revised Code, including, but not limited to, all costs so incurred by any law enforcement officers, firefighters, rescue personnel, or emergency medical services personnel of the state or the political subdivision.	403 404 405 406 407 408 409
(2) "School" means any school operated by a board of education or any school for which the director of education and workforce prescribes minimum standards under section 3301.07 of the Revised Code, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted at the time a violation of this section is committed.	410 411 412 413 414 415 416
(3) "Weapon of mass destruction" means any of the following:	417 418
(a) Any weapon that is designed or intended to cause death or serious physical harm through the release, dissemination, or impact of toxic or poisonous chemicals, or their precursors;	419 420 421
(b) Any weapon involving a disease organism or biological agent;	422 423
(c) Any weapon that is designed to release radiation or radioactivity at a level dangerous to human life;	424 425
(d) Any of the following, except to the extent that the	426

item or device in question is expressly excepted from the 427
definition of "destructive device" pursuant to 18 U.S.C. 921(a) 428
(4) and regulations issued under that section: 429

(i) Any explosive, incendiary, or poison gas bomb, 430
grenade, rocket having a propellant charge of more than four 431
ounces, missile having an explosive or incendiary charge of more 432
than one-quarter ounce, mine, or similar device; 433

(ii) Any combination of parts either designed or intended 434
for use in converting any item or device into any item or device 435
described in division (E) (3) (d) (i) of this section and from 436
which an item or device described in that division may be 437
readily assembled. 438

(4) "Biological agent" has the same meaning as in section 439
2917.33 of the Revised Code. 440

(5) "Emergency medical services personnel" has the same 441
meaning as in section 2133.21 of the Revised Code. 442

(6) "Institution of higher education" means any of the 443
following: 444

(a) A state university or college as defined in division 445
(A) (1) of section 3345.12 of the Revised Code, community 446
college, state community college, university branch, ~~or~~ 447
technical college, or the comprehensive science of hair learning 448
institute; 449

(b) A private, nonprofit college, university or other 450
post-secondary institution located in this state that possesses 451
a certificate of authorization issued by the chancellor of 452
higher education pursuant to Chapter 1713. of the Revised Code; 453

(c) A post-secondary institution with a certificate of 454

registration issued by the state board of career colleges and 455
schools under Chapter 3332. of the Revised Code. 456

Sec. 3305.01. As used in this chapter: 457

(A) "Public institution of higher education" means a state 458
university as defined in section 3345.011 of the Revised Code, 459
the northeast Ohio medical university, the comprehensive science 460
of hair learning institute, or a university branch, technical 461
college, state community college, community college, or 462
municipal university established or operating under Chapter 463
3345., 3349., 3354., 3355., 3357., or 3358. of the Revised Code. 464

(B) "State retirement system" means the public employees 465
retirement system created under Chapter 145. of the Revised 466
Code, the state teachers retirement system created under Chapter 467
3307. of the Revised Code, or the school employees retirement 468
system created under Chapter 3309. of the Revised Code. 469

(C) "Eligible employee" means any person employed as a 470
full-time employee of a public institution of higher education. 471

In all cases of doubt, the board of trustees of the public 472
institution of higher education shall determine whether any 473
person is an eligible employee for purposes of this chapter, and 474
the board's decision shall be final. 475

(D) "Electing employee" means any eligible employee who 476
elects, pursuant to section 3305.05 or 3305.051 of the Revised 477
Code, to participate in an alternative retirement plan provided 478
pursuant to this chapter or an eligible employee who is required 479
to participate in an alternative retirement plan pursuant to 480
division (C) (3) of section 3305.05 or division (F) of section 481
3305.051 of the Revised Code. 482

(E) "Compensation," for purposes of an electing employee, 483

has the same meaning as the applicable one of the following: 484

(1) If the electing employee would be subject to Chapter 485
145. of the Revised Code had the employee not made an election 486
pursuant to section 3305.05 or 3305.051 of the Revised Code, 487
"earnable salary" as defined in division (R) of section 145.01 488
of the Revised Code; 489

(2) If the electing employee would be subject to Chapter 490
3307. of the Revised Code had the employee not made an election 491
pursuant to section 3305.05 or 3305.051 of the Revised Code, 492
"compensation" as defined in division (L) of section 3307.01 of 493
the Revised Code; 494

(3) If the electing employee would be subject to Chapter 495
3309. of the Revised Code had the employee not made an election 496
pursuant to section 3305.05 or 3305.051 of the Revised Code, 497
"compensation" as defined in division (V) of section 3309.01 of 498
the Revised Code. 499

(F) "Vendor" means an entity designated under section 500
3305.03 of the Revised Code as eligible to be a provider of 501
investment options for an alternative retirement plan. 502

(G) "Provider" means, with respect to each public 503
institution of higher education, a vendor that has entered into 504
an agreement with that public institution of higher education in 505
accordance with section 3305.04 of the Revised Code. 506

Sec. 3307.01. As used in this chapter: 507

(A) "Employer" means the board of education, school 508
district, governing authority of any community school 509
established under Chapter 3314. of the Revised Code, a science, 510
technology, engineering, and mathematics school established 511
under Chapter 3326. of the Revised Code, college, university, 512

institution, or other agency within the state by which a teacher 513
is employed and paid. 514

(B) (1) "Teacher" means all of the following: 515

(a) Any person paid from public funds and employed in the 516
public schools of the state under any type of contract described 517
in section 3311.77 or 3319.08 of the Revised Code in a position 518
for which the person is required to have a license or 519
registration issued pursuant to sections 3319.22 to 3319.31 of 520
the Revised Code; 521

(b) Except as provided in division (B) (2) (b) or (c) of 522
this section, any person employed as a teacher or faculty member 523
in a community school or a science, technology, engineering, and 524
mathematics school pursuant to Chapter 3314. or 3326. of the 525
Revised Code; 526

(c) Any person having a license or registration issued 527
pursuant to sections 3319.22 to 3319.31 of the Revised Code and 528
employed in a public school in this state in an educational 529
position, as determined by the department of education and 530
workforce, under programs provided for by federal acts or 531
regulations and financed in whole or in part from federal funds, 532
but for which no licensure requirements for the position can be 533
made under the provisions of such federal acts or regulations; 534

(d) Any other teacher or faculty member employed in any 535
school, college, university, institution, or other agency wholly 536
controlled and managed, and supported in whole or in part, by 537
the state or any political subdivision thereof, including 538
Central state university, Cleveland state university, ~~and~~ the 539
university of Toledo, and the comprehensive science of hair 540
learning institute; 541

(e) The educational employees of the state board of 542
education, as determined by the state superintendent of public 543
instruction, and the educational employees of the department of 544
education and workforce, as determined by the director of 545
education and workforce; 546

(f) Any person having a registration issued pursuant to 547
section 3301.28 of the Revised Code and employed as a tutor by 548
the coordinating service center as defined in that section; 549

(g) Any person having a license issued pursuant to Chapter 550
4732. of the Revised Code and employed as a school psychologist 551
in a public school. 552

In all cases of doubt, the state teachers retirement board 553
shall determine whether any person is a teacher, and its 554
decision shall be final. 555

(2) "Teacher" does not include any of the following: 556

(a) Any eligible employee of a public institution of 557
higher education, as defined in section 3305.01 of the Revised 558
Code, who elects to participate in an alternative retirement 559
plan established under Chapter 3305. of the Revised Code; 560

(b) Any person employed by a community school operator, as 561
defined in section 3314.02 of the Revised Code, if on or before 562
February 1, 2016, the school's operator was withholding and 563
paying employee and employer taxes pursuant to 26 U.S.C. 3101(a) 564
and 3111(a) for persons employed in the school as teachers, 565
unless the person had contributing service in a community school 566
in the state within one year prior to the later of February 1, 567
2016, or the date on which the operator for the first time 568
withholds and pays employee and employer taxes pursuant to 26 569
U.S.C. 3101(a) and 3111(a) for that person; 570

(c) Any person who would otherwise be a teacher under 571
division (B) (2) (b) of this section who terminates employment 572
with a community school operator and has no contributing service 573
in a community school in the state for a period of at least one 574
year from the date of termination of employment. 575

(C) "Member" means any person included in the membership 576
of the state teachers retirement system, which shall consist of 577
all teachers and contributors as defined in divisions (B) and 578
(D) of this section and all disability benefit recipients, as 579
defined in section 3307.50 of the Revised Code. However, for 580
purposes of this chapter, the following persons shall not be 581
considered members: 582

(1) A student, intern, or resident who is not a member 583
while employed part-time by a school, college, or university at 584
which the student, intern, or resident is regularly attending 585
classes; 586

(2) A person denied membership pursuant to section 3307.24 587
of the Revised Code; 588

(3) An other system retirant, as defined in section 589
3307.35 of the Revised Code, or a superannuate; 590

(4) An individual employed in a program established 591
pursuant to the "Job Training Partnership Act," 96 Stat. 1322 592
(1982), 29 U.S.C.A. 1501; 593

(5) The surviving spouse of a member or retirant if the 594
surviving spouse's only connection to the retirement system is 595
an account in an STRS defined contribution plan. 596

(D) "Contributor" means any person who has an account in 597
the teachers' savings fund or defined contribution fund, except 598
that "contributor" does not mean a member or retirant's 599

surviving spouse with an account in an STRS defined contribution plan. 600
601

(E) "Beneficiary" means any person eligible to receive, or in receipt of, a retirement allowance or other benefit provided by this chapter. 602
603
604

(F) "Year" means the year beginning the first day of July and ending with the thirtieth day of June next following, except that for the purpose of determining final average salary under the plan described in sections 3307.50 to 3307.79 of the Revised Code, "year" may mean the contract year. 605
606
607
608
609

