

As Introduced

**124th General Assembly
Regular Session
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S. B. No. 266

SENATOR Robert Gardner

A B I L L

To amend sections 955.43, 1713.02, 1713.03, 1713.25, 1
2741.01, 3332.01, 3332.02, 3332.03, 3332.031, 2
3332.04, 3332.05, 3332.051, 3332.06, 3332.07, 3
3332.08, 3332.081, 3332.082, 3332.083, 3332.085, 4
3332.09, 3332.091, 3332.092, 3332.10 to 3332.13, 5
3332.18, 3333.043, 3333.12, 3333.29, 3334.01, 6
3365.01, 3365.15, 4742.05, 4742.06, 4743.03, 7
4762.02, 4763.05, 5107.58, 5747.01, and 5919.34 of 8
the Revised Code to make changes to the oversight 9
of career schools by changing the name of the State 10
Board of Proprietary School Registration to the 11
State Board of Career Colleges and Schools, 12
directing the Board to establish the period of time 13
that a career school must maintain a surety bond, 14
requiring the corporate bonding company acting as 15
surety to have a specified credit quality rating, 16
eliminating the requirement that agents for career 17
schools maintain surety bonds, altering the 18
structure of the Board by adding an additional 19
member with a background in career school 20
management and by making the student representative 21
a nonvoting member, establishing a fixed rate of 22
compensation for Board members, eliminating the 23
requirement that the Ohio Board of Regents 24
recommend whether to approve applications for the 25

issuance or renewal of program authorizations for 26
associate degree programs at career schools, 27
specifying that students are eligible for 28
reimbursement of prepaid tuition losses only in the 29
event of a school closure, paying reimbursements 30
for prepaid tuition losses from the career school's 31
surety bond beginning July 1, 2003, and by making 32
other revisions to the oversight of career schools, 33
and to enable students enrolled in eligible 34
institutions prior to July 1, 2000, to receive 35
student workforce development grants, and to amend 36
sections 3332.04, 3332.08, 3332.082, and 3332.084 37
of the Revised Code effective July 1, 2003. 38

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

Section 1. That sections 955.43, 1713.02, 1713.03, 1713.25, 39
2741.01, 3332.01, 3332.02, 3332.03, 3332.031, 3332.04, 3332.05, 40
3332.051, 3332.06, 3332.07, 3332.08, 3332.081, 3332.082, 3332.083, 41
3332.085, 3332.09, 3332.091, 3332.092, 3332.10, 3332.11, 3332.12, 42
3332.13, 3332.18, 3333.043, 3333.12, 3333.29, 3334.01, 3365.01, 43
3365.15, 4742.05, 4742.06, 4743.03, 4762.02, 4763.05, 5107.58, 44
5747.01, and 5919.34 of the Revised Code be amended to read as 45
follows: 46

Sec. 955.43. (A) When a blind, deaf, or mobility impaired 47
person is accompanied by a dog that serves as or is in training to 48
become a guide, leader, listener, or support dog for ~~him~~ the 49
person, and ~~he~~ the person can show proof by certificate or other 50
means that the dog leading ~~him~~ the person, listening for ~~him~~ the 51
person, or providing support or assistance for ~~him~~ the person has 52
been or is being trained for that purpose by a nonprofit special 53
agency engaged in such work, the person is entitled to the full 54

and equal accommodations, advantages, facilities, and privileges 55
of all public conveyances, hotels, lodging places, all places of 56
public accommodation, amusement, or resort, all institutions of 57
education, and other places to which the general public is 58
invited, and may take the dog into such conveyances and places, 59
subject only to the conditions and limitations applicable to all 60
persons not so accompanied, except that: 61

(1) The dog shall not occupy a seat in any public conveyance. 62
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(2) The dog shall be upon a leash while using the facilities 64
of a common carrier. 65

(3) Any dog in training to become a guide, leader, listener, 66
or support dog shall be covered by a liability insurance policy 67
provided by the nonprofit special agency engaged in such work 68
protecting members of the public against personal injury or 69
property damage caused by the dog. 70

