As Passed by the House

124th General Assembly
Regular Session
2001-2002

Sub. S. B. No. 116

SENATORS Robert Gardner, Spada, Mumper, Hottinger, Furney,
Wachtmann, Harris, Prentiss, Amstutz, White, Fingerhut, Blessing,
Shoemaker, DiDonato, Espy, Mead, Hagan, Coughlin, McLin, Herington
REPRESENTATIVES Callender, DeWine, Hartnett, Carano, Flannery, Hoops,
Calvert, Setzer, Reinhard, Reidelbach, Schmidt, Coates, Sykes, Otterman,
Cirelli, Perry, Niehaus, Hagan, Schneider, Seaver, Flowers, DePiero, Jones,
Webster, Distel, Allen, R. Miller, Kearns, S. Smith, Beatty, Woodard, Key,
Barrett, Fedor, Gilb, Barnes

A BILL

То	amend sections 1713.02, 1713.03, 3332.02, 3333.042,	1
	3333.043, 3333.12, 3333.18, 3333.21, 3333.26,	2
	3333.29, 3333.37, 3365.01, 3366.01, 5107.58,	3
	5910.04, and 5919.34 and to enact section 3333.046	4
	of the Revised Code to exempt from regulation by	5
	the State Board of Proprietary School Registration	6
	any accredited institution operated by a for-profit	7
	corporation that grants on the effective date of	8
	this act baccalaureate and master's degrees	9
	approved by the Board of Regents.	10

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

Section 1. That sections 1713.02, 1713.03, 3332.02, 3333.042,	13
3333.043, 3333.12, 3333.18, 3333.21, 3333.26, 3333.29, 3333.37,	12
3365.01, 3366.01, 5107.58, 5910.04, and 5919.34 be amended and	13
that section 3333.046 of the Revised Code be enacted to read as	14

follows:

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- Sec. 1713.02. (A) Any institution described in division (A) of section 1713.01 of the Revised Code may become incorporated under sections 1702.01 to 1702.58 of the Revised Code.
- (B) Except as provided in division (E) of this section, no nonprofit institution or corporation of the type described in division (A) of section 1713.01 of the Revised Code that is established after October 13, 1967, may confer degrees, diplomas, or other written evidences of proficiency or achievement, until it has received a certificate of authorization issued by the Ohio board of regents, nor shall any such institution or corporation identify itself as a "college" or "university" unless it has received a certificate of authorization from the board.
- (C) Except as provided in division (E) of this section, no institution of the type described in division (A)(3) or (B) of section 1713.01 of the Revised Code that intends to offer or offers a course or courses within this state, but that did not offer a course or courses within this state on or before October 13, 1967, may confer degrees, diplomas, or other written evidences of proficiency or achievement or offer any course or courses within this state until it has received a certificate of authorization from the Ohio board of regents, nor shall the institution identify itself as a "college" or "university" unless it has received such a certificate from the board.
- (D) Each certificate of authorization shall specify the diplomas or degrees authorized to be given, courses authorized to be offered, and the sites at which courses are to be conducted. A copy of such certificate shall be filed with the secretary of state if the institution is incorporated. Any institution or corporation established or that offered a course or courses of instruction in this state prior to October 13, 1967, may apply to

the board for a certificate of authorization, and the board shall issue a certificate if it finds that such institution or corporation meets the requirements established pursuant to sections 1713.01, 1713.02, 1713.03, 1713.04, 1713.06, 1713.09, and 1713.25 of the Revised Code.

- (E) An institution that clearly identifies itself in its name with the phrase "bible college" or "bible institute" and has not received a certificate of authorization may confer diplomas and other written evidences of proficiency or achievement other than associate, baccalaureate, master's, and doctoral degrees or any other type of degree and may identify itself as a "bible college" if such institution:
- (1) Prominently discloses on any transcripts, diplomas, or other written evidences of proficiency or achievement, and includes with any promotional material or other literature intended for the public, the statement: "this institution is not certified by the board of regents or the state of Ohio."
- (2) Limits its course of instruction to religion, theology, or preparation for a religious vocation, or is operated by a church or religious organization and limits its instruction to preparation for service to churches or other religious organizations.
- (3) Confers only diplomas and other written evidences of proficiency or achievement that bear titles clearly signifying the religious nature of the instruction offered by the institution.
- (F) No Except as otherwise provided in section 3333.046 of the Revised Code, no school of the type described in division (E) of section 3332.01 of the Revised Code that intends to offer or offers a degree program within this state or solicits students within this state may confer a baccalaureate, master's, or doctoral degree or solicit students for such degree programs until

Chapter 119. of the Revised Code, shall establish procedures and

forms whereby nonprofit entities may apply for grants; standards and procedures for reviewing applications for and awarding grants; procedures for distributing grants to recipients; procedures for monitoring the use of grants by recipients; requirements, procedures, and forms whereby grant recipients shall report upon their use of grants; and standards and procedures for terminating and requiring repayment of grants in the event of their improper use.

A state college or university or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code and any agency of state government may provide assistance, in any form, to any nonprofit entity that receives a grant under this section. Such assistance shall be solely for the purpose of assisting the nonprofit entity in making proper use of the grant.