(G) "Local district pension system" means any school teachers pension fund created in any school district of the state in accordance with the laws of the state prior to September 1, 1920. 610
611
612
613

(H) "Employer contribution" means the amount paid by an employer, as determined by the employer rate, including the normal and deficiency rates, contributions, and funds wherever used in this chapter. 614
615
616
617

(I) "Five years of service credit" means employment covered under this chapter and employment covered under a former retirement plan operated, recognized, or endorsed by a college, institute, university, or political subdivision of this state prior to coverage under this chapter. 618
619
620
621
622

(J) "Actuary" means an actuarial professional contracted with or employed by the state teachers retirement board, who shall be either of the following: 623
624
625

(1) A member of the American academy of actuaries; 626

(2) A firm, partnership, or corporation of which at least 627

one person is a member of the American academy of actuaries. 628

(K) "Fiduciary" means a person who does any of the 629
following: 630

(1) Exercises any discretionary authority or control with 631
respect to the management of the system, or with respect to the 632
management or disposition of its assets; 633

(2) Renders investment advice for a fee, direct or 634
indirect, with respect to money or property of the system; 635

(3) Has any discretionary authority or responsibility in 636
the administration of the system. 637

(L) (1) (a) Except as provided in this division, 638
"compensation" means all salary, wages, and other earnings paid 639
to a teacher by reason of the teacher's employment, including 640
compensation paid pursuant to a supplemental contract. The 641
salary, wages, and other earnings shall be determined prior to 642
determination of the amount required to be contributed to the 643
teachers' savings fund or defined contribution fund under 644
section 3307.26 of the Revised Code and without regard to 645
whether any of the salary, wages, or other earnings are treated 646
as deferred income for federal income tax purposes. 647

(b) Except as provided in division (L) (1) (c) of this 648
section, "compensation" includes amounts paid by an employer as 649
a retroactive payment of earnings, damages, or back pay pursuant 650
to a court order, court-adopted settlement agreement, or other 651
settlement agreement if the retirement system receives both of 652
the following: 653

(i) Teacher and employer contributions under sections 654
3307.26 and 3307.28 of the Revised Code, plus interest 655
compounded annually at a rate determined by the state teachers 656

retirement board, for each year or portion of a year for which 657
amounts are paid under the order or agreement; 658

(ii) Teacher and employer contributions under sections 659
3307.26 and 3307.28 of the Revised Code, plus interest 660
compounded annually at a rate determined by the board, for each 661
year or portion of a year not subject to division (L) (1) (b) (i) 662
of this section for which the board determines the teacher was 663
improperly paid, regardless of the teacher's ability to recover 664
on such amounts improperly paid. 665

(c) If any portion of an amount paid by an employer as a 666
retroactive payment of earnings, damages, or back pay is for an 667
amount, benefit, or payment described in division (L) (2) of this 668
section, that portion of the amount is not compensation under 669
this section. 670

(2) Compensation does not include any of the following: 671

(a) Payments for accrued but unused sick leave or personal 672
leave, including payments made under a plan established pursuant 673
to section 124.39 of the Revised Code or any other plan 674
established by the employer; 675

(b) Payments made for accrued but unused vacation leave, 676
including payments made pursuant to section 124.13 of the 677
Revised Code or a plan established by the employer; 678

(c) Payments made for vacation pay covering concurrent 679
periods for which other salary, compensation, or benefits under 680
this chapter or Chapter 145. or 3309. of the Revised Code are 681
paid; 682

(d) Amounts paid by the employer to provide life 683
insurance, sickness, accident, endowment, health, medical, 684
hospital, dental, or surgical coverage, or other insurance for 685

the teacher or the teacher's family, or amounts paid by the 686
employer to the teacher in lieu of providing the insurance; 687

(e) Incidental benefits, including lodging, food, laundry, 688
parking, or services furnished by the employer, use of the 689
employer's property or equipment, and reimbursement for job- 690
related expenses authorized by the employer, including moving 691
and travel expenses and expenses related to professional 692
development; 693

(f) Payments made by the employer in exchange for a 694
member's waiver of a right to receive any payment, amount, or 695
benefit described in division (L) (2) of this section; 696

(g) Payments by the employer for services not actually 697
rendered; 698

(h) Any amount paid by the employer as a retroactive 699
increase in salary, wages, or other earnings, unless the 700
increase is one of the following: 701

(i) A retroactive increase paid to a member employed by a 702
school district board of education in a position that requires a 703
license designated for teaching and not designated for being an 704
administrator issued under section 3319.22 of the Revised Code 705
that is paid in accordance with uniform criteria applicable to 706
all members employed by the board in positions requiring the 707
licenses; 708

(ii) A retroactive increase paid to a member employed by a 709
school district board of education in a position that requires a 710
license designated for being an administrator issued under 711
section 3319.22 of the Revised Code that is paid in accordance 712
with uniform criteria applicable to all members employed by the 713
board in positions requiring the licenses; 714

(iii) A retroactive increase paid to a member employed by a school district board of education as a superintendent that is also paid as described in division (L) (2) (h) (i) of this section;

(iv) A retroactive increase paid to a member employed by an employer other than a school district board of education in accordance with uniform criteria applicable to all members employed by the employer.

(i) Payments made to or on behalf of a teacher that are in excess of the annual compensation that may be taken into account by the retirement system under division (a) (17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401(a) (17), as amended. For a teacher who first establishes membership before July 1, 1996, the annual compensation that may be taken into account by the retirement system shall be determined under division (d) (3) of section 13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub. L. No. 103-66, 107 Stat. 472.

(j) Payments made under division (B), (C), or (E) of section 5923.05 of the Revised Code, Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly, Section 3 of Amended Substitute Senate Bill No. 164 of the 124th general assembly, or Amended Substitute House Bill No. 405 of the 124th general assembly;

(k) Anything of value received by the teacher that is based on or attributable to retirement or an agreement to retire.

(3) The retirement board shall determine both of the following:

(a) Whether particular forms of earnings are included in

any of the categories enumerated in this division;	744
(b) Whether any form of earnings not enumerated in this division is to be included in compensation.	745 746
Decisions of the board made under this division shall be final.	747 748
(M) "Superannuate" means both of the following:	749
(1) A former teacher receiving from the system a retirement allowance under section 3307.58 or 3307.59 of the Revised Code;	750 751 752
(2) A former teacher receiving a benefit from the system under a plan established under section 3307.81 of the Revised Code, except that "superannuate" does not include a former teacher who is receiving a benefit based on disability under a plan established under section 3307.81 of the Revised Code.	753 754 755 756 757
For purposes of sections 3307.35 and 3307.353 of the Revised Code, "superannuate" also means a former teacher receiving from the system a combined service retirement benefit paid in accordance with section 3307.57 of the Revised Code, regardless of which retirement system is paying the benefit.	758 759 760 761 762
(N) "STRS defined benefit plan" means the plan described in sections 3307.50 to 3307.79 of the Revised Code.	763 764
(O) "STRS defined contribution plan" means the plans established under section 3307.81 of the Revised Code and includes the STRS combined plan under that section.	765 766 767
(P) "Faculty" means the teaching staff of a university, college, or school, including any academic administrators.	768 769
Sec. 3309.01. As used in this chapter:	770

(A) "Employer" or "public employer" means boards of 771
education, school districts, joint vocational districts, 772
governing authorities of community schools established under 773
Chapter 3314. of the Revised Code, a science, technology, 774
engineering, and mathematics school established under Chapter 775
3326. of the Revised Code, educational institutions, technical 776
colleges, state, municipal, and community colleges, community 777
college branches, universities, university branches, the 778
comprehensive science of hair learning institute, other 779
educational institutions, or other agencies within the state by 780
which an employee is employed and paid, including any 781
organization using federal funds, provided the federal funds are 782
disbursed by an employer as determined by the above. In all 783
cases of doubt, the school employees retirement board shall 784
determine whether any employer is an employer as defined in this 785
chapter, and its decision shall be final. 786

(B) "Employee" means all of the following: 787

(1) Any person employed by a public employer in a position 788
for which the person is not required to have a registration, 789
certificate, or license issued pursuant to section 3301.28 or 790
sections 3319.22 to 3319.31 of the Revised Code; 791

(2) Any person who performs a service common to the normal 792
daily operation of an educational unit even though the person is 793
employed and paid by one who has contracted with an employer to 794
perform the service, and the contracting board or educational 795
unit shall be the employer for the purposes of administering the 796
provisions of this chapter; 797

(3) Any person, not a faculty member, employed in any 798
school or college or other institution wholly controlled and 799
managed, and wholly or partly supported by the state or any 800

political subdivision thereof, the board of trustees, or other 801
managing body of which shall accept the requirements and 802
obligations of this chapter. 803

In all cases of doubt, the school employees retirement 804
board shall determine whether any person is an employee, as 805
defined in this division, and its decision is final. 806

(C) "Prior service" means all service rendered prior to 807
September 1, 1937: 808

(1) As an employee as defined in division (B) of this 809
section; 810

(2) As an employee in a capacity covered by the public 811
employees retirement system or the state teachers retirement 812
system; 813

(3) As an employee of an institution in another state, 814
service credit for which was procured by a member under the 815
provisions of section 3309.31 of the Revised Code. 816

Prior service, for service as an employee in a capacity 817
covered by the public employees retirement system or the state 818
teachers retirement system, shall be granted a member under 819
qualifications identical to the laws and rules applicable to 820
service credit in those systems. 821

