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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 98
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 98's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Rep. Robb Blasdel

Local Impact Statement Procedure Required: No

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Highlights

- A public university or community college that currently reduces its financial aid in favor of fully applying a student's private scholarship first will be prohibited from doing so under the bill, unless there are any financial aid restrictions related to intercollegiate athletics or the student's total financial aid from all sources exceeds the student's cost of attendance. Most public institutions appear to either already comply with the bill or reduce aid by minimal amounts.

Detailed Analysis

The bill prohibits a public university or community college from reducing a student's institutional financial aid because the student receives one or more private scholarships, unless there are any financial aid restrictions related to intercollegiate athletics or the student's total financial aid from all sources exceeds the student's cost of attendance. In the case of the latter exception, the public university or community college may reduce its financial aid until the student's total financial aid no longer exceeds the student's cost of attendance.

According to responses received by the Inter-University Council of Ohio and the Ohio Association of Community Colleges from their respective member institutions, most public universities and community colleges appear to already comply with the bill's provisions, and would not be impacted by it. However, some universities reported reducing their tuition-specific financial aid in cases where the student is also awarded a tuition-specific private scholarship. For example, the University of Cincinnati (UC) estimates that it reduces its aid by approximately \$7 million for 2,000 to 2,500 students each year only in cases when the student's private scholarships and its institutional aid are applied to the same charges, such as for tuition. Other institutions reported that they reduce their aid only on occasion and in minimal amounts. Under the bill, institutions that have this policy, or a similar one, in place now would be prohibited from

reducing a student's award, subject to the exceptions mentioned above. The fiscal effect of this provision on these institutions will depend on how the institutions react to the bill. UC indicated that one option may be to reduce its overall institutional awards budget, which assumes some students receiving institutional awards will not attend and some that do will have their award reduced.