A nonprofit entity that expends a grant under this section for a capital project is not thereby subject to Chapter 123. or 153. of the Revised Code. An officer or employee of, or a person who serves on a governing or advisory board or committee of, a nonprofit entity that receives a grant under this section is not thereby an officer or employee of a state college or university or of the state. An officer or employee of a state college or university or of the state who is assigned to assist a nonprofit entity in making proper use of a grant does not, to the extent he the officer or employee provides such assistance, thereby hold an incompatible office or employment, or have a direct or indirect interest in a contract or expenditure of the entity.

Sec. 3333.043. (A) As used in this section:

(1) "Institution of higher education" means the state universities listed in section 3345.011 of the Revised Code, municipal educational institutions established under Chapter 3349.

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of the Revised Code, community colleges established under Chapter 3354. of the Revised Code, university branches established under Chapter 3355. of the Revised Code, technical colleges established under Chapter 3357. of the Revised Code, state community colleges established under Chapter 3358. of the Revised Code, any institution of higher education with a certificate of registration from the state board of proprietary school registration, and any institution for which the Ohio board of regents receives a notice pursuant to division (C) of this section.

- (2) "Community service" has the same meaning as in section 3313.605 of the Revised Code.
- (B)(1) The board of trustees or other governing entity of each institution of higher education shall encourage and promote participation of students in community service through a program appropriate to the mission, student population, and environment of each institution. The program may include, but not be limited to, providing information about community service opportunities during student orientation or in student publications; providing awards for exemplary community service; encouraging faculty members to incorporate community service into students' academic experiences wherever appropriate to the curriculum; encouraging recognized student organizations to undertake community service projects as part of their purposes; and establishing advisory committees of students, faculty members, and community and business leaders to develop cooperative programs that benefit the community and enhance student experience. The program shall be flexible in design so as to permit participation by the greatest possible number of students, including part-time students and students for whom participation may be difficult due to financial, academic, personal, or other considerations. The program shall emphasize community service opportunities that can most effectively use the skills of students, such as tutoring or literacy programs. The

effective date of this section baccalaureate or master's degrees,

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for which the board of regents has issued certificates of	231
authorization under Chapter 1713. of the Revised Code; that is	232
accredited by the appropriate regional and, when appropriate,	233
professional accrediting associations within whose jurisdiction it	234
falls; and that is operated by a for-profit corporation shall	235
cease to be subject to any regulation under Chapter 3332. of the	236
Revised Code but shall continue to be subject to the provisions	237
for approval of degree programs set forth in Chapter 1713. of the	238
Revised Code, including approval of any additional associate,	239
baccalaureate, or master's degree programs offered by the	240
institution.	241
Sec. 3333.12. (A) As used in this section:	242
(1) "Eligible student" means an undergraduate student who is:	243
(a) An Ohio resident;	244
(b) Enrolled in either of the following:	245
(i) An accredited institution of higher education in this	246
state that meets the requirements of Title VI of the Civil Rights	247
Act of 1964 and is state-assisted, is nonprofit and has a	248
certificate of authorization from the Ohio board of regents	249
pursuant to Chapter 1713. of the Revised Code, or has a	250
certificate of registration from the state board of proprietary	251
school registration and program authorization to award an	252
associate or bachelor's degree, or is a private institution exempt	253
from regulation under Chapter 3332. of the Revised Code as	254
prescribed in section 3333.046 of the Revised Code. Students who	255
attend an institution that holds a certificate of registration	256
shall be enrolled in a program leading to an associate or	257
bachelor's degree for which associate or bachelor's degree program	258
the institution has program authorization issued under section	259

3332.05 of the Revised Code.

- (ii) A technical education program of at least two years 261 duration sponsored by a private institution of higher education in 262 this state that meets the requirements of Title VI of the Civil 263 Rights Act of 1964.
- (c) Enrolled as a full-time student or enrolled as a less than full-time student for the term expected to be the student's final term of enrollment and is enrolled for the number of credit hours necessary to complete the requirements of the program in which the student is enrolled.
- (2) "Gross income" includes all taxable and nontaxable income of the parents, the student, and the student's spouse, except income derived from an Ohio academic scholarship, income earned by the student between the last day of the spring term and the first day of the fall term, and other income exclusions designated by the board. Gross income may be verified to the board by the institution in which the student is enrolled using the federal financial aid eligibility verification process or by other means satisfactory to the board.
- (3) "Resident," "full-time student," "dependent,"
 "financially independent," and "accredited" shall be defined by
 rules adopted by the board.
- (B) The Ohio board of regents shall establish and administer an instructional grant program and may adopt rules to carry out this section. The general assembly shall support the instructional grant program by such sums and in such manner as it may provide, but the board may also receive funds from other sources to support the program. If the amounts available for support of the program are inadequate to provide grants to all eligible students, preference in the payment of grants shall be given in terms of income, beginning with the lowest income category of gross income and proceeding upward by category to the highest gross income category.