(B) No person shall deprive a blind, deaf, or mobility 71
impaired person of any of the advantages, facilities, or 72
privileges provided in division (A) of this section, nor charge 73
the blind, deaf, or mobility impaired person a fee or charge for 74
the dog. 75

(C) As used in this section, "institutions of education" 76
means: 77

(1) Any state university or college as defined in section 78
3345.32 of the Revised Code; 79

(2) Any private college or university that holds a 80
certificate of authorization issued by the Ohio board of regents 81
pursuant to Chapter 1713. of the Revised Code; 82

(3) Any elementary or secondary school operated by a board of 83
education; 84

(4) Any chartered or nonchartered nonpublic elementary or secondary school; 85
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(5) Any school issued a certificate of registration by the state board of ~~proprietary school registration~~ career colleges and schools. 87
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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. 90
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(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. 93
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(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. 102
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(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 113
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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) Except as otherwise provided in section 3333.046 of the
Revised Code, no school of the type described in division (E) of

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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
it has received both a certificate of authorization from the board
of regents under this chapter and program authorization from the
state board of ~~proprietary school registration~~ career colleges and
schools for such degree program under section 3332.05 of the
Revised Code.

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Sec. 1713.03. The Ohio board of regents shall establish
standards for certificates of authorization to be issued to
institutions as defined in section 1713.01 of the Revised Code, to
private institutions exempt from regulation under Chapter 3332. of
the Revised Code as prescribed in section 3333.046 of the Revised
Code, and to schools holding certificates of registration issued
by the state board of ~~proprietary school registration~~ career
colleges and schools pursuant to division (C) of section 3332.05
of the Revised Code. A certificate of authorization may permit an
institution or school to award one or more types of degrees.

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The standards for a certificate of authorization may include,
for various types of institutions, schools, or degrees, minimum
qualifications for faculty, library, laboratories, and other
facilities as adopted and published by the Ohio board of regents.
The standards shall be adopted by the board pursuant to Chapter
119. of the Revised Code.

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An institution or school shall apply to the board for a
certificate of authorization on forms containing such information
as is prescribed by the board. Each institution or school with a
certificate of authorization shall file an annual report with the
board in such form and containing such information as the board
prescribes.

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Sec. 1713.25. The board of trustees of an institution of 178
learning incorporated under the authority of this state for the 179
sole purpose of promoting education, religion and morality, or the 180
fine arts, at a regular or special meeting of such board called 181
for that purpose, after thirty days' actual notice to each 182
trustee, may change the name and enlarge the purposes and objects 183
of such institution of learning, by amendment to its charter, 184
approved by a majority of the board. 185

No institution as defined in section 1713.01 of the Revised 186
Code or school that holds a certificate of registration issued by 187
the state board of ~~proprietary school registration~~ career colleges 188
and schools pursuant to division (C) of section 3332.05 ~~(E)~~ of the 189
Revised Code, that has been issued a certificate of authorization 190
by the Ohio board of regents shall change the purposes of the 191
institution without giving written notice to the Ohio board of 192
regents, which shall issue an amended certificate of authorization 193
to the institution or school upon receipt of such notice. 194

Sec. 2741.01. As used in this chapter: 195

(A) "Persona" means an individual's name, voice, signature, 196
photograph, image, likeness, or distinctive appearance, if any of 197
these aspects have commercial value. 198

(B) "Commercial purpose" means the use of or reference to an 199
aspect of an individual's persona in any of the following manners: 200

(1) On or in connection with a place, product, merchandise, 201
goods, services, or other commercial activities not expressly 202
exempted under this chapter; 203

(2) For advertising or soliciting the purchase of products, 204
merchandise, goods, services, or other commercial activities not 205
expressly exempted under this chapter; 206

