

As Introduced

136th General Assembly

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H. B. No. 748

Representatives Willis, Dovilla

Cosponsors: Representatives Salvo, Deeter, Ritter, Johnson, Williams

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

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

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

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

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

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

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

(b) The individual is a member of a reserve component of 16
the United States army, navy, marine corps, air force, coast 17
guard, or space force in this state or is an individual to which 18

division (F) of this section applies. 19

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

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

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

(f) The individual is a resident of this state. 36

(B) The armed forces reserve component scholarship program 37
is created. 38

(C) (1) The chancellor shall approve scholarships for all 39
eligible applicants. The chancellor shall process all 40
applications for scholarships for each academic term in the 41
order in which they are received. The scholarships shall be made 42
without regard to financial need. At no time shall one person be 43
placed in priority over another because of sex, race, or 44
religion. 45

(2) The chancellor shall develop and provide a written 46
explanation that informs all eligible scholarship recipients 47

that the recipient may become ineligible and liable for 48
repayment for an amount of scholarship payments received in 49
accordance with division (G) of this section. The written 50
explanation shall be reviewed by the scholarship recipient 51
before acceptance of the scholarship and before acceptance of an 52
enlistment, warrant, commission, or appointment for a term not 53
less than the recipient's remaining term in a reserve component 54
of the armed forces. 55

(D) (1) Except as provided in divisions (I) and (J) of this 56
section, for each academic term that an eligible applicant is 57
approved for a scholarship under this section and remains a 58
current member in good standing of a reserve component of the 59
armed forces or is eligible for a scholarship under division (F) 60
(1) of this section, the institution of higher education in 61
which the applicant is enrolled shall, if the applicant's 62
enlistment obligation extends beyond the end of that academic 63
term or if division (F) (1) of this section applies, be paid on 64
the applicant's behalf one of the following applicable amounts: 65

(a) If the institution is a state institution of higher 66
education, an amount equal to one hundred per cent of the 67
institution's tuition charges; 68

(b) If the institution is a nonprofit private institution 69
or a private institution exempt from regulation under Chapter 70
3332. of the Revised Code as prescribed in section 3333.046 of 71
the Revised Code, an amount equal to one hundred per cent of the 72
average tuition charges of all state universities; 73

(c) If the institution is an institution that holds a 74
certificate of registration from the state board of career 75
colleges and schools, the lesser of the following: 76

<u>(i) An amount equal to one hundred per cent of the</u>	77
<u>institution's tuition;</u>	78
<u>(ii) An amount equal to one hundred per cent of the</u>	79
<u>average tuition charges of all state universities, as that term</u>	80
<u>is defined in section 3345.011 of the Revised Code.</u>	81
<u>(2) The chancellor may adopt rules to require the use of</u>	82
<u>other federal educational financial assistance programs,</u>	83
<u>including such programs offered by the United States department</u>	84
<u>of defense, for which an applicant is eligible based on the</u>	85
<u>applicant's military service. If such rules are adopted, the</u>	86
<u>rules shall require that financial assistance received by a</u>	87
<u>scholarship recipient under those programs be applied to all</u>	88
<u>eligible expenses before the use of scholarship funds awarded</u>	89
<u>under this section. Scholarship funds awarded under this section</u>	90
<u>shall then be applied to the recipient's remaining eligible</u>	91
<u>expenses.</u>	92
<u>(3) An eligible applicant's scholarship shall not be</u>	93
<u>reduced by the amount of that applicant's benefits under "the</u>	94
<u>Montgomery G.I. Bill Act of 1984," 38 U.S.C. 3001, et seq.</u>	95
<u>(E) A scholarship recipient under this section shall be</u>	96
<u>entitled to receive scholarships under this section for the</u>	97
<u>number of quarters or semesters it takes the recipient to</u>	98
<u>accumulate ninety-six eligibility units as determined under</u>	99
<u>divisions (E) (1) to (3) of this section.</u>	100
<u>(1) To determine the maximum number of semesters or</u>	101
<u>quarters for which a recipient is entitled to a scholarship</u>	102
<u>under this section, the chancellor shall convert a recipient's</u>	103
<u>credit hours of enrollment for each academic term into</u>	104
<u>eligibility units in accordance with the following table:</u>	105

