

**As Introduced**

**131st General Assembly**

**Regular Session**

**2015-2016**

**S. B. No. 19**

**Senator Sawyer**

**Cosponsors: Senators Brown, Cafaro, Gentile, Schiavoni, Skindell, Tavares,  
Thomas, Williams, Yuko**

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**A BILL**

To amend section 3333.122 and to enact sections 1  
3333.072 and 3345.38 of the Revised Code, to 2  
amend Section 207.10 of Am. H.B. 497 of the 3  
130th General Assembly, and to amend Section 4  
207.440 of Am. H.B. 497, as subsequently 5  
amended, to make changes to the Ohio College 6  
Opportunity Grant, to limit state university 7  
overload fees, and to make an appropriation. 8

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

**Section 1.** That section 3333.122 be amended and sections 9  
3333.072 and 3345.38 of the Revised Code be enacted to read as 10  
follows: 11

**Sec. 3333.072.** The chancellor of the Ohio board of 12  
regents, after consulting with the state colleges and 13  
universities and with the office of budget and management, shall 14  
adopt rules in accordance with Chapter 119. of the Revised Code 15  
to govern the allocation of state capital appropriations to 16  
state colleges and universities. In drafting the rules, the 17  
chancellor shall incorporate the recommendations of the final 18

report of the commission to study higher education debt service, 19  
issued June 28, 1994, as these recommendations have been 20  
utilized and modified in procedures developed by the chancellor 21  
and the office of budget and management since the report was 22  
issued. 23

**Sec. 3333.122.** (A) The chancellor of the Ohio board of 24  
regents shall adopt rules to carry out this section and as 25  
authorized under section 3333.123 of the Revised Code. The rules 26  
shall include definitions of the terms "resident," "expected 27  
family contribution," "full-time student," "three-quarters-time 28  
student," "half-time student," "one-quarter-time student," 29  
"state cost of attendance," and "accredited" for the purpose of 30  
those sections. 31

(B) Only an Ohio resident who meets both of the following 32  
is eligible for a grant awarded under this section: 33

(1) The resident has an expected family contribution of 34  
two thousand one hundred ninety or less; 35

(2) The resident enrolls in one of the following: 36

(a) An undergraduate program, or a nursing diploma program 37  
approved by the board of nursing under division (A) (5) of 38  
section 4723.06 of the Revised Code, at a state-assisted state 39  
institution of higher education, as defined in section 3345.12 40  
of the Revised Code, that meets the requirements of Title VI of 41  
the Civil Rights Act of 1964; 42

(b) An undergraduate program, or a nursing diploma program 43  
approved by the board of nursing under division (A) (5) of 44  
section 4723.06 of the Revised Code, at a private, nonprofit 45  
institution in this state holding a certificate of authorization 46  
pursuant to Chapter 1713. of the Revised Code; 47

(c) An undergraduate program, or a nursing diploma program 48  
approved by the board of nursing under division (A) (5) of 49  
section 4723.06 of the Revised Code, at a career college in this 50  
state that holds a certificate of registration from the state 51  
board of career colleges and schools under Chapter 3332. of the 52  
Revised Code or at a private institution exempt from regulation 53  
under Chapter 3332. of the Revised Code as prescribed in section 54  
3333.046 of the Revised Code, if the program has a certificate 55  
of authorization pursuant to Chapter 1713. of the Revised Code. 56

(C) (1) The chancellor shall establish and administer a 57  
needs-based financial aid grants program based on the United 58  
States department of education's method of determining financial 59  
need. The program shall be known as the Ohio college opportunity 60  
grant program. The general assembly shall support the needs- 61  
based financial aid program by such sums and in such manner as 62  
it may provide, but the chancellor also may receive funds from 63  
other sources to support the program. If, for any academic year, 64  
the amounts available for support of the program are inadequate 65  
to provide grants to all eligible students, the chancellor shall 66  
do one of the following: 67