(3) For the purpose of promoting travel to a place;	207
(4) For the purpose of fundraising.	208
(C) "Name" means the actual, assumed, or clearly identifiable name of or reference to a living or deceased individual that identifies the individual.	209 210 211
(D) "Right of publicity" means the property right in an individual's persona to use the individual's persona for a commercial purpose.	212 213 214
(E) "Trier of fact" means the jury or, in a nonjury action, the court.	215 216
(F) "Written consent" includes written, electronic, digital, or any other verifiable means of authorization.	217 218
(G) "Institution of higher education" means a state institution of higher education as defined in section 3345.011 of the Revised Code, a private nonprofit college or university located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, or a school located in this state that possesses a certificate of registration and one or more program authorizations issued by the state board of proprietary school registration <u>career colleges and schools</u> under Chapter 3332. of the Revised Code.	219 220 221 222 223 224 225 226 227 228
Sec. 3332.01. As used in this section and sections 3332.03 to 3332.99 of the Revised Code:	229 230
(A) "Agent" means any individual whose primary duties, performed while on or off school premises, include distribution of literature or information on behalf of a person offering a program, and the solicitation of prospective students in Ohio to enroll for a fee in a program.	231 232 233 234 235

(B) "Certificate of registration" means a certificate issued 236
by the state board of ~~proprietary school registration~~ career 237
colleges and schools to the owner or operator of a for profit or 238
nonprofit private career school located within or without the 239
state of Ohio, that permits the school to solicit students and 240
offer and maintain a program in Ohio. 241

(C) "Program" means ~~the complete~~ a course of study, whether 242
offered in a specific place, by correspondence using the mails, or 243
by any other means of communication, designed to prepare students 244
for potential employment in a recognized vocation, occupation, or 245
profession ~~and lead to a~~ at the certificate, diploma, or degree 246
level. 247

(D) "Program authorization" means written notification by the 248
board to a private career school granting approval for offering 249
programs and awarding certificates, diplomas, or degrees. 250

(E) "Private career school" or "school" means a person 251
possessing a certificate of registration and one or more program 252
authorizations. 253

Sec. 3332.02. This chapter does not apply to the following 254
categories of courses, schools, or colleges: 255

(A) Tuition-free courses or schools conducted by employers 256
exclusively for their own employees; 257

(B) Nonprofit institutions with certificates of authorization 258
issued pursuant to section 1713.02 of the Revised Code or that are 259
nonprofit institutions exempted from the requirement to obtain a 260
certificate by division (E) of that section; 261
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(C) Schools, colleges, technical colleges, or universities 263
established by law or chartered by the Ohio board of regents; 264

(D) Courses of instruction required by law to be approved or 265

licensed, ~~or given by institutions approved or licensed,~~ by a 266
state board or agency other than the state board of ~~school and~~ 267
~~college registration~~ career colleges and schools, except that a 268
school so approved or licensed may apply to the state board of 269
~~proprietary school registration~~ career colleges and schools for a 270
certificate of registration to be issued in accordance with this 271
chapter; 272

(E) Schools for which minimum standards are prescribed by the 273
state board of education pursuant to division (D) of section 274
3301.07 of the Revised Code; 275

(F) Courses of instruction conducted by a public school 276
district or a combination of public school districts; 277

(G) Courses of instruction conducted outside the United 278
States; 279

(H) Private institutions exempt from regulation under this 280
chapter as prescribed in section 3333.046 of the Revised Code; 281

(I) Training courses for employees paid for by their 282
employers and conducted by outside service providers. 283

Sec. 3332.03. There is hereby created the state board of 284
~~proprietary school registration~~ career colleges and schools to 285
consist of the state superintendent of public instruction or an 286
assistant superintendent designated by the superintendent, the 287
chancellor of the Ohio board of regents or a vice chancellor 288
designated by the chancellor, and ~~five~~ six members appointed by 289
the governor, with the advice and consent of the senate. Members' 290
terms of office shall be for five years, commencing on the 291
twenty-first day of November and ending on the twentieth day of 292
November. Each member shall hold office from the date of ~~his~~ 293
appointment until the end of the term for which ~~he~~ the member was 294
appointed. 295