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

(2) A scholarship recipient under this section may 107
continue to apply for scholarships under this section until the 108
recipient has accumulated ninety-six eligibility units. 109

(3) If a scholarship recipient withdraws from courses 110
before the end of an academic term so that the recipient's 111
enrollment for that academic term is less than three credit 112
hours, no scholarship shall be paid on behalf of that person for 113
that academic term. Except as provided in division (F) (3) of 114
this section, if a scholarship has already been paid on behalf 115
of the person for that academic term, the chancellor shall add 116
to that person's accumulated eligibility units the number of 117
eligibility units for which the scholarship was paid. 118

(F) This division applies to any eligible applicant called 119
into active duty on or after September 11, 2001. As used in this 120
division, "active duty" means active duty pursuant to an 121

executive order of the president of the United States, an act of 122
the congress of the United States, or section 5919.29 or 5923.21 123
of the Revised Code. This division applies to an individual who, 124
at the time the individual is called into active duty, is a 125
member of a reserve component of the United States army, navy, 126
marine corps, air force, coast guard, or space force in this 127
state. 128

(1) For a period of up to five years from when an 129
individual's enlistment obligation in a reserve component of the 130
armed forces ends, an individual to whom this division applies 131
is eligible for scholarships under this section for those 132
academic terms that were missed or could have been missed as a 133
result of the individual's call into active duty. Scholarships 134
shall not be paid for the academic term in which an eligible 135
applicant's enlistment obligation ends unless an applicant is 136
eligible under this division for a scholarship for such academic 137
term due to previous active duty. 138

(2) When an individual to whom this division applies 139
withdraws or otherwise fails to complete courses for which 140
scholarships have been awarded under this section because the 141
individual was called into active duty, the institution of 142
higher education shall grant the individual a leave of absence 143
from the individual's education program and shall not impose any 144
academic penalty for such withdrawal or failure to complete 145
courses. Division (F) (2) of this section applies regardless of 146
whether the scholarship amount was paid to the institution of 147
higher education. 148

(3) If an individual to whom this division applies 149
withdraws or otherwise fails to complete courses because the 150
individual was called into active duty, and if scholarships for 151

those courses have already been paid, either: 152

(a) The chancellor shall not add to that person's 153
accumulated eligibility units calculated under division (E) of 154
this section the number of eligibility units for the academic 155
courses or term for which the scholarship was paid and the 156
institution of higher education shall repay the scholarship 157
amount to the state. 158

(b) The chancellor shall add to that individual's 159
accumulated eligibility units calculated under division (E) of 160
this section the number of eligibility units for the academic 161
courses or term for which the scholarship was paid if the 162
institution of higher education agrees to permit the individual 163
to complete the remainder of the academic courses in which the 164
individual was enrolled at the time the individual was called 165
into active duty. 166

(4) No individual who is discharged from any branch of the 167
armed forces under other than honorable conditions shall be 168
eligible for scholarships under this division. 169

(G) A scholarship recipient under this section who fails 170
to complete the term of enlistment, re-enlistment, or extension 171
of current enlistment the recipient was serving at the time a 172
scholarship was paid on behalf of the recipient under this 173
section is liable to the state for repayment of a percentage of 174
all armed forces reserve component scholarships paid on behalf 175
of the recipient under this section, plus interest at the rate 176
of ten per cent per annum calculated from the dates the 177
scholarships were paid. This percentage shall equal the 178
percentage of the current term of enlistment, re-enlistment, or 179
extension of enlistment a recipient has not completed as of the 180
date the recipient is discharged from a reserve component of the 181

armed forces. 182

The attorney general may commence a civil action on behalf 183
of the chancellor to recover the amount of the scholarships and 184
the interest provided for in this division and the expenses 185
incurred in prosecuting the action, including court costs and 186
reasonable attorney's fees. A scholarship recipient is not 187
liable under this division if the recipient's failure to 188
complete the term of enlistment being served at the time a 189
scholarship was paid on behalf of the recipient under this 190
section is due to the recipient's death or discharge from a 191
reserve component of the armed forces due to disability. 192