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An instructional grant shall be paid to an eligible student through the institution in which the student is enrolled, except that no instructional grant shall be paid to any person serving a term of imprisonment. Applications for such grants shall be made as prescribed by the board, and such applications may be made in conjunction with and upon the basis of information provided in conjunction with student assistance programs funded by agencies of the United States government or from financial resources of the institution of higher education. The institution shall certify that the student applicant meets the requirements set forth in divisions (A)(1)(b) and (c) of this section. Instructional grants shall be provided to an eligible student only as long as the student is making appropriate progress toward a nursing diploma or an associate or bachelor's degree. No student shall be eligible to receive a grant for more than ten semesters, fifteen quarters, or the equivalent of five academic years. A grant made to an eligible student on the basis of less than full-time enrollment shall be based on the number of credit hours for which the student is enrolled and shall be computed in accordance with a formula adopted by the board. No student shall receive more than one grant on the basis of less than full-time enrollment.

An instructional grant shall not exceed the total instructional and general charges of the institution.

(C) The tables in this division prescribe the maximum grant amounts covering two semesters, three quarters, or a comparable portion of one academic year. Grant amounts for additional terms in the same academic year shall be determined under division (D) of this section.

For a full-time student who is a dependent and enrolled in a nonprofit educational institution that is not a state-assisted institution and that has a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code, the amount of the

For a full-time student who is financially independent and 351 enrolled in a nonprofit educational institution that is not a 352 state-assisted institution and that has a certificate of 353 authorization issued pursuant to Chapter 1713. of the Revised 354 Code, the amount of the instructional grant for two semesters, 355

three quarters, or a comparable portion of the academic year shall						356	
be determined in accordance with the following table:						357	
							358
Private Institution							
Table of Grants							
		Max	imum Gra	nt \$5,4	66		361
Gross Income		Num	ber of D	ependen	ts		362
	0	1	2	3	4	5 or	363
						more	
\$0 - \$4,800	\$5,466	\$5,466	\$5,466	\$5,466	\$5,466	\$5,466	364
\$4,801 - \$5,300	4,920	5,466	5,466	5,466	5,466	5,466	365
\$5,301 - \$5,800	4,362	4,920	5,466	5,466	5,466	5,466	366
\$5,801 - \$6,300	3,828	4,362	4,920	5,466	5,466	5,466	367
\$6,301 - \$6,800	3,288	3,828	4,362	4,920	5,466	5,466	368
\$6,801 - \$7,300	2,736	3,288	3,828	4,362	4,920	5,466	369
\$7,301 - \$8,300	2,178	2,736	3,288	3,828	4,362	4,920	370
\$8,301 - \$9,300	1,626	2,178	2,736	3,288	3,828	4,362	371
\$9,301 - \$10,300	1,344	1,626	2,178	2,736	3,288	3,828	372
\$10,301 - \$11,800	1,080	1,344	1,626	2,178	2,736	3,288	373
\$11,801 - \$13,300	984	1,080	1,344	1,626	2,178	2,736	374
\$13,301 - \$14,800	888	984	1,080	1,344	1,626	2,178	375
\$14,801 - \$16,300	444	888	984	1,080	1,344	1,626	376
\$16,301 - \$19,300		444	888	984	1,080	1,344	377
\$19,301 - \$22,300			444	888	984	1,080	378
\$22,301 - \$25,300				444	888	984	379
\$25,301 - \$30,300					444	888	380
\$30,301 - \$35,300						444	381

For a full-time student who is a dependent and enrolled in an educational institution that holds a certificate of registration from the state board of proprietary school registration or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised

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		MAXIMA	" Granc Pi	,052		372
Gross Income		Number	of Depend	ents		393
	1	2	3	4	5 or	394
					more	
\$0 - \$15,000	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	395
\$15,001 - \$16,000	4,182	4,632	4,632	4,632	4,632	396
\$16,001 - \$17,000	3,684	4,182	4,632	4,632	4,632	397
\$17,001 - \$18,000	3,222	3,684	4,182	4,632	4,632	398
\$18,001 - \$19,000	2,790	3,222	3,684	4,182	4,632	399
\$19,001 - \$22,000	2,292	2,790	3,222	3,684	4,182	400
\$22,001 - \$25,000	1,854	2,292	2,790	3,222	3,684	401
\$25,001 - \$28,000	1,416	1,854	2,292	2,790	3,222	402
\$28,001 - \$31,000	1,134	1,416	1,854	2,292	2,790	403
\$31,001 - \$32,000	906	1,134	1,416	1,854	2,292	404
\$32,001 - \$33,000	852	906	1,134	1,416	1,854	405
\$33,001 - \$34,000	750	852	906	1,134	1,416	406
\$34,001 - \$35,000	372	750	852	906	1,134	407
\$35,001 - \$36,000		372	750	852	906	408
\$36,001 - \$37,000			372	750	852	409
\$37,001 - \$38,000				372	750	410
\$38,001 - \$39,000					372	411