(a) Give preference in the payment of grants based upon 68  
expected family contribution, beginning with the lowest expected 69  
family contribution category and proceeding upward by category 70  
to the highest expected family contribution category; 71

(b) Proportionately reduce the amount of each grant to be 72  
awarded for the academic year under this section; 73

(c) Use an alternate formula for such grants that 74  
addresses the shortage of available funds and has been submitted 75  
to and approved by the controlling board. 76

(2) The needs-based financial aid grant shall be paid to 77  
the eligible student through the institution in which the 78  
student is enrolled, except that no needs-based financial aid 79  
grant shall be paid to any person serving a term of 80  
imprisonment. Applications for the grants shall be made as 81  
prescribed by the chancellor, and such applications may be made 82  
in conjunction with and upon the basis of information provided 83  
in conjunction with student assistance programs funded by 84  
agencies of the United States government or from financial 85  
resources of the institution of higher education. The 86  
institution shall certify that the student applicant meets the 87  
requirements set forth in division (B) of this section. Needs- 88  
based financial aid grants shall be provided to an eligible 89  
student only as long as the student is making appropriate 90  
progress toward a nursing diploma or an associate or bachelor's 91  
degree. No student shall be eligible to receive a grant for more 92  
than ten semesters, fifteen quarters, or the equivalent of five 93  
academic years. A grant made to an eligible student on the basis 94  
of less than full-time enrollment shall be based on the number 95  
of credit hours for which the student is enrolled and shall be 96  
computed in accordance with a formula adopted by rule issued by 97  
the chancellor. No student shall receive more than one grant on 98  
the basis of less than full-time enrollment. 99

(D) (1) Except as provided in division (D) (4) of this 100  
section, no grant awarded under this section shall exceed the 101  
total state cost of attendance. 102

(2) Subject to divisions (D) (1), (3), and (4) of this 103  
section, the amount of a grant awarded to a student under this 104  
section shall equal the student's remaining state cost of 105  
attendance after the student's Pell grant and expected family 106  
contribution are applied to the instructional and general 107

charges for the undergraduate program. However, for students 108  
enrolled in a state university or college as defined in section 109  
3345.12 of the Revised Code or a university branch, the 110  
chancellor may provide that the grant amount shall equal the 111  
student's remaining instructional and general charges for the 112  
undergraduate program after the student's Pell grant and 113  
expected family contribution have been applied to those charges, 114  
but, in no case, shall the grant amount for such a student 115  
exceed any maximum that the chancellor may set by rule. 116

(3) For a student enrolled for a semester or quarter in 117  
addition to the portion of the academic year covered by a grant 118  
under this section, the maximum grant amount shall be a 119  
percentage of the maximum specified in any table established in 120  
rules adopted by the chancellor as provided in division (A) of 121  
this section. The maximum grant for a fourth quarter shall be 122  
~~one third of equal to~~ the maximum amount so prescribed. The 123  
maximum grant for a third semester shall be ~~one half of equal~~ 124  
to the maximum amount so prescribed. 125

(4) If a student is enrolled in a two-year institution of 126  
higher education and is eligible for an education and training 127  
voucher through the Ohio education and training voucher program 128  
that receives federal funding under the John H. Chafee foster 129  
care independence program, 42 U.S.C. 677, the amount of a grant 130  
awarded under this section may exceed the total state cost of 131  
attendance to additionally cover housing costs. 132

(E) No grant shall be made to any student in a course of 133  
study in theology, religion, or other field of preparation for a 134  
religious profession unless such course of study leads to an 135  
accredited bachelor of arts, bachelor of science, associate of 136  
arts, or associate of science degree. 137

(F) (1) Except as provided in division (F) (2) of this section, no grant shall be made to any student for enrollment during a fiscal year in an institution with a cohort default rate determined by the United States secretary of education pursuant to the "Higher Education Amendments of 1986," 100 Stat. 1278, 1408, 20 U.S.C.A. 1085, as amended, as of the fifteenth day of June preceding the fiscal year, equal to or greater than thirty per cent for each of the preceding two fiscal years.