Prior service shall not be granted any member for service 822
rendered in a capacity covered by the public employees 823
retirement system, the state teachers retirement system, and 824
this system in the event the service credit has, in the 825
respective systems, been received, waived by exemption, or 826
forfeited by withdrawal of contributions, except as provided in 827
this chapter. 828

If a member who has been granted prior service should, 829
subsequent to September 16, 1957, and before retirement, 830
establish three years of contributing service in the public 831
employees retirement system, or one year in the state teachers 832
retirement system, then the prior service granted shall become, 833
at retirement, the liability of the other system, if the prior 834
service or employment was in a capacity that is covered by that 835
system. 836

The provisions of this division shall not cancel any prior 837
service granted a member by the school employees retirement 838
board prior to August 1, 1959. 839

(D) "Total service," "total service credit," or "Ohio 840
service credit" means all contributing service of a member of 841
the school employees retirement system, and all prior service, 842
computed as provided in this chapter, and all service 843
established pursuant to sections 3309.31, 3309.311, and 3309.33 844
of the Revised Code. In addition, "total service" includes any 845
period, not in excess of three years, during which a member was 846
out of service and receiving benefits from the state insurance 847
fund, provided the injury or incapacitation was the direct 848
result of school employment. 849

(E) "Member" means any employee, except an SERS retirant 850
or other system retirant as defined in section 3309.341 of the 851
Revised Code, who has established membership in the school 852
employees retirement system. "Member" includes a disability 853
benefit recipient. 854

(F) "Contributor" means any person who has an account in 855
the employees' savings fund. When used in the sections listed in 856
division (B) of section 3309.82 of the Revised Code, 857
"contributor" includes any person participating in a plan 858

established under section 3309.81 of the Revised Code. 859

(G) "Retirant" means any former member who retired and is 860
receiving a retirement allowance under section 3309.36 or 861
3309.381 or former section 3309.38 of the Revised Code. 862

(H) "Beneficiary" or "beneficiaries" means the estate or a 863
person or persons who, as the result of the death of a 864
contributor or retirant, qualifies for or is receiving some 865
right or benefit under this chapter. 866

(I) "Interest," as specified in division (E) of section 867
3309.60 of the Revised Code, means interest at the rates for the 868
respective funds and accounts as the school employees retirement 869
board may determine from time to time. 870

(J) "Accumulated contributions" means the sum of all 871
amounts credited to a contributor's account in the employees' 872
savings fund together with any regular interest credited thereon 873
at the rates approved by the retirement board prior to 874
retirement. 875

(K) "Final average salary" means the sum of the annual 876
compensation for the three highest years of compensation for 877
which contributions were made by the member, divided by three. 878
If the member has a partial year of contributing service in the 879
year in which the member terminates employment and the partial 880
year is at a rate of compensation that is higher than the rate 881
of compensation for any one of the highest three years of annual 882
earnings, the board shall substitute the compensation earned for 883
the partial year for the compensation earned for a similar 884
fractional portion in the lowest of the three high years of 885
annual compensation before dividing by three. If a member has 886
less than three years of contributing membership, the final 887

average salary shall be the total compensation divided by the 888
total number of years, including any fraction of a year, of 889
contributing service. 890

(L) "Annuity" means payments for life derived from 891
contributions made by a contributor and paid from the annuity 892
and pension reserve fund as provided in this chapter. All 893
annuities shall be paid in twelve equal monthly installments. 894

(M) (1) "Pension" means annual payments for life derived 895
from appropriations made by an employer and paid from the 896
employers' trust fund or the annuity and pension reserve fund. 897
All pensions shall be paid in twelve equal monthly installments. 898

(2) "Disability retirement" means retirement as provided 899
in section 3309.40 of the Revised Code. 900

(N) "Retirement allowance" means the pension plus the 901
annuity. 902

(O) (1) "Benefit" means a payment, other than a retirement 903
allowance or the annuity paid under section 3309.344 of the 904
Revised Code, payable from the accumulated contributions of the 905
member or the employer, or both, under this chapter and includes 906
a disability allowance or disability benefit. 907

(2) "Disability allowance" means an allowance paid on 908
account of disability under section 3309.401 of the Revised 909
Code. 910

(3) "Disability benefit" means a benefit paid as 911
disability retirement under section 3309.40 of the Revised Code, 912
as a disability allowance under section 3309.401 of the Revised 913
Code, or as a disability benefit under section 3309.35 of the 914
Revised Code. 915

(P) "Annuity reserve" means the present value, computed 916
upon the basis of mortality tables adopted by the school 917
employees retirement board, of all payments to be made on 918
account of any annuity, or benefit in lieu of any annuity, 919
granted to a retirant. 920

(Q) "Pension reserve" means the present value, computed 921
upon the basis of mortality tables adopted by the school 922
employees retirement board, of all payments to be made on 923
account of any pension, or benefit in lieu of any pension, 924
granted to a retirant or a beneficiary. 925

(R) "Year" means the year beginning the first day of July 926
and ending with the thirtieth day of June next following. 927

(S) "Local district pension system" means any school 928
employees' pension fund created in any school district of the 929
state prior to September 1, 1937. 930

(T) "Employer contribution" means the amount paid by an 931
employer as determined under section 3309.49 of the Revised 932
Code. 933

(U) "Fiduciary" means a person who does any of the 934
following: 935

(1) Exercises any discretionary authority or control with 936
respect to the management of the system, or with respect to the 937
management or disposition of its assets; 938

(2) Renders investment advice for a fee, direct or 939
indirect, with respect to money or property of the system; 940

(3) Has any discretionary authority or responsibility in 941
the administration of the system. 942

(V) (1) Except as otherwise provided in this division, 943

"compensation" means all salary, wages, and other earnings paid 944
to a contributor by reason of employment. The salary, wages, and 945
other earnings shall be determined prior to determination of the 946
amount required to be contributed to the employees' savings fund 947
under section 3309.47 of the Revised Code and without regard to 948
whether any of the salary, wages, or other earnings are treated 949
as deferred income for federal income tax purposes. 950

(2) Compensation does not include any of the following: 951

(a) Payments for accrued but unused sick leave or personal 952
leave, including payments made under a plan established pursuant 953
to section 124.39 of the Revised Code or any other plan 954
established by the employer; 955

(b) Payments made for accrued but unused vacation leave, 956
including payments made pursuant to section 124.13 of the 957
Revised Code or a plan established by the employer; 958

(c) Payments made for vacation pay covering concurrent 959
periods for which other salary or compensation is also paid or 960
during which benefits are paid under this chapter; 961

(d) Amounts paid by the employer to provide life 962
insurance, sickness, accident, endowment, health, medical, 963
hospital, dental, or surgical coverage, or other insurance for 964
the contributor or the contributor's family, or amounts paid by 965
the employer to the contributor in lieu of providing the 966
insurance; 967

(e) Incidental benefits, including lodging, food, laundry, 968
parking, or services furnished by the employer, use of the 969
employer's property or equipment, and reimbursement for job- 970
related expenses authorized by the employer, including moving 971
and travel expenses and expenses related to professional 972

development;	973
(f) Payments made to or on behalf of a contributor that	974
are in excess of the annual compensation that may be taken into	975
account by the retirement system under division (a) (17) of	976
section 401 of the "Internal Revenue Code of 1986," 100 Stat.	977
2085, 26 U.S.C.A. 401(a) (17), as amended. For a contributor who	978
first establishes membership before July 1, 1996, the annual	979
compensation that may be taken into account by the retirement	980
system shall be determined under division (d) (3) of section	981
13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub.	982
L. No. 103-66, 107 Stat. 472;	983
(g) Payments made under division (B), (C), or (E) of	984
section 5923.05 of the Revised Code, Section 4 of Substitute	985
Senate Bill No. 3 of the 119th general assembly, Section 3 of	986
Amended Substitute Senate Bill No. 164 of the 124th general	987
assembly, or Amended Substitute House Bill No. 405 of the 124th	988
general assembly;	989
(h) Anything of value received by the contributor that is	990
based on or attributable to retirement or an agreement to	991
retire, except that payments made on or before January 1, 1989,	992
that are based on or attributable to an agreement to retire	993
shall be included in compensation if both of the following	994
apply:	995
(i) The payments are made in accordance with contract	996
provisions that were in effect prior to January 1, 1986.	997
(ii) The employer pays the retirement system an amount	998
specified by the retirement board equal to the additional	999
liability from the payments.	1000
(3) The retirement board shall determine by rule whether	1001

any form of earnings not enumerated in this division is to be 1002
included in compensation, and its decision shall be final. 1003

(W) "Disability benefit recipient" means a member who is 1004
receiving a disability benefit. 1005

(X) "Actuary" means an individual who satisfies all of the 1006
following requirements: 1007

(1) Is a member of the American academy of actuaries; 1008

(2) Is an associate or fellow of the society of actuaries; 1009

(3) Has a minimum of five years' experience in providing 1010
actuarial services to public retirement plans. 1011

Sec. 3333.045. As used in this section, "state university 1012
or college" means any state university listed in section 1013
3345.011 of the Revised Code, the northeast Ohio medical 1014
university, any community college under Chapter 3354. of the 1015
Revised Code, any university branch district under Chapter 3355. 1016
of the Revised Code, any technical college under Chapter 3357. 1017
of the Revised Code, ~~and~~ any state community college under 1018
Chapter 3358. of the Revised Code, and the comprehensive science 1019
of hair learning institute. 1020

The chancellor of higher education shall work with the 1021
attorney general, the auditor of state, and the Ohio ethics 1022
commission to develop a model for training members of the boards 1023
of trustees of all state universities and colleges regarding the 1024
authority and responsibilities of a board of trustees. This 1025
model shall include a review of fiduciary responsibilities, 1026
ethics, and fiscal management. Use of this model by members of 1027
boards of trustees shall be voluntary. 1028