For a full-time student who is financially independent and
enrolled in an educational institution that holds a certificate of
registration from the state board of proprietary school
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registration or a private institution exempt from regulation under
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Chapter 3332. of the Revised Code as prescribed in section
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3333.046 of the Revised Code, the amount of the instructional
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grant for two semesters, three quarters, or a comparable portion
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of the academic year	r shall b	e determi	ned in a	accordan	ce with	the	419
following table:							420
	Propri	etary Ins	stitution	ı			421
	Tal	ble of Gr	ants				422
		Max	imum Gra	nt \$4,63	32		423
Gross Income		Num	ber of D	ependent	ts		424
	0	1	2	3	4	5 or	425
						more	
\$0 - \$4,800	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	426
\$4,801 - \$5,300	4,182	4,632	4,632	4,632	4,632	4,632	427
\$5,301 - \$5,800	3,684	4,182	4,632	4,632	4,632	4,632	428
\$5,801 - \$6,300	3,222	3,684	4,182	4,632	4,632	4,632	429
\$6,301 - \$6,800	2,790	3,222	3,684	4,182	4,632	4,632	430
\$6,801 - \$7,300	2,292	2,790	3,222	3,684	4,182	4,632	431
\$7,301 - \$8,300	1,854	2,292	2,790	3,222	3,684	4,182	432
\$8,301 - \$9,300	1,416	1,854	2,292	2,790	3,222	3,684	433
\$9,301 - \$10,300	1,134	1,416	1,854	2,292	2,790	3,222	434
\$10,301 - \$11,800	906	1,134	1,416	1,854	2,292	2,790	435
\$11,801 - \$13,300	852	906	1,134	1,416	1,854	2,292	436
\$13,301 - \$14,800	750	852	906	1,134	1,416	1,854	437
\$14,801 - \$16,300	372	750	852	906	1,134	1,416	438
\$16,301 - \$19,300		372	750	852	906	1,134	439
\$19,301 - \$22,300			372	750	852	906	440
\$22,301 - \$25,300				372	750	852	441
\$25,301 - \$30,300					372	750	442
\$30,301 - \$35,300						372	443
For a full-time	e student	who is a	depende	ent and	enrolled	d in a	444
state-assisted educa	ational i	nstitutio	on, the a	amount c	of the		445
instructional grant	for two	semesters	s, three	quarter	s, or a		446
comparable portion	of the ac	ademic ye	ear shall	l be det	ermined	in	447
accordance with the following table:					448		
	Publ	ic Insti	tution				449
	Tal	ble of Gr	ants				450

\$0 - \$4,800

\$2,190

\$2,190

\$2,190 \$2,190 \$2,190

more

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\$2,190

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

(F)(1) Except as provided in division (F)(2) of this section,

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- (2) Division (F)(1) of this section does not apply to the 521 following:
- (a) Any student enrolled in an institution that under the 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 the institution may continue to participate in federal financial aid programs. The board shall adopt rules requiring institutions to provide information regarding an appeal to the board.
- (b) Any student who has previously received a grant under this section who meets all other requirements of this section.
- (3) The board 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 an institution whose students lose eligibility for grants under division (F)(1) of this section shall not affect that student's eligibility to receive a grant when enrolled in another institution.
- (G) Institutions of higher education that enroll students receiving instructional grants under this section shall report to the board all students who have received instructional grants but are no longer eligible for all or part of such grants and shall

refund any moneys due the state within thirty days after the	545
beginning of the quarter or term immediately following the quarter	546
or term in which the student was no longer eligible to receive all	547
or part of the student's grant. There shall be an interest charge	548
of one per cent per month on all moneys due and payable after such	549
thirty-day period. The board shall immediately notify the office	550
of budget and management and the legislative budget office of the	551
legislative service commission of all refunds so received.	552

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Sec. 3333.18. The Ohio board of regents may enter into contracts with the appropriate agency in a contiguous state whereby financial aids from the funds of each state may be used by qualified student recipients to attend approved post-secondary educational institutions in the other state. Approved institutions in Ohio are those that are state-assisted or are nonprofit and have received certificates of authorization from the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, or are private institutions exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code. Eligible post-secondary educational institutions in the contiguous state shall be similarly approved by the appropriate agency of that state. In formulating and executing such contracts with a contiguous state, the board shall assure that the total cost to this state approximates the total cost to the contiguous state. Any contract entered into under this section shall be subject to the periodic review of, and approval by, the controlling board.

Sec. 3333.21. As used in sections 3333.21 to 3333.23 of the Revised Code, "term" and "academic year" mean "term" and "academic year" as defined by the Ohio board of regents.

The board shall establish and administer an academic 574 scholarship program. Under the program, a total of one thousand 575

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new scholarships shall be awarded annually in the amount of not less than two thousand dollars per award. At least one such new scholarship shall be awarded annually to a student in each public high school and joint vocational school and each nonpublic high school for which the state board of education prescribes minimum standards in accordance with section 3301.07 of the Revised Code.

To be eligible for the award of a scholarship, a student shall be a resident of Ohio and shall be enrolled as a full-time undergraduate student in an Ohio institution of higher education that meets the requirements of Title VI of the "Civil Rights Act of 1964" and is state-assisted, is nonprofit and holds a certificate of authorization issued under section 1713.02 of the Revised Code, is a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, or holds a certificate of registration and program authorization issued under section 3332.05 of the Revised Code and awards an associate or bachelor's degree. Students who attend an institution holding a certificate of registration shall be enrolled in a program leading to an associate or bachelor's degree for which associate or bachelor's degree program the institution has program authorization to offer the program issued under section 3332.05 of the Revised Code.

"Resident" and "full-time student" shall be defined by board rule.