(H) On or before the first day of each academic term, the 193
chancellor shall request that the United States department of 194
defense provide an eligibility roster to the chancellor and to 195
each institution of higher education at which one or more 196
scholarship recipients have applied for enrollment. The 197
institution shall use the roster to certify the actual full-time 198
or part-time enrollment of each scholarship recipient listed as 199
enrolled at the institution and return the roster to the 200
chancellor. Except as provided in division (J) of this section, 201
the chancellor shall provide for payment of the appropriate 202
number and amount of scholarships to each institution of higher 203
education pursuant to division (D) of this section. If an 204
institution of higher education fails to certify the actual 205
enrollment of a scholarship recipient listed as enrolled at the 206
institution within thirty days of the end of an academic term, 207
the institution shall not be eligible to receive payment from 208
the armed forces reserve component scholarship program or from 209
the individual enrollee. The chancellor shall report on a 210
semiannual basis to the director of budget and management, the 211
speaker of the house of representatives, and the president of 212

the senate the number of armed forces reserve component 213
scholarship recipients, the size of the scholarship-eligible 214
population, and a projection of the cost of the program for the 215
remainder of the biennium. 216

(I) The chancellor may adopt rules pursuant to Chapter 217
119. of the Revised Code governing the administration and fiscal 218
management of the armed forces reserve component scholarship 219
program and the procedure by which the chancellor may modify the 220
amount of scholarships a member receives based on the amount of 221
other state financial aid a member receives. 222

(J) The chancellor and the director of budget and 223
management, or their designees, shall jointly estimate the costs 224
of the armed forces reserve component scholarship program for 225
each upcoming fiscal biennium, and shall report that estimate 226
before the beginning of the fiscal biennium to the chairpersons 227
of the finance committees in the general assembly. During each 228
fiscal year of the biennium, the chancellor and the director, or 229
their designees, shall meet regularly to monitor the actual 230
costs of the program and update cost projections for the 231
remainder of the biennium as necessary. If the amounts 232
appropriated for the program and any funds in the armed forces 233
reserve component scholarship reserve fund and the armed forces 234
reserve component scholarship donation fund are not adequate to 235
provide scholarships in the amounts specified in division (D) (1) 236
of this section for all eligible applicants, the chancellor 237
shall do all of the following: 238

(1) Notify each private institution of higher education, 239
where a scholarship recipient is enrolled, that, by accepting 240
the armed forces reserve component scholarship program as 241
payment for all or part of the institution's tuition, the 242

institution agrees that if the chancellor reduces the amount of 243
each scholarship, the institution shall provide each scholarship 244
recipient a grant or tuition waiver in an amount equal to the 245
amount the recipient's scholarship was reduced by the 246
chancellor. 247

(2) Reduce the amount of each scholarship under division 248
(D) (1) (a) of this section proportionally based on the amount of 249
remaining available funds. Each state institution of higher 250
education shall provide each scholarship recipient under 251
division (D) (1) (a) of this section a grant or tuition waiver in 252
an amount equal to the amount the recipient's scholarship was 253
reduced by the chancellor. 254

(K) Notwithstanding division (A) of section 127.14 of the 255
Revised Code, the controlling board shall not transfer all or 256
part of any appropriation for the armed forces reserve component 257
scholarship program. 258

(L) The chancellor may apply for, receive, and accept 259
grants, and may receive and accept gifts, bequests, and 260
contributions, from public and private sources, including 261
agencies and instrumentalities of the United States and this 262
state, and shall deposit the grants, gifts, bequests, or 263
contributions into the armed forces reserve component 264
scholarship donation fund. 265