(2) Division (F) (1) of this section does not apply in the case of either of the following:

(a) The institution pursuant to federal law appeals its loss of eligibility for federal financial aid and the United States secretary of education determines its cohort default rate after recalculation is lower than the rate specified in division (F) (1) of this section or the secretary determines due to mitigating circumstances that the institution may continue to participate in federal financial aid programs. The chancellor shall adopt rules requiring any such appellant to provide information to the chancellor regarding an appeal.

(b) Any student who has previously received a grant pursuant to any provision of this section, including prior to the section's amendment by H.B. 1 of the 128th general assembly, effective July 17, 2009, and who meets all other eligibility requirements of this section.

(3) The chancellor shall adopt rules for the notification of all institutions whose students will be ineligible to participate in the grant program pursuant to division (F) (1) of this section.

(4) A student's attendance at any institution whose

students are ineligible for grants due to division (F)(1) of 167  
this section shall not affect that student's eligibility to 168  
receive a grant when enrolled in another institution. 169

(G) Institutions of higher education that enroll students 170  
receiving needs-based financial aid grants under this section 171  
shall report to the chancellor all students who have received 172  
such needs-based financial aid grants but are no longer eligible 173  
for all or part of those grants and shall refund any moneys due 174  
the state within thirty days after the beginning of the quarter 175  
or term immediately following the quarter or term in which the 176  
student was no longer eligible to receive all or part of the 177  
student's grant. There shall be an interest charge of one per 178  
cent per month on all moneys due and payable after such thirty- 179  
day period. The chancellor shall immediately notify the office 180  
of budget and management and the legislative service commission 181  
of all refunds so received. 182

Sec. 3345.38. (A) As used in this section: 183

(1) "Credit plateau" means the maximum number of credits a 184  
state university or college allows to be taken in a full course 185  
load. 186

(2) "Full course load" shall be defined by the board of 187  
trustees of each state university or college. 188

(3) "Overload fee" means a fee or increased tuition rate 189  
charged to students who take credit hours in excess of a full 190  
course load. 191

(4) "State university or college" has the same meaning as 192  
in section 3345.12 of the Revised Code. 193

(5) "Tuition" means the amount a state university or 194  
college charges a student to take a full course load. 195

(B) No state university or college shall charge an 196  
overload fee that is greater than the quotient of the state 197  
university's or college's tuition divided by its credit plateau. 198

(C) No state university or college shall increase or 199  
create any other fee it charges students to offset the 200  
limitation set by this section on overload fees. 201

**Section 2.** That existing section 3333.122 of the Revised 202  
Code is hereby repealed. 203

**Section 3.** All items in this section are hereby 204  
appropriated as designated out of any moneys in the state 205  
treasury to the credit of the designated fund. For all 206  
appropriations made in this act, those in the first column are 207  
for fiscal year 2016 and those in the second column are for 208  
fiscal year 2017. The appropriations made in this act are in 209  
addition to any other appropriations made for the FY 2016-FY 210  
2017 biennium. 211

BOR BOARD OF REGENTS 212

General Revenue Fund 213

GRF 235563	Ohio College	\$20,000,000	\$20,000,000	214
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Opportunity Grant 215

Total GRF General Revenue Fund	\$20,000,000	\$20,000,000	216
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TOTAL ALL BUDGET FUND GROUPS	\$20,000,000	\$20,000,000	217
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OHIO COLLEGE OPPORTUNITY GRANT 218

The foregoing appropriation item 235563, Ohio College 219  
Opportunity Grant, shall be used by the Chancellor of the Board 220  
of Regents to award need-based financial aid to students 221  
enrolled in eligible state-supported community colleges, state 222



community colleges, and technical colleges, excluding early 223  
college high school and post-secondary enrollment option 224  
participants. 225

