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Sub. H. B. No. 464

Representatives Terhar, Brinkman

Cosponsors: Representatives Becker, Brenner, Dever, Perales, Retherford, Rogers, Vitale, Johnson, T., Anielski, Bishoff, Fedor, Landis, O'Brien, M., Zeltwanger

A BILL

To amend section 5919.34 of the Revised Code to
specify that a National Guard scholarship
recipient who fails to complete the recipient's
term of enlistment in the National Guard due to
enlistment, warrant, commission, or appointment
in the United States armed forces is not liable
for repayment of the scholarship.

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

Section 1. That section 5919.34 of the Revised Code be
amended to read as follows:

Sec. 5919.34. (A) As used in this section:

(1) "Academic term" means any one of the following:

(a) Fall term, which consists of fall semester or fall
quarter, as appropriate;

(b) Winter term, which consists of winter semester, winter
quarter, or spring semester, as appropriate;

- (c) Spring term, which consists of spring quarter; 16
- (d) Summer term, which consists of summer semester or 17
summer quarter, as appropriate. 18
- (2) "Eligible applicant" means any individual to whom all 19
of the following apply: 20
- (a) The individual does not possess a baccalaureate 21
degree. 22
- (b) The individual has enlisted, re-enlisted, or extended 23
current enlistment in the Ohio national guard or is an 24
individual to which division (F) of this section applies. 25
- (c) The individual is actively enrolled as a full-time or 26
part-time student for at least three credit hours of course work 27
in a semester or quarter in a two-year or four-year degree- 28
granting program at a state institution of higher education or a 29
private institution of higher education, or in a diploma- 30
granting program at a state or private institution of higher 31
education that is a school of nursing. 32
- (d) The individual has not accumulated ninety-six 33
eligibility units under division (E) of this section. 34
- (3) "State institution of higher education" means any 35
state university or college as defined in division (A)(1) of 36
section 3345.12 of the Revised Code, community college 37
established under Chapter 3354. of the Revised Code, state 38
community college established under Chapter 3358. of the Revised 39
Code, university branch established under Chapter 3355. of the 40
Revised Code, or technical college established under Chapter 41
3357. of the Revised Code. 42
- (4) "Private institution of higher education" means an 43

Ohio institution of higher education that is nonprofit and has 44
received a certificate of authorization pursuant to Chapter 45
1713. of the Revised Code, that is a private institution exempt 46
from regulation under Chapter 3332. of the Revised Code as 47
prescribed in section 3333.046 of the Revised Code, or that 48
holds a certificate of registration and program authorization 49
issued by the state board of career colleges and schools 50
pursuant to section 3332.05 of the Revised Code. 51

(5) "Tuition" means the charges imposed to attend an 52
institution of higher education and includes general and 53
instructional fees. "Tuition" does not include laboratory fees, 54
room and board, or other similar fees and charges. 55

(B) There is hereby created a scholarship program to be 56
known as the Ohio national guard scholarship program. 57

(C) (1) The adjutant general shall approve scholarships for 58
all eligible applicants. The adjutant general shall process all 59
applications for scholarships for each academic term in the 60
order in which they are received. The scholarships shall be made 61
without regard to financial need. At no time shall one person be 62
placed in priority over another because of sex, race, or 63
religion. 64

(2) The adjutant general shall develop and provide a 65
written explanation that informs all eligible scholarship 66
recipients that the recipient may become ineligible and liable 67
for repayment for an amount of scholarship payments received in 68
accordance with division (G) of this section. The written 69
explanation shall be reviewed by the scholarship recipient 70
before acceptance of the scholarship and before acceptance of an 71
enlistment, warrant, commission, or appointment for a term not 72
less than the recipient's remaining term in the national guard, 73

in the active component of the United States armed forces or the 74
active reserve component of the United States armed forces. 75

(D) (1) Except as provided in divisions (I) and (J) of this 76
section, for each academic term that an eligible applicant is 77
approved for a scholarship under this section and either remains 78
a current member in good standing of the Ohio national guard or 79
is eligible for a scholarship under division (F) (1) of this 80
section, the institution of higher education in which the 81
applicant is enrolled shall, if the applicant's enlistment 82
obligation extends beyond the end of that academic term or if 83
division (F) (1) of this section applies, be paid on the 84
applicant's behalf the applicable one of the following amounts: 85

(a) If the institution is a state institution of higher 86
education, an amount equal to one hundred per cent of the 87
institution's tuition charges; 88

(b) If the institution is a nonprofit private institution 89
or a private institution exempt from regulation under Chapter 90
3332. of the Revised Code as prescribed in section 3333.046 of 91
the Revised Code, an amount equal to one hundred per cent of the 92
average tuition charges of all state universities; 93