~~Two~~ Three of the members appointed by the governor shall have 296
been engaged for a period of not less than five years immediately 297
preceding appointment in an executive or managerial position in a 298
private, trade, technical, or other school subject to this 299
chapter. One member appointed by the governor shall be a 300
representative of students and shall have graduated with an 301
associate or baccalaureate degree, within five years prior to ~~his~~ 302
appointment, from a school subject to this chapter. Two members 303
appointed by the governor shall be representatives of the general 304
public and shall have had no affiliation with, or direct or 305
indirect interest in, schools subject to this chapter for at least 306
two years prior to appointment. In selecting the representatives 307
of the general public, the governor shall make an effort to find 308
individuals with background or experience in the regulation of 309
commerce, business, or education. The two members of the board who 310
are representatives of the general public shall not be affiliated 311
in any way with or have any direct or indirect interest in any 312
schools subject to this chapter during their terms. Except for 313
enrollment in a school subject to this chapter, the member 314
representing students shall have had no affiliation in any way 315
with, or have any direct or indirect interest in any school 316
subject to this chapter for at least two years prior to ~~his~~ 317
appointment or during ~~his~~ the member's term. 318

Any vacancy shall be filled in the manner provided for 319
original appointment. Any member appointed to fill a vacancy 320
occurring prior to the expiration of the term for which ~~his~~ the 321
member's predecessor was appointed shall hold office for the 322
remainder of such term. Any appointed member shall continue in 323
office subsequent to the expiration date of ~~his~~ the member's term 324
until ~~his~~ the member's successor takes office, or until a period 325
of sixty days has elapsed, whichever occurs first. 326

~~All seven members~~ Members of the board have full voting 327

rights. ~~The members shall not be paid for their services, but the,~~ 328
except for the member representing students who shall be a 329
nonvoting member. Each member of the board appointed by the 330
governor shall be compensated at the rate established pursuant to 331
division (J) of section 124.15 of the Revised Code, but shall not 332
receive step advancements, for those days the member is engaged in 333
the discharge of official duties. In addition, members appointed 334
by the governor may be compensated for the expenses necessarily 335
incurred in the attendance at meetings or in performing other 336
services for the board. The ~~chairman~~ chairperson of the board 337
shall annually be elected or determined as follows: 338

(A) If both members of the board representing the general 339
public have served on the board for at least one year, the members 340
shall elect one of these two members as ~~chairman~~ chairperson. If 341
one of these members declines to be elected or serve, the other 342
member representing the general public shall be ~~chairman~~ 343
chairperson. If both members representing the general public 344
decline to be elected or serve, division (C) of this section shall 345
apply. 346

(B) If only one member of the board representing the general 347
public has served on the board for at least one year, this member 348
shall be ~~chairman~~ chairperson. If this member declines to serve, 349
division (C) of this section shall apply. 350

(C) If neither member of the board representing the general 351
public has served on the board for at least one year or if this 352
division applies pursuant to division (A) or (B) of this section, 353
the members of the board shall elect a ~~chairman~~ chairperson from 354
among any of the voting members of the board who have served on 355
the board for at least one year. 356

Sec. 3332.031. The state board of ~~proprietary school~~ 357
registration career colleges and schools shall: 358

(A) Adopt rules under Chapter 119. of the Revised Code	359
necessary to carry out its duties and responsibilities under this	360
chapter;	361
(B) Establish minimum standards for the registration and	362
operation of private career schools including but not necessarily	363
limited to standards to ensure school financial stability;	364
(C) Issue certificates of registration to private career	365
schools pursuant to division (A) of section 3332.05 of the Revised	366
Code;	367
(D) Suspend or revoke the certificate of registration of	368
schools pursuant to sections 3332.09 and 3332.091 of the Revised	369
Code;	370
(E) Establish minimum standards for certificate, diploma, and	371
degree programs offered by schools;	372
(F) Issue program authorization pursuant to divisions (B) and	373
(C) of section 3332.05 of the Revised Code;	374
(G) Suspend or revoke program authorization for schools	375
pursuant to sections 3332.09 and 3332.091 of the Revised Code;	376
(H) Establish minimum standards, including but not	377
necessarily limited to a code of ethics, for agents employed by	378
schools registered under this chapter to reasonably ensure that	379
such agents provide adequate, ethical, and accurate information to	380
prospective students;	381
(I) Grant permits to agents pursuant to sections 3332.10 and	382
3332.11 of the Revised Code;	383
(J) Suspend or revoke an agent's permit pursuant to section	384
3123.47 or 3332.12 of the Revised Code;	385
(K) Monitor recruitment and admissions practices of schools	386
holding certificates of registration to ensure compliance with	387
this chapter and the rules of the board;	388