**Section 4.** Within the limits set forth in this act, the 226  
Director of Budget and Management shall establish accounts 227  
indicating the source and amount of funds for each appropriation 228  
made in this act, and shall determine the form and manner in 229  
which appropriation accounts shall be maintained. Expenditures 230  
from appropriations contained in this act shall be accounted for 231  
as though made in the main appropriations act of the 131st 232  
General Assembly. 233

The appropriations made in this act are subject to all 234  
provisions of the main appropriations act of the 131st General 235  
Assembly that are generally applicable to such appropriations. 236

**Section 5.** That Section 207.10 of Am. H.B. 497 of the 237  
130th General Assembly be amended to read as follows: 238

**Sec. 207.10.** BOARD OF REGENTS AND STATE INSTITUTIONS OF 239  
HIGHER EDUCATION 240

BOR BOARD OF REGENTS 241

Higher Education Improvement Fund (Fund 7034) 242

C23501 Ohio Supercomputer Center \$ 12,000,000 243

C23502 Research Facility Action and Investment \$ 3,500,000 244

Funds 245

C23516 Ohio Library and Information Network \$ 12,000,000 246

C23524 Supplemental Renovations - Library \$ 2,000,000 247

Depositories 248

C23529 Workforce Based Training and Equipment \$ 8,500,000 249

C23530 Technology Initiatives \$ 4,500,000 250

C23532 Dark Fiber/OARnet \$ 7,000,000 251

C23549	<u>Supplemental Capital Funding</u>	\$ 31,500,000	252
C23550	Small Campus Targeted Workforce	\$ 16,000,000	253
	Development Expansion		254
C23551	Research Portal	\$ 500,000	255
C23553	Dublink Ignite Fiber Optic Project	\$ 300,000	256
C23554	Upper Arlington Public Fiber Network	\$ 500,000	257
C23555	Multi-Jurisdictional Fiber Utility	\$ 1,000,000	258
TOTAL Higher Education Improvement Fund		<del>\$ 67,800,000</del>	259
		<u>\$ 99,300,000</u>	260
TOTAL ALL FUNDS		<del>\$ 67,800,000</del>	261
		<u>\$ 99,300,000</u>	262

RESEARCH FACILITY ACTION AND INVESTMENT FUNDS 263

The foregoing appropriation item C23502, Research Facility Action and Investment Funds, shall be used for a program of grants to be administered by the Board of Regents to provide timely availability of capital facilities for research programs and research-oriented instructional programs at or involving state-supported and state-assisted institutions of higher education. 264-270

SUPPLEMENTAL CAPITAL FUNDING 271

The foregoing appropriation item C23549, Supplemental Capital Funding, shall be used to provide supplemental capital funding to state-assisted universities, based on rules adopted pursuant to section 3333.072 of the Revised Code. Funds shall be used for deferred maintenance resulting from decreased overload fee revenue. 272-277

SMALL CAMPUS TARGETED WORKFORCE DEVELOPMENT EXPANSION 278

(A) The foregoing appropriation item C23550, Small Campus Targeted Workforce Development Expansion, shall be used by the 279-280

Chancellor of the Board of Regents to provide funding to support 281  
eligible capital projects at community colleges as defined in 282  
section 3354.01 of the Revised Code, state community colleges as 283  
defined in section 3358.01 of the Revised Code, and technical 284  
colleges as defined in section 3357.01 of the Revised Code. 285  
Columbus State Community College, Cuyahoga Community College, 286  
Owens Community College, and Sinclair Community College shall be 287  
ineligible for funding under this section. Funding awarded under 288  
this section shall not be used for land acquisition. 289

(B) The Chancellor shall establish a competitive process 290  
for awarding funds appropriated to the foregoing appropriation 291  
item C23550, Small Campus Targeted Workforce Development 292  
Expansion. In establishing this process, the Chancellor shall 293  
consider the following criteria: 294

(1) No eligible institution, as defined under division (A) 295  
of this section, shall receive a total allocation greater than 296  
\$5,000,000; 297