Sec. 3334.01. As used in this chapter: 1029

(A) "Aggregate original principal amount" means the 1030
aggregate of the initial offering prices to the public of 1031
college savings bonds, exclusive of accrued interest, if any. 1032
"Aggregate original principal amount" does not mean the 1033
aggregate accreted amount payable at maturity or redemption of 1034
such bonds. 1035

(B) "Beneficiary" means: 1036

(1) An individual designated by the purchaser under a 1037
tuition payment contract or through a scholarship program as the 1038
individual on whose behalf tuition units purchased under the 1039
contract or awarded through the scholarship program will be 1040
applied toward the payment of undergraduate, graduate, or 1041
professional tuition; or 1042

(2) An individual designated by the contributor under a 1043
variable college savings program contract as the individual 1044
whose higher education expenses will be paid from a variable 1045
college savings program account. 1046

(C) "Capital appreciation bond" means a bond for which the 1047
following is true: 1048

(1) The principal amount is less than the amount payable 1049
at maturity or early redemption; and 1050

(2) No interest is payable on a current basis. 1051

(D) "Tuition unit" means a credit of the Ohio tuition 1052
trust authority purchased under section 3334.09 of the Revised 1053
Code. "Tuition unit" includes a tuition credit purchased prior 1054
to July 1, 1994. 1055

(E) "College savings bonds" means revenue and other 1056
obligations issued on behalf of the state or any agency or 1057

issuing authority thereof as a zero-coupon or capital 1058
appreciation bond, and designated as college savings bonds as 1059
provided in this chapter. "College savings bond issue" means any 1060
issue of bonds of which any part has been designated as college 1061
savings bonds. 1062

(F) "Institution of higher education" means a state 1063
institution of higher education, a private college, university, 1064
or other postsecondary institution located in this state that 1065
possesses a certificate of authorization issued pursuant to 1066
Chapter 1713. of the Revised Code or a certificate of 1067
registration issued by the state board of career colleges and 1068
schools under Chapter 3332. of the Revised Code, or an 1069
accredited college, university, or other postsecondary 1070
institution located outside this state that is accredited by an 1071
accrediting organization or professional association recognized 1072
by the authority. To be considered an institution of higher 1073
education, an institution shall meet the definition of an 1074
eligible educational institution under section 529 of the 1075
Internal Revenue Code. 1076

(G) "Issuing authority" means any authority, commission, 1077
body, agency, or individual empowered by the Ohio Constitution 1078
or the Revised Code to issue bonds or any other debt obligation 1079
of the state or any agency or department thereof. "Issuer" means 1080
the issuing authority or, if so designated under division (B) of 1081
section 3334.04 of the Revised Code, the treasurer of state. 1082

(H) "Tuition" means the charges imposed to attend an 1083
institution of higher education as an undergraduate, graduate, 1084
or professional student and all fees required as a condition of 1085
enrollment, as determined by the Ohio tuition trust authority. 1086
"Tuition" does not include laboratory fees, room and board, or 1087

other similar fees and charges. 1088

(I) "Weighted average tuition" means the tuition cost 1089
resulting from the following calculation: 1090

(1) Add the products of the annual undergraduate tuition 1091
charged to Ohio residents at each four-year state university 1092
multiplied by that institution's total number of undergraduate 1093
fiscal year equated students; and 1094

(2) Divide the gross total of the products from division 1095
(I) (1) of this section by the total number of undergraduate 1096
fiscal year equated students attending four-year state 1097
universities. 1098

When making this calculation, the "annual undergraduate 1099
tuition charged to Ohio residents" shall not incorporate any 1100
tuition reductions that vary in amount among individual 1101
recipients and that are awarded to Ohio residents based upon 1102
their particular circumstances, beyond any minimum amount 1103
awarded uniformly to all Ohio residents. In addition, any 1104
tuition reductions awarded uniformly to all Ohio residents shall 1105
be incorporated into this calculation. 1106

(J) "Zero-coupon bond" means a bond which has a stated 1107
interest rate of zero per cent and on which no interest is 1108
payable until the maturity or early redemption of the bond, and 1109
is offered at a substantial discount from its original stated 1110
principal amount. 1111

(K) "State institution of higher education" includes the 1112
state universities listed in section 3345.011 of the Revised 1113
Code, community colleges created pursuant to Chapter 3354. of 1114
the Revised Code, university branches created pursuant to 1115
Chapter 3355. of the Revised Code, technical colleges created 1116

pursuant to Chapter 3357. of the Revised Code, state community 1117
colleges created pursuant to Chapter 3358. of the Revised Code, 1118
~~and the northeast Ohio medical university,~~ and the comprehensive 1119
science of hair learning institute. 1120

(L) "Four-year state university" means those state 1121
universities listed in section 3345.011 of the Revised Code. 1122

(M) "Principal amount" refers to the initial offering 1123
price to the public of an obligation, exclusive of the accrued 1124
interest, if any. "Principal amount" does not refer to the 1125
aggregate accreted amount payable at maturity or redemption of 1126
an obligation. 1127

(N) "Scholarship program" means a program registered with 1128
the Ohio tuition trust authority pursuant to section 3334.17 of 1129
the Revised Code. 1130

(O) "Higher education expenses" means expenses that meet 1131
the definition of "qualified higher education expenses" under 1132
section 529 of the Internal Revenue Code. 1133

(P) "Purchaser" means the person signing the tuition 1134
payment contract, who controls the account and acquires tuition 1135
units for an account under the terms and conditions of the 1136
contract. 1137

(Q) "Contributor" means a person who signs a variable 1138
college savings program contract with the Ohio tuition trust 1139
authority and contributes to and owns the account created under 1140
the contract. 1141

(R) "Contribution" means any payment directly allocated to 1142
an account for the benefit of the designated beneficiary of the 1143
account. 1144

Sec. 3345.011. "State university" means a public 1145
institution of higher education which is a body politic and 1146
corporate. Each of the following institutions of higher 1147
education shall be recognized as a state university: university 1148
of Akron, Bowling Green state university, Central state 1149
university, university of Cincinnati, Cleveland state 1150
university, Kent state university, Miami university, northeast 1151
Ohio medical university, Ohio university, Ohio state university, 1152
Shawnee state university, university of Toledo, Wright state 1153
university, and Youngstown state university. 1154

"State institution of higher education" means any state 1155
university or college as defined in division (A) (1) of section 1156
3345.12 of the Revised Code, community college, state community 1157
college, university branch established under Chapter 3355. of 1158
the Revised Code, ~~or~~ technical college, or the comprehensive 1159
science of hair learning institute. 1160

"University system of Ohio" means the collective group of 1161
all of the state institutions of higher education. 1162

"Member of the university system of Ohio" means any 1163
individual state institution of higher education. 1164

Sec. 3345.12. (A) As used in this section and sections 1165
3345.07 and 3345.11 of the Revised Code, in other sections of 1166
the Revised Code that make reference to this section unless the 1167
context does not permit, and in related bond proceedings unless 1168
otherwise expressly provided: 1169

(1) "State university or college" means each of the state 1170
universities identified in section 3345.011 of the Revised Code 1171
and the northeast Ohio medical university, and includes its 1172
board of trustees. 1173

(2) "Institution of higher education" or "institution" 1174
means a state university or college, or a community college 1175
district, technical college district, university branch 1176
district, ~~or~~ state community college, or the comprehensive 1177
science of hair learning institute, and includes the applicable 1178
board of trustees or, in the case of a university branch 1179
district, any other managing authority. 1180

(3) "Housing and dining facilities" means buildings, 1181
structures, and other improvements, and equipment, real estate, 1182
and interests in real estate therefor, to be used for or in 1183
connection with dormitories or other living quarters and 1184
accommodations, or related dining halls or other food service 1185
and preparation facilities, for students, members of the 1186
faculty, officers, or employees of the institution of higher 1187
education, and their spouses and families. 1188

(4) "Auxiliary facilities" means buildings, structures, 1189
and other improvements, and equipment, real estate, and 1190
interests in real estate therefor, to be used for or in 1191
connection with student activity or student service facilities, 1192
housing and dining facilities, dining halls, and other food 1193
service and preparation facilities, vehicular parking 1194
facilities, bookstores, athletic and recreational facilities, 1195
faculty centers, auditoriums, assembly and exhibition halls, 1196
hospitals, infirmaries and other medical and health facilities, 1197
research, and continuing education facilities. 1198

(5) "Education facilities" means buildings, structures, 1199
and other improvements, and equipment, real estate, and 1200
interests in real estate therefor, to be used for or in 1201
connection with, classrooms or other instructional facilities, 1202
libraries, administrative and office facilities, and other 1203

facilities, other than auxiliary facilities, to be used directly 1204
or indirectly for or in connection with the conduct of the 1205
institution of higher education. 1206

(6) "Facilities" means housing and dining facilities, 1207
auxiliary facilities, or education facilities, and includes any 1208
one, part of, or any combination of such facilities, and further 1209
includes site improvements, utilities, machinery, furnishings, 1210
and any separate or connected buildings, structures, 1211
improvements, sites, open space and green space areas, utilities 1212
or equipment to be used in, or in connection with the operation 1213
or maintenance of, or supplementing or otherwise related to the 1214
services or facilities to be provided by, such facilities. 1215

(7) "Obligations" means bonds or notes or other evidences 1216
of obligation, including interest coupons pertaining thereto, 1217
authorized to be issued under this section or section 3345.07, 1218
3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the Revised 1219
Code. 1220