(c) If the institution is an institution that holds a 94
certificate of registration from the state board of career 95
colleges and schools, the lesser of the following: 96

(i) An amount equal to one hundred per cent of the 97
institution's tuition; 98

(ii) An amount equal to one hundred per cent of the 99
average tuition charges of all state universities, as that term 100
is defined in section 3345.011 of the Revised Code. 101

(2) An eligible applicant's scholarship shall not be 102

reduced by the amount of that applicant's benefits under "the 103
Montgomery G.I. Bill Act of 1984," Pub. L. No. 98-525, 98 Stat. 104
2553 (1984). 105

(E) A scholarship recipient under this section shall be 106
entitled to receive scholarships under this section for the 107
number of quarters or semesters it takes the recipient to 108
accumulate ninety-six eligibility units as determined under 109
divisions (E) (1) to (3) of this section. 110

(1) To determine the maximum number of semesters or 111
quarters for which a recipient is entitled to a scholarship 112
under this section, the adjutant general shall convert a 113
recipient's credit hours of enrollment for each academic term 114
into eligibility units in accordance with the following table: 115

	The				
Number of	following		The following		
credit hours	number of		number of		
of enrollment	eligibility		eligibility		
in an academic	units if a		units if a		
term	semester	or	quarter		
	equals				
12 or more hours	12 units		8 units		
9 but less than 12	9 units		6 units		
6 but less than 9	6 units		4 units		
3 but less than 6	3 units		2 units		

(2) A scholarship recipient under this section may 127
continue to apply for scholarships under this section until the 128
recipient has accumulated ninety-six eligibility units. 129

(3) If a scholarship recipient withdraws from courses 130
prior to the end of an academic term so that the recipient's 131

enrollment for that academic term is less than three credit 132
hours, no scholarship shall be paid on behalf of that person for 133
that academic term. Except as provided in division (F) (3) of 134
this section, if a scholarship has already been paid on behalf 135
of the person for that academic term, the adjutant general shall 136
add to that person's accumulated eligibility units the number of 137
eligibility units for which the scholarship was paid. 138

(F) This division applies to any eligible applicant called 139
into active duty on or after September 11, 2001. As used in this 140
division, "active duty" means active duty pursuant to an 141
executive order of the president of the United States, an act of 142
the congress of the United States, or section 5919.29 or 5923.21 143
of the Revised Code. 144

(1) For a period of up to five years from when an 145
individual's enlistment obligation in the Ohio national guard 146
ends, an individual to whom this division applies is eligible 147
for scholarships under this section for those academic terms 148
that were missed or could have been missed as a result of the 149
individual's call into active duty. Scholarships shall not be 150
paid for the academic term in which an eligible applicant's 151
enlistment obligation ends unless an applicant is eligible under 152
this division for a scholarship for such academic term due to 153
previous active duty. 154

(2) When an individual to whom this division applies 155
withdraws or otherwise fails to complete courses, for which 156
scholarships have been awarded under this section, because the 157
individual was called into active duty, the institution of 158
higher education shall grant the individual a leave of absence 159
from the individual's education program and shall not impose any 160
academic penalty for such withdrawal or failure to complete 161

courses. Division (F) (2) of this section applies regardless of 162
whether or not the scholarship amount was paid to the 163
institution of higher education. 164

(3) If an individual to whom this division applies 165
withdraws or otherwise fails to complete courses because the 166
individual was called into active duty, and if scholarships for 167
those courses have already been paid, either: 168

(a) The adjutant general shall not add to that person's 169
accumulated eligibility units calculated under division (E) of 170
this section the number of eligibility units for the academic 171
courses or term for which the scholarship was paid and the 172
institution of higher education shall repay the scholarship 173
amount to the state. 174

(b) The adjutant general shall add to that individual's 175
accumulated eligibility units calculated under division (E) of 176
this section the number of eligibility units for the academic 177
courses or term for which the scholarship was paid if the 178
institution of higher education agrees to permit the individual 179
to complete the remainder of the academic courses in which the 180
individual was enrolled at the time the individual was called 181
into active duty. 182

(4) No individual who is discharged from the Ohio national 183
guard under other than honorable conditions shall be eligible 184
for scholarships under this division. 185

(G) A scholarship recipient under this section who fails 186
to complete the term of enlistment, re-enlistment, or extension 187
of current enlistment the recipient was serving at the time a 188
scholarship was paid on behalf of the recipient under this 189
section is liable to the state for repayment of a percentage of 190

all Ohio national guard scholarships paid on behalf of the 191
recipient under this section, plus interest at the rate of ten 192
per cent per annum calculated from the dates the scholarships 193
were paid. This percentage shall equal the percentage of the 194
current term of enlistment, re-enlistment, or extension of 195
enlistment a recipient has not completed as of the date the 196
recipient is discharged from the Ohio national guard. 197