(2) No eligible institution, as defined under division (A) 298  
of this section, shall receive funding for more than one 299  
individual project; 300

(3) Eligible projects must have been submitted to the 301  
Chancellor during the most recent biennial capital planning 302  
process as described in section 126.03 of the Revised Code; 303

(4) Eligible projects must be supported by public and 304  
private sector stakeholders within the community in which the 305  
project will reside; 306

(5) The extent to which local matching funds have been 307  
raised and/or pledged to support the completion of the project. 308  
The source and amount of local matching funds shall be 309

identified and verified through documentation provided by the 310  
institution to the Chancellor. The minimum amount of verified 311  
local matching funds needed to qualify for funding under this 312  
section shall be based upon the number of student full-time 313  
equivalent (FTE) enrollments at each institution, consistent 314  
with the definitions in the Higher Education Information (HEI) 315  
system's enrollment files, as contained in the most recently 316  
verified annual FTE enrollment data provided by the institution 317  
to the Chancellor; 318

(a) Institutions with FTE between 0 and 1,749 shall be 319  
required to provide a minimum 20% local match; 320

(b) Institutions with FTE between 1,750 and 3,499 shall be 321  
required to provide a minimum 30% local match; 322

(c) Institutions with FTE between 3,500 and 6,999 shall be 323  
required to provide a minimum 40% local match; 324

(d) Institutions with FTE of 7,000 and greater shall be 325  
required to provide a minimum 50% local match. 326

(6) The extent to which the project will allow the 327  
institution to train and prepare students for careers in an in- 328  
demand field, as defined by the Governor's Office of Workforce 329  
Transformation. 330

(7) The extent to which the project will address the 331  
critical needs of the institution, including but not limited to 332  
workforce projects, student success and completion initiatives, 333  
major renovation and expansion projects, new buildings, 334  
maintenance, and safety-related issues. 335

(8) The extent to which the institution is fully prepared 336  
to execute and complete the project within a reasonable timeline 337  
as determined by the Chancellor. 338

(C) Prior to the awarding of any funds under this section, 339  
the Chancellor shall consult with and share preliminary funding 340  
recommendations with the Director of Budget and Management and 341  
the Governor's Office of Workforce Transformation. 342

(D) Upon the completion of the competitive allocation 343  
process as defined in division (B) of this section and the 344  
consultation process as defined in division (C) of this section, 345  
the Chancellor shall seek the approval of the Controlling Board 346  
to transfer appropriation to any institution receiving a project 347  
allocation. 348

**Section 6.** That existing Section 207.10 of Am. H.B. 497 of 349  
the 130th General Assembly is hereby repealed. 350

**Section 7.** That Section 207.440 of Am. H.B. 497 of the 351  
130th General Assembly, as amended by Am. Sub. H.B. 483 of the 352  
130th General Assembly, be amended to read as follows: 353

**Sec. 207.440.** The Ohio Public Facilities Commission is 354  
hereby authorized to issue and sell, in accordance with Section 355  
2n of Article VIII, Ohio Constitution, and Chapter 151. and 356  
particularly sections 151.01 and 151.04 of the Revised Code, 357  
original obligations in an aggregate principal amount not to 358  
exceed ~~\$507,000,000~~\$539,000,000, in addition to the original 359  
issuance of obligations heretofore authorized by prior acts of 360  
the General Assembly. These authorized obligations shall be 361  
issued, subject to applicable constitutional and statutory 362  
limitations, as needed to provide sufficient moneys to the 363  
credit of the Higher Education Improvement Fund (Fund 7034) and 364  
the Higher Education Improvement Taxable Fund (Fund 7024) to pay 365  
costs of capital facilities as defined in sections 151.01 and 366  
151.04 of the Revised Code for state-supported and state- 367  
assisted institutions of higher education. 368

<b>Section 8.</b> That existing Section 207.440 of Am. H.B. 497	369
of the 130th General Assembly, as amended by Am. Sub. H.B. 483	370
of the 130th General Assembly, is hereby repealed.	371