(8) "Bond service charges" means principal, including any 1221
mandatory sinking fund or redemption requirements for the 1222
retirement of obligations or assurances, interest, or interest 1223
equivalent and other accreted amounts, and any call premium 1224
required to be paid on obligations or assurances. 1225

(9) "Bond proceedings" means the resolutions, trust 1226
agreement, indenture, and other agreements and credit 1227
enhancement facilities, and amendments and supplements to the 1228
foregoing, or any one or more or combination thereof, 1229
authorizing, awarding, or providing for the terms and conditions 1230
applicable to, or providing for the security or liquidity of, 1231
obligations or assurances, and the provisions contained in those 1232
obligations or assurances. 1233

(10) "Costs of facilities" means the costs of acquiring, 1234
constructing, reconstructing, rehabilitating, remodeling, 1235
renovating, enlarging, improving, equipping, or furnishing 1236
facilities, and the financing thereof, including the cost of 1237
clearance and preparation of the site and of any land to be used 1238
in connection with facilities, the cost of any indemnity and 1239
surety bonds and premiums on insurance, all related direct 1240
administrative expenses and allocable portions of direct costs 1241
of the institution of higher education or state agency, cost of 1242
engineering, architectural services, design, plans, 1243
specifications and surveys, estimates of cost, legal fees, fees 1244
and expenses of trustees, depositories, bond registrars, and 1245
paying agents for the obligations, cost of issuance of the 1246
obligations and financing costs and fees and expenses of 1247
financial advisers and consultants in connection therewith, 1248
interest on the obligations from the date thereof to the time 1249
when interest is to be covered by available receipts or other 1250
sources other than proceeds of the obligations, amounts 1251
necessary to establish reserves as required by the bond 1252
proceedings, costs of audits, the reimbursements of all moneys 1253
advanced or applied by or borrowed from the institution or 1254
others, from whatever source provided, including any temporary 1255
advances from state appropriations, for the payment of any item 1256
or items of cost of facilities, and all other expenses necessary 1257
or incident to planning or determining feasibility or 1258
practicability with respect to facilities, and such other 1259
expenses as may be necessary or incident to the acquisition, 1260
construction, reconstruction, rehabilitation, remodeling, 1261
renovation, enlargement, improvement, equipment, and furnishing 1262
of facilities, the financing thereof and the placing of them in 1263
use and operation, including any one, part of, or combination of 1264
such classes of costs and expenses. 1265

(11) "Available receipts" means all moneys received by the institution of higher education, including income, revenues, and receipts from the operation, ownership, or control of facilities or entrepreneurial projects, grants, gifts, donations, and pledges and receipts therefrom, receipts from fees and charges, and the proceeds of the sale of obligations or assurances, including proceeds of obligations or assurances issued to refund obligations or assurances previously issued, but excluding any special fee, and receipts therefrom, charged pursuant to division (D) of section 154.21 of the Revised Code.

(12) "Credit enhancement facilities" has the meaning given in division (H) of section 133.01 of the Revised Code.

(13) "Financing costs" has the meaning given in division (K) of section 133.01 of the Revised Code.

(14) "Interest" or "interest equivalent" has the meaning given in division (R) of section 133.01 of the Revised Code.

(15) "Assurances" means bonds, notes, or other evidence of indebtedness, including interest coupons pertaining thereto, authorized to be issued under section 3345.36 of the Revised Code.

(16) "Entrepreneurial project" has the same meaning as in section 3345.36 of the Revised Code.

(17) "Costs of entrepreneurial projects" means any costs related to the establishment or development of entrepreneurial projects pursuant to a resolution adopted under section 3345.36 of the Revised Code.

(B) Obligations issued under section 3345.07 or 3345.11 of the Revised Code by a state university or college shall be authorized by resolution of its board of trustees. Obligations

issued by any other institution of higher education shall be 1295
authorized by resolution of its board of trustees, or managing 1296
directors in the case of certain university branch districts, as 1297
applicable. Sections 9.96 and 9.98 to 9.983 of the Revised Code 1298
apply to obligations and assurances. Obligations and assurances 1299
may be issued to pay costs of facilities or entrepreneurial 1300
projects even if the institution anticipates the possibility of 1301
a future state appropriation to pay all or a portion of such 1302
costs. 1303

(C) Obligations and assurances shall be secured by a 1304
pledge of and lien on all or such part of the available receipts 1305
of the institution of higher education as it provides for in the 1306
bond proceedings, excluding moneys raised by taxation and state 1307
appropriations except as permitted by section 3333.59 of the 1308
Revised Code. Such pledge and lien may be made prior to all 1309
other expenses, claims, or payments, excepting any pledge of 1310
such available receipts previously made to the contrary and 1311
except as provided by any existing restrictions on the use 1312
thereof, or such pledge and lien may be made subordinate to such 1313
other expenses, claims, or payments, as provided in the bond 1314
proceedings. Obligations or assurances may be additionally 1315
secured by covenants of the institution to make, fix, adjust, 1316
collect, and apply such charges, rates, fees, rentals, and other 1317
items of available receipts as will produce pledged available 1318
receipts sufficient to meet bond service charges, reserve, and 1319
other requirements provided for in the bond proceedings. 1320
Notwithstanding this and any other sections of the Revised Code, 1321
the holders or owners of the obligations or assurances shall not 1322
be given the right and shall have no right to have excises or 1323
taxes levied by the general assembly for the payment of bond 1324
service charges thereon, and each such obligation or assurance 1325

shall bear on its face a statement to that effect and to the 1326
effect that the right to such payment is limited to the 1327
available receipts and special funds pledged to such purpose 1328
under the bond proceedings. 1329

All pledged available receipts and funds and the proceeds 1330
of obligations or assurances are trust funds and, subject to the 1331
provisions of this section and the applicable bond proceedings, 1332
shall be held, deposited, invested, reinvested, disbursed, 1333
applied, and used to such extent, in such manner, at such times, 1334
and for such purposes, as are provided in the bond proceedings. 1335

(D) The bond proceedings for obligations or assurances 1336
shall provide for the purpose thereof and the principal amount 1337
or maximum principal amount, and provide for or authorize the 1338
manner of determining the principal maturity or maturities, the 1339
sale price including any permitted discount, the interest rate 1340
or rates, which may be a variable rate or rates, or the maximum 1341
interest rate, the date of the obligations or assurances and the 1342
date or dates of payment of interest thereon, their 1343
denominations, the manner of sale thereof, and the establishment 1344
within or without the state of a place or places of payment of 1345
bond service charges. The bond proceedings also shall provide 1346
for a pledge of and lien on available receipts of the 1347
institution of higher education as provided in division (C) of 1348
this section, and a pledge of and lien on such fund or funds 1349
provided in the bond proceedings arising from available 1350
receipts, which pledges and liens may provide for parity with 1351
obligations or assurances theretofore or thereafter issued by 1352
the institution. The available receipts so pledged and 1353
thereafter received by the institution and the funds so pledged 1354
are immediately subject to the lien of such pledge without any 1355
physical delivery thereof or further act, and the lien of any 1356

such pledge is valid and binding against all parties having 1357
claims of any kind against the institution, irrespective of 1358
whether such parties have notice thereof, and shall create a 1359
perfected security interest for all purposes of Chapter 1309. of 1360
the Revised Code, without the necessity for separation or 1361
delivery of funds or for the filing or recording of the bond 1362
proceedings by which such pledge is created or any certificate, 1363
statement, or other document with respect thereto; and the 1364
pledge of such available receipts and funds shall be effective 1365
and the money therefrom and thereof may be applied to the 1366
purposes for which pledged without necessity for any act of 1367
appropriation. 1368

(E) The bond proceedings may contain additional provisions 1369
customary or appropriate to the financing or to the obligations 1370
or assurances or to particular obligations and assurances, 1371
including: 1372

(1) The acquisition, construction, reconstruction, 1373
equipment, furnishing, improvement, operation, alteration, 1374
enlargement, maintenance, insurance, and repair of facilities or 1375
entrepreneurial projects, and the duties of the institution of 1376
higher education with reference thereto; 1377

(2) The terms of the obligations or assurances, including 1378
provisions for their redemption prior to maturity at the option 1379
of the institution of higher education at such price or prices 1380
and under such terms and conditions as are provided in the bond 1381
proceedings; 1382

(3) Limitations on the purposes to which the proceeds of 1383
the obligations or assurances may be applied; 1384

(4) The rates or rentals or other charges for the use of 1385

or right to use the facilities or entrepreneurial projects 1386
financed by the obligations or assurances, or other properties 1387
the revenues or receipts from which are pledged to the 1388
obligations or assurances, and rules for assuring any applicable 1389
use and occupancy thereof, including limitations upon the right 1390
to modify such rates, rentals, other charges, or regulations; 1391

(5) The use and expenditure of the pledged available 1392
receipts in such manner and to such extent as shall be 1393
determined, which may include provision for the payment of the 1394
expenses of operation, maintenance, and repair of facilities or 1395
entrepreneurial projects so that such expenses, or part thereof, 1396
shall be paid or provided as a charge prior or subsequent to the 1397
payment of bond service charges and any other payments required 1398
to be made by the bond proceedings; 1399

(6) Limitations on the issuance of additional obligations 1400
or assurances; 1401

(7) The terms of any trust agreement or indenture securing 1402
the obligations or assurances or under which the same may be 1403
issued; 1404