The board shall award the scholarships on the basis of a formula designed by it to identify students with the highest capability for successful college study. The formula shall weigh the factor of achievement, as measured by grade point average, and the factor of ability, as measured by performance on a competitive examination specified by the board. Students receiving scholarships shall be known as "Ohio academic scholars." Annually, not later than the thirty-first day of July, the board shall

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and who is the child of a public service officer killed in the line of duty, and who is admitted to any state university or college as defined in division (A)(1) of section 3345.12 of the Revised Code, community college, state community college, university branch, or technical college, shall not be required to pay any tuition or any student fee for up to four academic years of education, which shall be at the undergraduate level.

- (3) Any resident of this state who is the spouse or qualified former spouse of a public service officer killed in the line of duty, and who is admitted to any state university or college as defined in division (A)(1) of section 3345.12 of the Revised Code, community college, state community college, university branch, or technical college, shall not be required to pay any tuition or any student fee for up to four academic years of education, which shall be at the undergraduate level.
- (C) Any institution that is not subject to division (B) of this section and that holds a valid certificate of registration issued under Chapter 3332., a valid certificate issued under Chapter 4709., or a valid license issued under Chapter 4713. of the Revised Code, or that is nonprofit and has a certificate of authorization issued under section 1713.02 of the Revised Code or that is a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code that reduces tuition and student fees of a student who is eligible to attend an institution of higher education under the provisions of division (B) of this section by an amount indicated by the Ohio board of regents shall be eligible to receive a grant in that amount from the board. Each institution that enrolls students under division (B) of this section shall report to the board, by the first day of July of each year, the number of students who were so enrolled and the average amount of all such tuition and fees waived during the preceding year. The

established by rule of the state board of proprietary school registration, except that no grant shall be made to any individual who was enrolled as a student in a registered private career school an eligible institution before July 1, 2000. The size of an annual grant award shall be determined by the Ohio board of regents based on the amount of funds available for the program. The grant shall be prorated and paid in equal installments per academic term in accordance with division (E) of this section.

- (D) The Ohio board of regents shall prescribe the form and manner of application for grants and shall provide a method for registered private career schools eligible institutions to certify applicants who are enrolled in authorized baccalaureate degree or associate degree programs and have academic records meeting or exceeding the standard established by the state board of proprietary school registration.
- (E) A grant awarded to an eligible student shall be paid to the registered private career school eligible institution in which the student is enrolled, and the school institution shall reduce the student's instructional and general charges by the amount of the grant. Each grant awarded shall be paid in accordance with division (C) of this section within thirty days after the start of each term of the academic year for which the grant is awarded. No student shall be eligible to receive grants for more than the equivalent of five academic years.
- (F) The receipt of a workforce development grant shall not affect a student's eligibility for assistance or the amount of such assistance granted under any other provision of state law. If a student receives assistance under one or more other provisions of state law, the grant made to the student under this section shall not exceed the difference between the total instructional and general charges assessed to the student by the private career school eligible institution and the amount of total assistance the

priority needs fellowship created by sections 3333.37 to 3333.375

of the Revised Code.

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(E) "Full-time student" has the meaning as defined by rule of the Ohio board of regents.	792 793
the only board of regents.	193
(F) "Ohio outstanding scholar" means a student who is the	794
recipient of a scholarship under sections 3333.37 to 3333.375 of	795
the Revised Code.	796
(G) "Policy guidelines" means the rules adopted by the Ohio	797
board of regents pursuant to section 3333.374 of the Revised Code.	798
(H) "Priority needs fellow" means a student who is the	799
recipient of a fellowship under sections 3333.37 to 3333.375 of	800
the Revised Code.	801
(I) "Priority needs field of study" means those academic	802
majors and disciplines as determined by the Ohio board of regents	803
that support the purposes and intent of sections 3333.37 to	804
3333.375 of the Revised Code as described in section 3333.371 of	805
the Revised Code.	806
(J) "Scholarship" or "scholarship program" means the Ohio	807
outstanding scholarship created by sections 3333.37 to 3333.375 of	808
the Revised Code.	809
Sec. 3365.01. As used in sections 3365.01 to 3365.10 of the	810
Revised Code:	811
(A) "College" means any state-assisted college or university	812
described in section 3333.041 of the Revised Code, any nonprofit	813
institution holding a certificate of authorization pursuant to	814
Chapter 1713. of the Revised Code, any private institution exempt	815
from regulation under Chapter 3332. of the Revised Code as	816
prescribed in section 3333.046 of the Revised Code, and any	817
institution holding a certificate of registration from the state	818
board of proprietary school registration and program authorization	819
for an associate or bachelor's degree program issued under section	820
3332.05 of the Revised Code.	821

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- (B) "School district," rexcept as specified in division (G) of this section, means any school district to which a student is admitted under section 3313.64, 3313.65, 3313.98, or 3317.08 of the Revised Code and does not include a joint vocational or cooperative education school district.
- (C) "Parent" has the same meaning as in section 3313.64 of 827 the Revised Code.
- (D) "Participant" means a student enrolled in a college under the post-secondary enrollment options program established by this chapter.
 - (E) "Secondary grade" means the ninth through twelfth grades.
- (F) "School foundation payments" means the amount required to be paid to a school district for a fiscal year under Chapter 3317. of the Revised Code.
- (G) "Tuition base" means, with respect to a participant's school district, the formula amount defined in division (B) of section 3317.02 of the Revised Code multiplied by the district's cost-of-doing-business factor defined in division (N) of section 3317.02 of the Revised Code. The participant's "school district" in the case of a participant enrolled in a community school shall be the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.
- (H) "Educational program" means enrollment in one or more school districts, in a nonpublic school, or in a college under division (B) of section 3365.04 of the Revised Code.
- (I) "Nonpublic school" means a chartered or nonchartered school for which minimum standards are prescribed by the state board of education pursuant to division (D) of section 3301.07 of the Revised Code.

institution, as determined by the institution, including tuition;

instructional fees; room and board; books, computers, and

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supplies; and other related fees, charges, and expenses.