The attorney general may commence a civil action on behalf 198
of the chancellor of the Ohio board of regents to recover the 199
amount of the scholarships and the interest provided for in this 200
division and the expenses incurred in prosecuting the action, 201
including court costs and reasonable attorney's fees. A 202
scholarship recipient is not liable under this division if the 203
recipient's failure to complete the term of enlistment being 204
served at the time a scholarship was paid on behalf of the 205
recipient under this section is due to the recipient's death or 206
discharge from the national guard due to disability or the 207
recipient's enlistment, warrant, commission, or appointment for 208
a term not less than the recipient's remaining term in the 209
national guard, in the active component of the United States 210
armed forces or the active reserve component of the United 211
States armed forces. 212

(H) On or before the first day of each academic term, the 213
adjutant general shall provide an eligibility roster to the 214
chancellor and to each institution of higher education at which 215
one or more scholarship recipients have applied for enrollment. 216
The institution shall use the roster to certify the actual full- 217
time or part-time enrollment of each scholarship recipient 218
listed as enrolled at the institution and return the roster to 219
the adjutant general and the chancellor. Except as provided in 220
division (J) of this section, the chancellor shall provide for 221

payment of the appropriate number and amount of scholarships to 222
each institution of higher education pursuant to division (D) of 223
this section. If an institution of higher education fails to 224
certify the actual enrollment of a scholarship recipient listed 225
as enrolled at the institution within thirty days of the end of 226
an academic term, the institution shall not be eligible to 227
receive payment from the Ohio national guard scholarship program 228
or from the individual enrollee. The adjutant general shall 229
report on a semiannual basis to the director of budget and 230
management, the speaker of the house of representatives, the 231
president of the senate, and the chancellor the number of Ohio 232
national guard scholarship recipients, the size of the 233
scholarship-eligible population, and a projection of the cost of 234
the program for the remainder of the biennium. 235

(I) The chancellor and the adjutant general may adopt 236
rules pursuant to Chapter 119. of the Revised Code governing the 237
administration and fiscal management of the Ohio national guard 238
scholarship program and the procedure by which the chancellor 239
and the department of the adjutant general may modify the amount 240
of scholarships a member receives based on the amount of other 241
state financial aid a member receives. 242

(J) The adjutant general, the chancellor, and the 243
director, or their designees, shall jointly estimate the costs 244
of the Ohio national guard scholarship program for each upcoming 245
fiscal biennium, and shall report that estimate prior to the 246
beginning of the fiscal biennium to the chairpersons of the 247
finance committees in the general assembly. During each fiscal 248
year of the biennium, the adjutant general, the chancellor, and 249
the director, or their designees, shall meet regularly to 250
monitor the actual costs of the Ohio national guard scholarship 251
program and update cost projections for the remainder of the 252

biennium as necessary. If the amounts appropriated for the Ohio national guard scholarship program and any funds in the Ohio national guard scholarship reserve fund and the Ohio national guard scholarship donation fund are not adequate to provide scholarships in the amounts specified in division (D) (1) of this section for all eligible applicants, the chancellor shall do all of the following:

(1) Notify each private institution of higher education, where a scholarship recipient is enrolled, that, by accepting the Ohio national guard scholarship program as payment for all or part of the institution's tuition, the institution agrees that if the chancellor reduces the amount of each scholarship, the institution shall provide each scholarship recipient a grant or tuition waiver in an amount equal to the amount the recipient's scholarship was reduced by the chancellor.

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

(K) Notwithstanding division (A) of section 127.14 of the Revised Code, the controlling board shall not transfer all or part of any appropriation for the Ohio national guard scholarship program.

(L) The chancellor and the adjutant general may apply for, and may receive and accept grants, and may receive and accept gifts, bequests, and contributions, from public and private sources, including agencies and instrumentalities of the United

States and this state, and shall deposit the grants, gifts, 283
bequests, or contributions into the national guard scholarship 284
donation fund. 285

Section 2. That existing section 5919.34 of the Revised 286
Code is hereby repealed. 287

Section 3. The amendment made by this act to division (G) 288
of section 5919.34 of the Revised Code applies to a scholarship 289
recipient who became liable on or before September 30, 2016, for 290
failure to complete the scholarship recipient's enlistment term 291
in the Ohio National Guard due to enlistment, warrant, 292
commission, or appointment in the active component of the United 293
States Armed Forces or the active reserve component of the 294
United States Armed Forces. Not later than one year after the 295
effective date of this act, the state shall return to a 296
scholarship recipient, who is no longer liable under this 297
section, any scholarship amount recovered from a scholarship 298
recipient who became liable under division (G) of section 299
5919.34 of the Revised Code, on or before September 30, 2016. 300