(8) The deposit, investment, and application of funds, and 1405
the safeguarding of funds on hand or on deposit without regard 1406
to Chapter 131. or 135. of the Revised Code, and any bank or 1407
trust company or other financial institution that acts as 1408
depository of any moneys under the bond proceedings shall 1409
furnish such indemnifying bonds or pledge such securities as 1410
required by the bond proceedings or otherwise by the institution 1411
of higher education; 1412

(9) The binding effect of any or every provision of the 1413
bond proceedings upon such officer, board, commission, 1414

authority, agency, department, or other person or body as may 1415
from time to time have the authority under law to take such 1416
actions as may be necessary to perform all or any part of the 1417
duty required by such provision; 1418

(10) Any provision that may be made in a trust agreement 1419
or indenture; 1420

(11) Any other or additional agreements with respect to 1421
the facilities of the institution of higher education or its 1422
entrepreneurial projects, their operation, the available 1423
receipts and funds pledged, and insurance of facilities or 1424
entrepreneurial projects and of the institution, its officers 1425
and employees. 1426

(F) Such obligations or assurances may have the seal of 1427
the institution of higher education or a facsimile thereof 1428
affixed thereto or printed thereon and shall be executed by such 1429
officers as are designated in the bond proceedings, which 1430
execution may be by facsimile signatures. Any obligations or 1431
assurances may be executed by an officer who, on the date of 1432
execution, is the proper officer although on the date of such 1433
obligations or assurances such person was not the proper 1434
officer. In case any officer whose signature or a facsimile of 1435
whose signature appears on any such obligation or assurance 1436
ceases to be such officer before delivery thereof, such 1437
signature or facsimile is nevertheless valid and sufficient for 1438
all purposes as if the person had remained such officer until 1439
such delivery; and in case the seal of the institution has been 1440
changed after a facsimile of the seal has been imprinted on such 1441
obligations or assurances, such facsimile seal continues to be 1442
sufficient as to such obligations or assurances and obligations 1443
or assurances issued in substitution or exchange therefor. 1444

(G) All such obligations or assurances are negotiable 1445
instruments and securities under Chapter 1308. of the Revised 1446
Code, subject to the provisions of the bond proceedings as to 1447
registration. The obligations or assurances may be issued in 1448
coupon or in registered form, or both. Provision may be made for 1449
the registration of any obligations or assurances with coupons 1450
attached thereto as to principal alone or as to both principal 1451
and interest, their exchange for obligations or assurances so 1452
registered, and for the conversion or reconversion into 1453
obligations or assurances with coupons attached thereto of any 1454
obligations or assurances registered as to both principal and 1455
interest, and for reasonable charges for such registration, 1456
exchange, conversion, and reconversion. 1457

(H) Pending preparation of definitive obligations or 1458
assurances, the institution of higher education may issue 1459
interim receipts or certificates which shall be exchanged for 1460
such definitive obligations or assurances. 1461

(I) Such obligations or assurances may be secured 1462
additionally by a trust agreement or indenture between the 1463
institution of higher education and a corporate trustee, which 1464
may be any trust company or bank having the powers of a trust 1465
company within or without this state but authorized to exercise 1466
trust powers within this state. Any such agreement or indenture 1467
may contain the resolution authorizing the issuance of the 1468
obligations or assurances, any provisions that may be contained 1469
in the bond proceedings as authorized by this section, and other 1470
provisions which are customary or appropriate in an agreement or 1471
indenture of such type, including: 1472

(1) Maintenance of each pledge, trust agreement, and 1473
indenture, or other instrument comprising part of the bond 1474

proceedings until the institution of higher education has fully 1475
paid the bond service charges on the obligations or assurances 1476
secured thereby, or provision therefor has been made; 1477

(2) In the event of default in any payments required to be 1478
made by the bond proceedings, or any other agreement of the 1479
institution of higher education made as a part of the contract 1480
under which the obligations or assurances were issued, 1481
enforcement of such payments or agreement by mandamus, the 1482
appointment of a receiver, suit in equity, action at law, or any 1483
combination of the foregoing; 1484

(3) The rights and remedies of the holders of obligations 1485
or assurances and of the trustee, and provisions for protecting 1486
and enforcing them, including limitations on rights of 1487
individual holders of obligations or assurances; 1488

(4) The replacement of any obligations or assurances that 1489
become mutilated or are destroyed, lost, or stolen; 1490

(5) Such other provisions as the trustee and the 1491
institution of higher education agree upon, including 1492
limitations, conditions, or qualifications relating to any of 1493
the foregoing. 1494

(J) Each duty of the institution of higher education and 1495
its officers or employees, undertaken pursuant to the bond 1496
proceedings or any related agreement or lease made under 1497
authority of law, is hereby established as a duty of such 1498
institution, and of each such officer or employee having 1499
authority to perform such duty, specially enjoined by law 1500
resulting from an office, trust, or station within the meaning 1501
of section 2731.01 of the Revised Code. The persons who are at 1502
the time the members of the board of trustees or the managing 1503

directors of the institution or its officers or employees are 1504
not liable in their personal capacities on such obligations or 1505
assurances, or lease, or other agreement of the institution. 1506

(K) The authority to issue obligations or assurances 1507
includes authority to: 1508

(1) Issue obligations or assurances in the form of bond 1509
anticipation notes and to renew them from time to time by the 1510
issuance of new notes. Such notes are payable solely from the 1511
available receipts and funds that may be pledged to the payment 1512
of such bonds, or from the proceeds of such bonds or renewal 1513
notes, or both, as the institution of higher education provides 1514
in its resolution authorizing such notes. Such notes may be 1515
additionally secured by covenants of the institution to the 1516
effect that it will do such or all things necessary for the 1517
issuance of such bonds or renewal notes in appropriate amount, 1518
and either exchange such bonds or renewal notes therefor or 1519
apply the proceeds thereof to the extent necessary, to make full 1520
payment of the bond service charges on such notes at the time or 1521
times contemplated, as provided in such resolution. Subject to 1522
the provisions of this division, all references to obligations 1523
or assurances in this section apply to such anticipation notes. 1524

(2) Issue obligations or assurances to refund, including 1525
funding and retirement of, obligations or assurances previously 1526
issued to pay costs of facilities or entrepreneurial projects. 1527
Such obligations or assurances may be issued in amounts 1528
sufficient for payment of the principal amount of the 1529
obligations or assurances to be so refunded, any redemption 1530
premiums thereon, principal maturities of any obligations or 1531
assurances maturing prior to the redemption of any other 1532
obligations or assurances on a parity therewith to be so 1533

refunded, interest accrued or to accrue to the maturity date or 1534
dates of redemption of such obligations or assurances, and any 1535
expenses incurred or to be incurred in connection with such 1536
refunding or the issuance of the obligations or assurances. 1537

(L) Obligations and assurances are lawful investments for 1538
banks, societies for savings, savings and loan associations, 1539
deposit guarantee associations, trust companies, trustees, 1540
fiduciaries, insurance companies, including domestic for life 1541
and domestic not for life, trustees or other officers having 1542
charge of sinking and bond retirement or other special funds of 1543
political subdivisions and taxing districts of this state, the 1544
commissioners of the sinking fund, the administrator of workers' 1545
compensation in accordance with the investment policy approved 1546
by the bureau of workers' compensation board of directors 1547
pursuant to section 4121.12 of the Revised Code, the state 1548
teachers retirement system, the public employees retirement 1549
system, the school employees retirement system, and the Ohio 1550
police and fire pension fund, notwithstanding any other 1551
provisions of the Revised Code or rules adopted pursuant thereto 1552
by any state agency with respect to investments by them, and are 1553
also acceptable as security for the deposit of public moneys. 1554

(M) All facilities or entrepreneurial projects purchased, 1555
acquired, constructed, or owned by an institution of higher 1556
education, or financed in whole or in part by obligations or 1557
assurances issued by an institution, and used for the purposes 1558
of the institution or other publicly owned and controlled 1559
college or university, is public property used exclusively for a 1560
public purpose, and such property and the income therefrom is 1561
exempt from all taxation and assessment within this state, 1562
including ad valorem and excise taxes. The obligations or 1563
assurances, the transfer thereof, and the income therefrom, 1564

including any profit made on the sale thereof, are at all times 1565
free from taxation within the state. The transfer of tangible 1566
personal property by lease under authority of this section or 1567
section 3345.07, 3345.11, 3345.36, 3354.121, 3355.091, 3357.112, 1568
or 3358.10 of the Revised Code is not a sale as used in Chapter 1569
5739. of the Revised Code. 1570

(N) The authority granted by this section is cumulative 1571
with the authority granted to institutions of higher education 1572
under Chapter 154. of the Revised Code, and nothing in this 1573
section impairs or limits the authority granted by Chapter 154. 1574
of the Revised Code. In any lease, agreement, or commitment made 1575
by an institution of higher education under Chapter 154. of the 1576
Revised Code, it may agree to restrict or subordinate any pledge 1577
it may thereafter make under authority of this section. 1578

(O) Title to lands acquired under this section and 1579
sections 3345.07 and 3345.11 of the Revised Code by a state 1580
university or college shall be taken in the name of the state. 1581

(P) Except where costs of facilities or entrepreneurial 1582
projects are to be paid in whole or in part from funds 1583
appropriated by the general assembly, section 125.81 of the 1584
Revised Code and the requirement for certification with respect 1585
thereto under section 153.04 of the Revised Code do not apply to 1586
such facilities or entrepreneurial projects. 1587