(E) "Designated administrator" means, with respect to all obligations issued prior to September 1, 1999, and to all nonfederal education loans, the nonprofit corporation designated on November 10, 1992, under division (D) of section 3351.07 of the Revised Code to operate exclusively for charitable and educational purposes by expanding access to higher education financing programs for students and families in need of student financial aid. For all other purposes, "designated administrator" means the Ohio corporation that is a subsidiary of the nonprofit corporation designated under division (D) of section 3351.07 of the Revised

(F) "Education loan" means a loan made by an eligible lender pursuant to the policy guidelines to or for the benefit of a student for the purpose of financing part or all of the student's costs of attendance.

Code and that has agreed to enter into an administration agreement

with the issuing authority and the director of development, or any

other person that enters into an administration agreement with the

issuing authority and the director of development.

- (G) "Eligible borrower" means any of the following:
- (1) Individuals who are residents of the state, and who are attending and are in good standing in, or who have been accepted for attendance at, any eligible institution located in this state or elsewhere, on a part-time or full-time basis, to pursue an associate, baccalaureate, or advanced degree or a nursing diploma;
- (2) Individuals who reside outside the state and who have been accepted for attendance at, or who are attending and are in good standing in, any eligible institution located in this state, on a part-time or full-time basis, to pursue an associate, baccalaureate, or advanced degree or a nursing diploma;
 - (3) Individuals who are parents or legal guardians of, or

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- (I) "Eligible lender" means, with respect to lenders making 943 nonfederal education loans, a bank, national banking association, 944 savings bank, savings and loan association, or credit union having 945 an office in this state that satisfies the criteria for eliqible 946 lenders established pursuant to the policy guidelines. With 947 respect to lenders making federal education loans, "eligible 948 lender" means any person that is permitted to make loans under the 949 federal family education loan program authorized under Title IV, 950 Part B, of the "Higher Education Act of 1965," 20 U.S.C.A. 1071 et 951 seq., as amended; that has an office in this state; and that 952 satisfies the criteria for eligible lenders established pursuant 953 954 to the policy guidelines.
- (J) "Federal education loan" means an education loan that is originated in compliance with the federal family education loan program authorized under Title IV, Part B, of the "Higher Education Act of 1965," 20 U.S.C.A. 1071 et seq., as amended.
- (K) "Governmental agency" means the state and any state department, division, commission, institution, or authority; the United States or any agency thereof; or any agency, commission, or authority established pursuant to an interstate compact or agreement; or any combination of the foregoing.
- (L) "Issuing authority" means the treasurer of state, or the officer who by law performs the functions of the treasurer of state.
- (M) "Nonfederal education loan" means any education loan that is not a federal education loan.
- (N) "Obligations" means the bonds, notes, or securities of 969 this state issued by the issuing authority pursuant to this 970 chapter.
- (O) "Person" means any individual, corporation, business 972 trust, estate, trust, partnership, or association, any federal, 973

state, interstate, regional, or local governmental agency, any subdivision of the state, or any combination of these.

- (P) "Pledged receipts" means, to the extent the following are pledged by the bond proceedings for the payment of bond service charges: all receipts representing moneys accruing from or in connection with the repayment of education loans, including interest and payments from any guarantee or insurance in respect to such education loans; accrued interest received from the sale of obligations; the balances in the special funds; income from the investment of the special funds; all right, title, and interest of the state and the designated administrator in the education loans and any guarantees or insurance in respect thereof, and any money representing the proceeds of obligations or any income from or interest on those proceeds; or any other gifts, grants, donations, and pledges and any income and receipts therefrom, available and pledged for the payment of bond service charges.
- (Q) "Policy guidelines" means the rules adopted pursuant to 990 division (A) of section 3366.03 of the Revised Code. 991
- (R) "Proceeds loan" means the transfer, pursuant to a loan agreement or agency agreement, of the proceeds of the obligations, or the deposit of the proceeds of the obligations with a trustee in trust under a trust agreement, indenture, or other trust document under the bond proceedings pending their disbursement for the purposes authorized by this chapter.
- (S) "Resident" means any student who would qualify as a resident of this state for state subsidy and tuition surcharge purposes under rules adopted by the Ohio board of regents under section 3333.31 of the Revised Code.
- (T) "Special funds" or "funds" means the bond service fund 1002 and any other funds, including reserve funds, created under the bond proceedings, including all moneys and investments, and 1004

earnings from investment, credited and to be credited thereto.