(L)(1) Adopt rules requiring all schools to provide all 389
applicant students, prior to their signing enrollment agreements, 390
written information concerning the school's graduation and 391
placement rates for each of the preceding three years and any 392
other information the board deems pertinent. 393

(2) Adopt rules requiring all schools to provide any student 394
or applicant student, prior to the signing of any financial aid, 395
grant, or loan application, written information concerning the 396
obligations of a student obtaining such financial aid, grant, or 397
loan. 398

(3) Upon request, a school shall furnish the board with a 399
copy of all information required by this division. The board shall 400
monitor schools to ensure their compliance with this division. 401
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(M) Adopt a rule requiring all schools to include, in the 403
enrollment agreement, notice that any problems the student is 404
having with the school, or complaints the student has about the 405
school, may be directed to the board, which notice shall include 406
the telephone number of the executive director of the board; 407

(N) Report annually to the governor and the general assembly 408
on the activities of the board and private career schools, and 409
make legislative recommendations when necessary to enable the 410
board to better serve the student population and the schools 411
registered under this chapter; 412

(O) Adopt a rule requiring a uniform tuition refund policy 413
for all schools subject to this chapter. In adopting the rule, the 414
board shall consider the tuition refund policies effectuated by 415
state-supported colleges and universities. Each school subject to 416
this chapter shall furnish to each prospective student, prior to 417
the signing of an enrollment agreement, a copy of the tuition 418
refund policy. 419

(P) Adopt a rule establishing minimum standards for all 420
faculty and instructional staff in all instructional programs at a 421
school. In the case of full-time faculty members employed for 422
degree programs, such standards shall include all of the 423
following: 424

(1) A prohibition against employing on or after July 1, 1993, 425
any new full-time faculty member to teach the general study 426
portion of any degree program, unless the person holds a master's 427
degree in the subject matter discipline or holds a master's degree 428
in education with proficiency in the subject matter discipline 429
demonstrated in accordance with the standards adopted by the 430
board. 431

(2) Except as provided under the standards adopted pursuant 432
to division (P)(3) of this section, a prohibition against 433
employing or reemploying on or after July 1, 1998, any full-time 434
faculty member to teach the general study portion of any degree 435
program, unless the person holds a master's degree in the subject 436
matter discipline or holds a master's degree in education with 437
proficiency in the subject matter discipline demonstrated in 438
accordance with the standards adopted by the board. 439

(3) Standards under which the board, upon written request 440
submitted to the board prior to July 1, 1994, by any school, may 441
exempt the school from the prohibition adopted pursuant to 442
division (P)(2) of this section with regard to any individual 443
full-time faculty member employed by the school who has 444
demonstrated outstanding teaching performance in the general study 445
portion of any degree program at the school for a period of at 446
least six years prior to July 1, 1993. 447

(4) Definitions of "full-time faculty member," "new faculty 448
member," and any other term the board considers necessary to 449
define. 450

(Q) Adopt a rule prohibiting a school or branch campus 451
thereof from claiming accreditation from an accrediting agency in 452
any of its advertising, recruiting, or promotional materials 453
unless the agency is recognized as an accrediting agency by the 454
United States department of education. 455

Sec. 3332.04. The state board of ~~proprietary school~~ 456
~~registration~~ career colleges and schools may appoint an executive 457
director and such other staff as may be required for the 458
performance of the board's duties and provide necessary 459
facilities. In selecting an executive director, the board shall 460
appoint an individual with a background or experience in the 461
regulation of commerce, business, or education. The board may also 462
arrange for services and facilities to be provided by the state 463
board of education and the Ohio board of regents. All receipts of 464
the board shall be deposited in the state treasury to the credit 465
of the general revenue fund. 466