(Q) A state university or college may sell or lease lands 1588
or interests in land owned by it or by the state for its use, or 1589
facilities authorized to be acquired or constructed by it under 1590
section 3345.07 or 3345.11 of the Revised Code, to permit the 1591
purchasers or lessees thereof to acquire, construct, equip, 1592
furnish, reconstruct, alter, enlarge, remodel, renovate, 1593
rehabilitate, improve, maintain, repair, or maintain and operate 1594

thereon and to provide by lease or otherwise to such 1595
institution, facilities authorized in section 3345.07 or 3345.11 1596
of the Revised Code or entrepreneurial projects authorized under 1597
section 3345.36 of the Revised Code. Such land or interests 1598
therein shall be sold for such appraised value, or leased, and 1599
on such terms as the board of trustees determines. All deeds or 1600
other instruments relating to such sales or leases shall be 1601
executed by such officer of the state university or college as 1602
the board of trustees designates. The state university or 1603
college shall hold, invest, or use the proceeds of such sales or 1604
leases for the same purposes for which proceeds of borrowings 1605
may be used under sections 3345.07 and 3345.11 of the Revised 1606
Code or, if the proceeds relate to the sale or lease of 1607
entrepreneurial projects, for purposes of section 3345.36 of the 1608
Revised Code. 1609

(R) An institution of higher education may pledge 1610
available receipts, to the extent permitted by division (C) of 1611
this section with respect to obligations, to secure the payments 1612
to be made by it under any lease, lease with option to purchase, 1613
or lease-purchase agreement authorized under this section or 1614
section 3345.07, 3345.11, 3345.36, 3354.121, 3355.091, 3357.112, 1615
or 3358.10 of the Revised Code. 1616

Sec. 3345.17. All property, personal, real, or mixed of 1617
the boards of trustees and of the housing commissions of the 1618
state universities, the northeast Ohio medical university, the 1619
comprehensive science of hair learning institute, and of the 1620
state held for the use and benefit of any such institution, 1621
which is used for the support of such institution, is exempt 1622
from taxation so long as such property is used for the support 1623
of such ~~university~~institution. 1624

Sec. 3345.31. The boards of trustees of a state 1625
university, the board of trustees of the northeast Ohio medical 1626
university, the board of trustees of a technical college or 1627
community college district, the board of trustees of the 1628
comprehensive science of hair learning institute, and the board 1629
of control of the Ohio agricultural research and development 1630
center may establish compensation plans, including schedules of 1631
hourly rates, for the compensation of all employees and may 1632
establish rules or policies for the administration of their 1633
respective compensation plans. 1634

The provisions of this section do not apply to employees 1635
for whom the state employment relations board establishes 1636
appropriate bargaining units pursuant to section 4117.06 of the 1637
Revised Code. 1638

Sec. 3345.71. As used in sections 3345.72 to 3345.77 of 1639
the Revised Code: 1640

(A) "State university or college" means any state 1641
university listed in section 3345.011 of the Revised Code, the 1642
northeast Ohio medical university, any community college under 1643
Chapter 3354. of the Revised Code, any technical college under 1644
Chapter 3357. of the Revised Code, ~~and~~ any state community 1645
college under Chapter 3358. of the Revised Code, and the 1646
comprehensive science of hair learning institute. 1647

(B) "Fiscal watch" means the existence of a fiscal watch 1648
declared under section 3345.72 of the Revised Code. 1649

Sec. 3363.01. (A) The comprehensive science of hair 1650
learning institute is hereby established as a state institution 1651
of higher education. 1652

(B) The government of the institute is vested in a board 1653

of eleven trustees, who shall be appointed by the governor with 1654
the advice and consent of the senate. Two trustees shall be 1655
students at the institute, and their selection and terms shall 1656
be in accordance with division (C) of this section. The 1657
remaining trustees shall be appointed as follows: one for a term 1658
of one year, one for a term of two years, one for a term of 1659
three years, one for a term of four years, one for a term of 1660
five years, one for a term of six years, one for a term of seven 1661
years, one for a term of eight years, and one for a term of nine 1662
years. Thereafter, terms shall be for nine years. All terms of 1663
office shall commence on the first day of July and end on the 1664
thirtieth day of June. 1665

Each trustee shall hold office from the date of 1666
appointment until the end of the term for which the trustee was 1667
appointed. Any trustee appointed to fill a vacancy occurring 1668
before the expiration of the term for which the trustee's 1669
predecessor was appointed shall hold office for the remainder of 1670
the term. A trustee shall continue in office after the 1671
expiration date of the trustee's term until the trustee's 1672
successor takes office, or until a period of sixty days has 1673
elapsed, whichever occurs first. No person who has served a full 1674
nine-year term or more than six years of a term is eligible for 1675
reappointment until a period of four years has elapsed since the 1676
last day of the term for which the person previously served. 1677

The trustees shall receive no compensation for their 1678
services but shall be paid their reasonable and necessary 1679
expenses while engaged in the discharge of their official 1680
duties. 1681

A majority of the trustees appointed under this division 1682
constitutes a quorum. 1683

(C) The student members of the board of trustees have no 1684
voting power on the board. Student members shall not be 1685
considered as members of the board in determining whether a 1686
quorum is present and are not entitled to attend executive 1687
sessions of the board. The student members shall be appointed by 1688
the governor, with the advice and consent of the senate, from a 1689
group of five candidates selected pursuant to a procedure 1690
adopted by the institute's student governments and approved by 1691
the board of trustees. The initial term of office of one of the 1692
student members commences on July 1, 2025, and expires on June 1693
30, 2026, and the initial term of office of the other student 1694
member commences on July 1, 2025, and expires on June 30, 2027. 1695
Thereafter, terms of office of student members are for two 1696
years, each term ending on the same day of the same month of the 1697
year as the term it succeeds. If a student member cannot fulfill 1698
a two-year term, a replacement shall be selected to fill the 1699
unexpired term in the same manner used to make the original 1700
selection. 1701

Sec. 3363.02. Not later than thirty days after the 1702
appointment of all trustees under division (B) of section 1703
3363.01 of the Revised Code, the board of trustees of the 1704
comprehensive science of hair learning institute shall meet and 1705
begin consulting with the chancellor of higher education and the 1706
department of administrative service to acquire real property in 1707
this state to serve as the main campus of the institute. The 1708
institute shall have one main campus and, with the chancellor's 1709
approval, may establish branch campuses. 1710

Sec. 3363.03. The board of trustees of the comprehensive 1711
science of hair learning institute shall annually elect from its 1712
members a chairperson and vice-chairperson. The board also may 1713
appoint a secretary of the board, a treasurer, and other 1714

officers as the interests of the institute require, who may be 1715
members of the board. The treasurer, before entering upon the 1716
discharge of official duties, shall give bond to the state or be 1717
insured for the faithful performance of the treasurer's duties 1718
and the proper accounting for all moneys coming into the 1719
treasurer's care. The amount of the bond or insurance shall be 1720
determined by the board, but shall not be for a sum less than 1721
the estimated amount which may come into the treasurer's sole 1722
control at any time, less any reasonable deductible. 1723

Sec. 3363.04. The board of trustees of the comprehensive 1724
science of hair learning institute shall employ, fix the 1725
compensation of, and remove the president and the number of 1726
teachers and other employees as it deems necessary. The board 1727
shall do all things necessary for the creation, proper 1728
maintenance, and successful and continuous operation of the 1729
institute and may adopt and amend bylaws and rules for the 1730
conduct of the board and the government and conduct of the 1731
institute. 1732

Sec. 3363.05. The board of trustees of the comprehensive 1733
science of hair learning institute may receive and hold in 1734
trust, for the use and benefit of the institute, any grant or 1735
devise of land, and any donation or bequest of money or other 1736
personal property, to be applied to the general or special uses 1737
of the institute, unless otherwise directed in the donation or 1738
bequest. The board may make and enter into all contracts and 1739
agreements necessary or incidental to the acquisition of 1740
property for, or the operation of the institute. 1741

Sec. 3363.06. The general assembly shall support the 1742
comprehensive science of hair learning institute by such sums 1743
and in such manner as it may provide, and support may come from 1744

other sources. 1745

Sec. 4713.08. (A) The state cosmetology and barber board 1746
shall adopt rules in accordance with Chapter 119. of the Revised 1747
Code as necessary to implement this chapter. The rules shall do 1748
all of the following: 1749

(1) Govern the practice of the branches of cosmetology; 1750

(2) Specify conditions an individual must satisfy to 1751
qualify for a temporary pre-examination work permit under 1752
section 4713.22 of the Revised Code and the conditions and 1753
method of renewing a temporary pre-examination work permit under 1754
that section; 1755

(3) Provide for the conduct of examinations under section 1756
4713.24 of the Revised Code; 1757

(4) Specify conditions under which the board will take 1758
into account, under section 4713.32 of the Revised Code, 1759
instruction an applicant for a license under section 4713.28, 1760
4713.30, or 4713.31 of the Revised Code received more than five 1761
years before the date of application for the license; 1762

(5) Provide for the granting of waivers under section 1763
4713.29 of the Revised Code; 1764

(6) Specify conditions an applicant must satisfy for the 1765
board to issue the applicant a license under section 4713.34 of 1766
the Revised Code without the applicant taking an examination 1767
conducted under section 4713.24 of the Revised Code; 1768

(7) Specify locations in which glamour photography 1769
services in which a branch of cosmetology is practiced may be 1770
provided; 1771