Sec. 3333.461. (A) The armed forces reserve component 266
scholarship reserve fund is created in the state treasury. As 267
soon as possible following the end of each fiscal year, and when 268
funds are made available, the chancellor of higher education 269
shall certify to the director of budget and management the 270
unencumbered balance of the general revenue fund any 271
appropriations made in the immediately preceding fiscal year for 272

purposes of the armed forces reserve component scholarship 273
program created under section 3333.46 of the Revised Code. Upon 274
receipt of the certification, the director of budget and 275
management may, with the approval of the controlling board, 276
transfer an amount not exceeding the certified amount from the 277
general revenue fund to the armed forces reserve component 278
scholarship reserve fund. Moneys in the armed forces reserve 279
component scholarship reserve fund shall be used to pay 280
scholarship obligations in excess of the general revenue fund 281
appropriations made for that purpose. 282

(B) The director of budget and management may, with the 283
approval of the controlling board, transfer any unencumbered 284
balance from the armed forces reserve component scholarship 285
reserve fund to the general revenue fund. 286

(C) If it is determined that general revenue fund 287
appropriations are insufficient to meet the obligations of the 288
armed forces reserve component scholarship program in a fiscal 289
year, the director of budget and management may, with the 290
approval of the controlling board, transfer funds from the armed 291
forces reserve component scholarship reserve fund to the general 292
revenue fund in order to meet those obligations. If the funds 293
transferred from the armed forces reserve component scholarship 294
reserve fund are not needed, the director of budget and 295
management may, with the approval of the controlling board, 296
transfer the unexpended balance from the general revenue fund 297
back to the armed forces reserve component scholarship reserve 298
fund. 299

(D) The director of budget and management shall notify all 300
of the following when funds are transferred into the Ohio 301
military reserve scholarship reserve fund: 302

(1) All institutions of higher education with enrolled scholarship recipients; 303
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(2) The president of the senate; 305

(3) The speaker of the house of representatives. 306

Sec. 3333.462. The armed forces reserve component scholarship donation fund is created in the state treasury. The fund shall consist of gifts, bequests, grants, and contributions made to the fund under division (L) of section 3333.46 of the Revised Code. Investment earnings of the fund shall be deposited into the fund. The fund shall be used to operate the armed forces reserve component scholarship program created under section 3333.46 of the Revised Code. 307
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Section 2. All items in this act are hereby appropriated as designated out of any moneys in the state treasury to the credit of the designated fund. For all operating appropriations made in this act, those in the first column are for fiscal year 2026 and those in the second column are for fiscal year 2027. The operating appropriations made in this act are in addition to any other operating appropriations made for these fiscal years. 315
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Section 3. 322
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A	BOR DEPARTMENT OF HIGHER EDUCATION				
B	General Revenue Fund				
C	GRF	235431	Armed Forces Reserve Component Scholarship Program	\$0	\$10,000,000

D	General Revenue Fund Total	\$0	\$10,000,000
E	TOTAL ALL BUDGET FUND GROUPS	\$0	\$10,000,000

ARMED FORCES RESERVE COMPONENT SCHOLARSHIP PROGRAM 324

The foregoing appropriation item 235431, Armed Forces 325
Reserve Component Scholarship Program, shall be used by the 326
Chancellor of Higher Education to support the Armed Forces 327
Reserve Component Scholarship Program pursuant to section 328
3333.46 of the Revised Code. 329

Section 4. Within the limits set forth in this act, the 330
Director of Budget and Management shall establish accounts 331
indicating the source and amount of funds for each appropriation 332
made in this act, and shall determine the manner in which 333
appropriation accounts shall be maintained. Expenditures from 334
operating appropriations contained in this act shall be 335
accounted for as though made in, and are subject to all 336
applicable provisions of, H.B. 96 of the 136th General Assembly. 337