



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

**H.B. 748
(with AM2094)
136th General Assembly**

Fiscal Note & Local Impact Statement

[Click here for H.B. 748's Bill Analysis](#)

Version: In House Workforce and Higher Education

Primary Sponsors: Reps. Willis and Dovilla

Local Impact Statement Procedure Required: No

Jason Glover, Senior Budget Analyst

Highlights

- The bill appropriates \$10.0 million in FY 2027 from the GRF to provide higher education scholarships to eligible reserve members of all military branches who are stationed in and reside in Ohio under the Armed Forces Reserve Component Scholarship Program.

Detailed Analysis

The bill appropriates \$10.0 million in FY 2027 from new GRF line item 235431, Armed Forces Reserve Component Scholarship Program, to support the Armed Forces Reserve Component Scholarship Program (AFRCSP), under the Ohio Department of Higher Education (ODHE), to provide higher education scholarships to eligible reserve members of all military branches who are stationed in and reside in Ohio. The program is nearly identical to the existing Ohio National Guard Scholarship Program (ONGSP), which provides higher education scholarships to all eligible personnel of the Ohio National Guard.¹ Like the ONGSP, the AFRCSP covers 100% of tuition for students enrolled at public institutions of higher education and an amount equivalent to the average tuition charged by state universities for students enrolled at private institutions after other certain federal and Department of Defense educational assistance is applied toward tuition charges. The scholarship is available for up to 12 full-time quarters or eight full-time semesters, equivalent to four years of study. Individuals that have received financial assistance from the ONGSP are not eligible for the AFRCSP.

As of September 30, 2025 (the latest date for which complete data is available), the total number of reserve members stationed in Ohio was approximately 10,200. Of that number, an

¹ The ONGSP is supported by appropriations of \$18.4 million in each of FY 2026 and FY 2027 from GRF line item 235599, National Guard Scholarship Program, under ODHE's budget.

estimated 3,500 of the 10,200 Ohio reserve members already possess bachelor's degrees, based on U.S. Department of Defense education attainment data for all reservists, and would be ineligible for AFRCSP scholarships. Therefore, approximately 6,700 reserve members stationed in Ohio may be eligible for the AFRCSP. Furthermore, based on historical average annual participation rates in ONGSP, AFRCSP participation numbers could be even lower. For example, of the estimated 11,200 eligible Ohio National Guard members each year from FY 2023 to FY 2025, an average of approximately 3,600 members were awarded an ONGSP scholarship each year in those same years, an average annual participation rate of approximately 32% (3,600 ONGSP recipients / 11,200 eligible Ohio National Guard members). Therefore, assuming there are Ohio reserve members that do not reside in the state and not every eligible reserve member participates in AFRCSP, the actual number of participants in the program could be less than 6,700.

The bill requires ODHE and the Office of Budget and Management (OBM) to estimate the program's costs and report them to the chair of each finance committee of the General Assembly, prior to each new state budget cycle. It also creates the Armed Forces Reserve Component Scholarship Reserve Fund to receive cash in an amount equal to any unused appropriations from the program's GRF line item at the end of the prior fiscal year. The reserve fund will be used to supplement AFRCSP scholarships if GRF appropriations are insufficient in a fiscal year. The bill also creates the Armed Forces Reserve Component Scholarship Donation Fund to consist of any grants, gifts, bequests, and contributions from public and private sources to help support the program. If the program's future state appropriations and these funds are insufficient to fully fund the scholarships, ODHE must reduce the award level to fit within the appropriation. Public institutions of higher education must cover the reduced amount, either through institutional grants or tuition waivers.

ODHE's administrative costs may increase to implement and operate the AFRCSP, including for its reporting requirements under the bill. However, ODHE typically receives appropriation to administer student financial aid programs. As a point of reference, H.B. 96 of the 136th General Assembly, the current main operating budget act, appropriates nearly \$1.0 million in each of FY 2026 and FY 2027 from GRF line item 235414, Grants and Scholarship Administration, for this purpose.