(8) Establish conditions and the fee for a temporary 1772

special occasion work permit under section 4713.37 of the Revised Code and specify the amount of time such a permit is valid;	1773 1774 1775
(9) Specify conditions an applicant must satisfy for the board to issue the applicant an independent contractor license under section 4713.39 of the Revised Code and the fee for issuance and renewal of the license;	1776 1777 1778 1779
(10) Establish conditions under which food may be sold at a salon;	1780 1781
(11) Specify which professions regulated by a professional regulatory board of this state may be practiced in a salon under section 4713.42 of the Revised Code;	1782 1783 1784
(12) Establish standards for the provision of cosmetic therapy, massage therapy, or other professional service in a salon pursuant to section 4713.42 of the Revised Code;	1785 1786 1787
(13) Establish standards for board approval of, and the granting of credits for, training in branches of cosmetology at schools of cosmetology licensed in this state;	1788 1789 1790
(14) Establish the manner in which a school of cosmetology licensed under section 4713.44 of the Revised Code may offer post-secondary and advanced practice programs;	1791 1792 1793
(15) Establish sanitary standards for the practice of the branches of cosmetology, salons, and schools of cosmetology;	1794 1795
(16) Establish the application process for obtaining a tanning facility permit under section 4713.48 of the Revised Code, including the amount of the fee for an initial or renewed permit;	1796 1797 1798 1799
(17) Establish standards for installing and operating a	1800

tanning facility in a manner that ensures the health and safety 1801
of consumers, including standards that do all of the following: 1802

(a) Establish a maximum safe time of exposure to radiation 1803
and a maximum safe temperature at which sun lamps may be 1804
operated; 1805

(b) Require consumers to wear protective eyeglasses; 1806

(c) Require consumers to be supervised as to the length of 1807
time consumers use the facility's sun lamps; 1808

(d) Require the operator to prohibit consumers from 1809
standing too close to sun lamps and to post signs warning 1810
consumers of the potential effects of radiation on individuals 1811
taking certain medications and of the possible relationship of 1812
the radiation to skin cancer; 1813

(e) Require the installation of protective shielding for 1814
sun lamps and handrails for consumers; 1815

(f) Require floors to be dry during operation of lamps; 1816

(g) Establish procedures an operator must follow in making 1817
reasonable efforts in compliance with section 4713.50 of the 1818
Revised Code to determine the age of an individual seeking to 1819
use sun lamp tanning services. 1820

(18) (a) If the board, under section 4713.61 of the Revised 1821
Code, develops a procedure for classifying licenses inactive, do 1822
both of the following: 1823

(i) Establish a fee for having a license classified 1824
inactive that reflects the cost to the board of providing the 1825
inactive license service. If one or more renewal periods have 1826
elapsed since the license was valid, the fee shall not include 1827
lapsed renewal fees for more than three of those renewal 1828

periods; 1829

(ii) Specify the continuing education that an individual 1830
whose license has been classified inactive must complete to have 1831
the license restored. The continuing education shall be 1832
sufficient to ensure the minimum competency in the use or 1833
administration of a new procedure or product required by a 1834
licensee necessary to protect public health and safety. The 1835
requirement shall not exceed the cumulative number of hours of 1836
continuing education that the individual would have been 1837
required to complete had the individual retained an active 1838
license. 1839

(b) In addition, the board may specify the conditions and 1840
method for granting a temporary work permit to practice a branch 1841
of cosmetology to an individual whose license has been 1842
classified inactive. 1843

(19) Establish a fee for approval of a continuing 1844
education program under section 4713.62 of the Revised Code that 1845
is adequate to cover any expense the board incurs in the 1846
approval process; 1847

(20) Establish procedures for administering the natural 1848
curly textured hair science grant program established under 1849
section 4713.47 of the Revised Code; 1850

(21) Anything else necessary to implement this chapter. 1851

(B) (1) The rules adopted under division (A) (2) of this 1852
section may establish additional conditions for a temporary pre- 1853
examination work permit under section 4713.22 of the Revised 1854
Code that are applicable to individuals who practice a branch of 1855
cosmetology in another state or country. 1856

(2) The rules adopted under division (A) (18) (b) of this 1857

section may establish additional conditions for a temporary work 1858
permit that are applicable to individuals who practice a branch 1859
of cosmetology in another state. 1860

(C) The conditions specified in rules adopted under 1861
division (A) (6) of this section may include that an applicant is 1862
applying for a license to practice a branch of cosmetology for 1863
which the board determines an examination is unnecessary. 1864

(D) The rules adopted under division (A) (11) of this 1865
section shall not include a profession if practice of the 1866
profession in a salon is a violation of a statute or rule 1867
governing the profession. 1868

(E) The sanitary standards established under division (A) 1869
(15) of this section shall focus in particular on precautions to 1870
be employed to prevent infectious or contagious diseases being 1871
created or spread. The board shall consult with the Ohio 1872
department of health when establishing the sanitary standards. 1873

(F) The fee established by rules adopted under division 1874
(A) (16) of this section shall cover the cost the board incurs in 1875
inspecting tanning facilities and enforcing the board's rules 1876
but may not exceed one hundred dollars per location of such 1877
facilities. 1878

Sec. 4713.47. (A) The state cosmetology and barber board 1879
shall establish and administer a natural curly textured hair 1880
science grant program to engage students and instructors in 1881
learning or acquiring knowledge of the science and care of 1882
natural curly textured hair at the comprehensive science of hair 1883
learning institute or a school of cosmetology. Under the 1884
program, the board may award a grant to the institute or a 1885
school of cosmetology to offer any of the following: 1886

(1) A course of practical training and technical instruction for natural hair styling under division (A) (1) of section 4713.44 of the Revised Code; 1887
1888
1889

(2) Educational programs to broaden an instructor's knowledge of and skill set in the science and care of natural curly textured hair for teaching a course described in division (A) (1) of this section, post-secondary program, or advanced practice program at the institute or a school of cosmetology; 1890
1891
1892
1893
1894

(3) Seminars or workshops focused on hair care techniques and management of natural curly textured hair, including knowledge of hair structure and biology, and cultural sensitivity, in collaboration with experts in the practice or teaching of natural curly textured hair science and care and educators of diversity training. 1895
1896
1897
1898
1899
1900

(B) The institute or a school of cosmetology seeking to participate in the grant program shall apply to the board in the form and manner prescribed by the board. The institute or a school of cosmetology shall attest in the application that the institute or school of cosmetology will use the book specified by the board in rules adopted under division (D) of this section in offering a course, program, or seminar or workshop under a grant awarded under division (A) of this section. 1901
1902
1903
1904
1905
1906
1907
1908

(C) The institute or a school of cosmetology awarded a grant to offer an educational program under division (A) (2) of this section may include any of the following topics as part of the program: 1909
1910
1911
1912

(1) The science and anatomy of different hair textures and the effects of styling and hair care practices on natural curly textured hair, based on the books and other teachings of Dr. 1913
1914
1915

<u>Willie Morrow;</u>	1916
<u>(2) Training in the technical mechanics of natural curly textured hair, including knowledge of hair structure and biology outside of styling applications;</u>	1917 1918 1919
<u>(3) Comprehensive training in hair and scalp care for natural curly textured hair, such as treatment options including deep conditioning and hot oil massages or other services to improve moisture retention, curl definition, or hair strengthening;</u>	1920 1921 1922 1923 1924
<u>(4) The significance of hair care for natural curly textured hair and natural, protective, or cultural hair styles.</u>	1925 1926
<u>(D) The board shall adopt rules under section 4713.08 of the Revised Code that are necessary for the administration of the program, including all of the following:</u>	1927 1928 1929
<u>(1) The eligibility requirements for the institute or a school of cosmetology to receive a grant;</u>	1930 1931
<u>(2) The amounts in which grants may be made;</u>	1932
<u>(3) The total amount that may be awarded to the institute or a school of cosmetology;</u>	1933 1934
<u>(4) The book on the science and care of natural curly textured hair that the institute or a school of cosmetology must use in a course, program, or seminar or workshop offered under the grant program.</u>	1935 1936 1937 1938
Section 2. That existing sections 9.37, 101.711, 151.04, 154.01, 2917.31, 3305.01, 3307.01, 3309.01, 3333.045, 3334.01, 3345.011, 3345.12, 3345.17, 3345.31, 3345.71, and 4713.08 of the Revised Code are hereby repealed.	1939 1940 1941 1942

Section 3. All items in this act are hereby appropriated 1943
as designated out of any moneys in the state treasury to the 1944
credit of the designated fund. For all operating appropriations 1945
made in this act, those in the first column are for fiscal year 1946
2024 and those in the second column are for fiscal year 2025. 1947
The operating appropriations made in this act are in addition to 1948
any other operating appropriations made for these fiscal years. 1949

1950

1951

	1	2	3	4	5
A	COS COSMETOLOGY AND BARBER BOARD				
B	General Revenue Fund				
C	GRF	879500	Grant Programs	\$10,000,000	\$0
D	TOTAL GRF General Revenue Fund			\$10,000,000	\$0
E	TOTAL ALL BUDGET FUND GROUPS			\$10,000,000	\$0

Section 4. Within the limits set forth in this act, the 1952
Director of Budget and Management shall establish accounts 1953
indicating the source and amount of funds for each appropriation 1954
made in this act, and shall determine the manner in which 1955
appropriation accounts shall be maintained. Expenditures from 1956
operating appropriations contained in this act shall be 1957
accounted for as though made in, and are subject to all 1958
applicable provisions of H.B. 33 of the 135th General Assembly. 1959

Section 5. Section 3307.01 of the Revised Code is 1960

presented in this act as a composite of the section as amended 1961
by both H.B. 33 of the 135th General Assembly and S.B. 131 of 1962
the 134th General Assembly. The General Assembly, applying the 1963
principle stated in division (B) of section 1.52 of the Revised 1964
Code that amendments are to be harmonized if reasonably capable 1965
of simultaneous operation, finds that the composite is the 1966
resulting version of the section in effect prior to the 1967
effective date of the section as presented in this act. 1968