(U) "Student" means an individual described in division 1006
(G)(1) or (2) of this section who meets requirements established 1007
under the policy guidelines. "Student" includes dependent and 1008
independent undergraduate, graduate, and professional students. 1009

(V) "Subdivision" has the same meaning as in division (MM) of 1010 section 133.01 of the Revised Code.

Sec. 5107.58. In accordance with a federal waiver granted by 1012 the United States secretary of health and human services pursuant 1013 to a request made under former section 5101.09 of the Revised 1014 Code, county departments of job and family services may establish 1015 and administer as a work activity for minor heads of households 1016 and adults participating in Ohio works first an education program 1017 under which the participant is enrolled full-time in 1018 post-secondary education leading to vocation at a state 1019 institution of higher education, as defined in section 3345.031 of 1020 the Revised Code; a private nonprofit college or university that 1021 possesses a certificate of authorization issued by the Ohio board 1022 of regents pursuant to Chapter 1713. of the Revised Code, or is 1023 exempted by division (E) of section 1713.02 of the Revised Code 1024 from the requirement of a certificate; a school that holds a 1025 certificate of registration and program authorization issued by 1026 the state board of proprietary school registration under Chapter 1027 3332. of the Revised Code; a private institution exempt from 1028 regulation under Chapter 3332. of the Revised Code as prescribed 1029 in section 3333.046 of the Revised Code; or a school that has 1030 entered into a contract with the county department of job and 1031 family services. The participant shall make reasonable efforts, as 1032 determined by the county department, to obtain a loan, 1033 scholarship, grant, or other assistance to pay for the tuition, 1034 including a federal Pell grant under 20 U.S.C.A. 1070a and an Ohio 1035

instructional grant under section 3333.12 of the Revised Code. If	1036
the participant has made reasonable efforts but is unable to	1037
obtain sufficient assistance to pay the tuition the program may	1038
pay the tuition. On or after October 1, 1998, the county	1039
department may enter into a loan agreement with the participant to	1040
pay the tuition. The total period for which tuition is paid and	1041
loans made shall not exceed two years. If the participant,	1042
pursuant to division (B)(3) of section 5107.43 of the Revised	1043
Code, volunteers to participate in the education program for more	1044
hours each week than the participant is assigned to the program,	1045
the program may pay or the county department may loan the cost of	1046
the tuition for the additional voluntary hours as well as the cost	1047
of the tuition for the assigned number of hours. The participant	1048
may receive, for not more than three years, support services,	1049
including publicly funded child day-care under Chapter 5104. of	1050
the Revised Code and transportation, that the participant needs to	1051
participate in the program. To receive support services in the	1052
third year, the participant must be, as determined by the	1053
educational institution in which the participant is enrolled, in	1054
good standing with the institution.	1055

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A county department that provides loans under this section 1056 shall establish procedures governing loan application for and 1057 approval and administration of loans granted pursuant to this 1058 section.

- Sec. 5910.04. Scholarships granted under sections 5910.01 to 1060 5910.06 of the Revised Code shall consist of either of the 1061 following:
- (A) An exemption from the payment of one hundred per cent of
 the general and instructional fees at colleges and universities
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 which receive support from the state of Ohio and are approved by
 the chancellor of the board of regents, except that the percentage
 may be reduced by the war orphans scholarship board in any year
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(B)(1) There is hereby created a scholarship program to be	1129
known as the Ohio national guard scholarship program. For the	1130
fiscal year 2000, the number of participants in the program for	1131
the fall term is limited to the equivalent of two thousand five	1132
hundred full-time participants; the number of participants in the	1133
program for the winter term is limited to the equivalent of two	1134
thousand five hundred full-time participants; the number of	1135
participants in the program for the spring term is limited to the	1136
equivalent of one thousand six hundred seventy-five full-time	1137
participants; and the number of participants in the program for	1138
the summer term is limited to the equivalent of six hundred	1139
full-time participants. Except as provided in division (B)(2) of	1140
this section for the fiscal year 2001 and succeeding fiscal years,	1141
the number of participants in the program for the fall term is	1142
limited to the equivalent of three thousand five hundred full-time	1143
participants; the number of participants in the program for the	1144
winter term is limited to the equivalent of three thousand five	1145
hundred full-time participants; the number of participants in the	1146
program for the spring term is limited to the equivalent of two	1147
thousand three hundred forty-five full-time participants; and the	1148
number of participants in the program for the summer term is	1149
limited to the equivalent of eight hundred full-time participants.	1150

- (2) After the application deadline for any academic term in fiscal year 2001, the adjutant general may request the controlling board, if sufficient appropriated funds are available, to approve the following number of additional participants for that term:
- (a) For the fall or winter academic term, up to the 1155 equivalent of five hundred additional full-time participants; 1156
- (b) For the spring academic term, up to the equivalent of 1157 three hundred seventy-five additional full-time participants; 1158
- (c) For the summer academic term, up to the equivalent of one 1159 hundred twenty-five additional full-time participants. 1160

- (C) If the adjutant general estimates that appropriations for 1161 all scholarships applied for under this section and likely to be 1162 used during an academic term are inadequate for all eligible 1163 applicants for that academic term to receive scholarships, the 1164 adjutant general shall promptly inform all applicants not 1165 receiving scholarships for that academic term of the next academic 1166 term that appropriations will be adequate for the scholarships. 1167 Any such eliqible applicant may again apply for a scholarship 1168 beginning that academic term if the applicant is in compliance 1169 with all requirements established by this section and the adjutant 1170 general for the program. The adjutant general shall process all 1171 applications for scholarships for each academic term in the order 1172 in which they are received. The scholarships shall be made without 1173 regard to financial need. At no time shall one person be placed in 1174 priority over another because of sex, race, or religion. 1175
- (D) Except as provided in division (H) of this section, for 1176 each academic term that an eligible applicant is approved for a 1177 scholarship under this section and remains a current member in 1178 good standing of the Ohio national guard, the institution of 1179 higher education in which the applicant is enrolled shall, if the 1180 applicant's enlistment obligation extends beyond the end of that 1181 academic term, be paid on the applicant's behalf the applicable 1182 one of the following amounts: 1183
- (1) If the institution is state-assisted, an amount equal to 1184 one hundred per cent of the institution's tuition charges; 1185
- (2) If the institution is a nonprofit private institution or 1186

 a private institution exempt from regulation under Chapter 3332. 1187

 of the Revised Code as prescribed in section 3333.046 of the 1188

 Revised Code, an amount equal to one hundred per cent of the 1189

 average tuition charges of all state universities; 1190
- (3) If the institution is an institution that holds a 1191 certificate of registration from the state board of proprietary 1192

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for that academic term is less than six credit hours, no

scholarship shall be paid on behalf of that person for that

academic term except that, if a scholarship has already been paid

on behalf of the person for that academic term, the adjutant

general shall add to that person's accumulated eligibility units

the number of eligibility units for which the scholarship was

paid.

(F) A scholarship recipient under this section who fails to complete the term of enlistment, re-enlistment, or extension of current enlistment the recipient was serving at the time a scholarship was paid on behalf of the recipient under this section is liable to the state for repayment of a percentage of all Ohio national guard scholarships paid on behalf of the recipient under this section, plus interest at the rate of ten per cent per annum calculated from the dates the scholarships were paid. This percentage shall equal the percentage of the current term of enlistment, re-enlistment, or extension of enlistment a recipient has not completed as of the date the recipient is discharged from the Ohio national guard.

The attorney general may commence a civil action on behalf of 1243 the adjutant general to recover the amount of the scholarships and 1244 the interest provided for in this division and the expenses 1245 incurred in prosecuting the action, including court costs and 1246 reasonable attorney's fees. A scholarship recipient is not liable 1247 under this division if the recipient's failure to complete the 1248 term of enlistment being served at the time a scholarship was paid 1249 on behalf of the recipient under this section is due to the 1250 recipient's death; discharge from the national guard due to 1251 disability; or the recipient's enlistment, for a term not less 1252 than the recipient's remaining term in the national guard, in the 1253 active component of the United States armed forces or the active 1254 reserve component of the United States armed forces. 1255

- (G) On or before the first day of each academic term, the 1256 adjutant general shall provide an eligibility roster to each 1257 institution of higher education at which one or more scholarship 1258 recipients have applied for enrollment. The institution shall use 1259 the roster to certify the actual full-time or part-time enrollment 1260 of each scholarship recipient listed as enrolled at the 1261 institution and return the roster to the adjutant general within 1262 thirty days after the first day of the academic term. The adjutant 1263 general shall report to the Ohio board of regents the number of 1264 students in the Ohio national guard scholarship program at each 1265 institution of higher education. The Ohio board of regents shall 1266 provide for payment of the appropriate number and amount of 1267 scholarships to each institution of higher education pursuant to 1268 division (D) of this section. The adjutant general shall report on 1269 a quarterly basis to the director of budget and management, the 1270 speaker of the house of representatives, and the president of the 1271 senate the number of Ohio national guard scholarship recipients 1272 and a projection of the cost of the program for the remainder of 1273 the biennium. 1274
- (H) The chancellor of the Ohio board of regents and the 1275 adjutant general may adopt rules pursuant to Chapter 119. of the 1276 Revised Code governing the administration and fiscal management of 1277 the Ohio national gaurd guard scholarship program and the 1278 procedure by which the Ohio board of regents and the department of 1279 the adjutant general may modify the amount of scholarships a 1280 member receives based on the amount other state financial aid a 1281 member recives receives. 1282
- (I) Notwithstanding division (A) of section 127.14 of the 1283
 Revised Code, the controlling board shall not transfer all or part 1284
 of any appropriation for the Ohio national guard scholarship 1285
 program. 1286

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Section 2. That existing sections 1713.02, 1713.03, 3332.02,	1287
3333.042, 3333.043, 3333.12, 3333.18, 3333.21, 3333.26, 3333.29,	1288
3333.37, 3365.01, 3366.01, 5107.58, 5910.04, and 5919.34 of the	1289
Revised Code are hereby repealed.	1290
Section 3. A private institution exempt from regulation under	1291
Chapter 3332. of the Revised Code as prescribed in section	1292
3333.046 of the Revised Code, as enacted by this act, may continue	1293
to offer any associate, baccalaureate, or master's degree program	1294
that it offered as of October 1, 2001, unless authority to offer	1295
such program as of October 1, 2001, is revoked or not renewed by	1296
the Ohio Board of Regents under Chapter 1713. of the Revised Code.	1297