Sec. 3332.05. (A) The state board of ~~proprietary school~~ 467
~~registration~~ career colleges and schools shall issue a certificate 468
of registration to an applicant of good reputation seeking to 469
offer one or more programs upon receipt of the fee established in 470
accordance with section 3332.07 of the Revised Code and upon 471
determining the applicant has the facilities, resources, and 472
faculty to provide students with the kind of instruction that it 473
proposes to offer and meets the minimum standards of the board. A 474
certificate of registration shall be granted or denied within one 475
hundred twenty days of the receipt of the application therefor by 476
the board. A person shall obtain a separate certificate for each 477
location at which the person offers programs. The first 478
certificate of registration issued on or after ~~the effective date~~ 479
~~of this amendment~~ June 29, 1999, for each new location is valid 480
for one year, unless earlier revoked for cause by the board under 481

section 3332.09 of the Revised Code. Any other certificate of 482
registration is valid for two years, unless earlier revoked for 483
cause by the board under that section. 484

(B) The board shall issue program authorization for an 485
associate degree, certificate, or diploma program to an applicant 486
holding a certificate of registration issued pursuant to division 487
(A) of this section upon receipt of the fee established in 488
accordance with section 3332.07 of the Revised Code and upon 489
determining the applicant has the facilities, resources, and 490
faculty to provide students the kind of program it proposes to 491
offer and meets the minimum standards of the state board. 492

~~The state board shall promptly furnish the Ohio board of 493
regents a copy of all applications for issuance or renewal of 494
program authorization to offer any associate degree program. Prior 495
to the issuance or renewal of such program authorization the state 496
board shall conduct an on-site visit of the school proposing the 497
program. A representative of the board of regents shall 498
participate in the visit. Within twenty-one days of the on-site 499
visit the representative of the board of regents shall provide the 500
state board with a written statement recommending approval or 501
disapproval of the application. 502~~

Any program authorization issued by the board under this 503
division is valid only for the specified program at the location 504
for which it is issued and does not cover any other program 505
offered at the school or at other schools operated by the owner. 506
Program authorization is valid for the period of time specified by 507
the board, unless earlier suspended or revoked for cause by the 508
board under section 3332.09 of the Revised Code. 509

(C)(1) The state board shall accept and review applications 510
for program authorization for baccalaureate, master's, and 511
doctoral degree programs only from the following: 512

(a) Any school holding a certificate of registration issued 513

by the board that has held such certificate for the ten previous
consecutive years;

(b) Any school holding a certificate of registration issued
by the board that also holds an equivalent certificate issued by
another state and has held the equivalent certificate for the ten
previous consecutive years.

(2) After review the board shall refer any application it
finds valid to the Ohio board of regents for approval. The board
of regents shall review, and approve or disapprove, such degree
programs and if so approved, issue certificates of authorization
to such schools to offer such degree programs pursuant to Chapter
1713. of the Revised Code. The board of regents shall notify the
state board of ~~proprietary school registration~~ career colleges and
schools of each school registered with the state board that
receives a certificate of authorization and the approval to offer
any degree program. Upon receipt of such notification and the fee
established in accordance with section 3332.07 of the Revised
Code, the state board shall review, and may issue program
authorization to offer, such a degree program. Any program
authorization issued by the board under this division is valid
only for the specified program at the location for which it is
issued and does not cover any other program offered at the school
or at other schools operated by the owner. Program authorization
is valid for the period of time specified by the board, unless
earlier suspended or revoked for cause by the board under section
3332.09 of the Revised Code. The state board shall not issue such
program authorization unless the degree program has been approved
by the board of regents.

(D) The board may cause an investigation to be made into the
correctness of the information submitted in any application
received under this section. If the board believes that false,
misleading, or incomplete information has been submitted to it in

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connection with any application, the board shall conduct a hearing 546
on the matter pursuant to Chapter 119. of the Revised Code, and 547
may withhold a certificate of registration or program 548
authorization upon finding that the applicant has failed to meet 549
the standards for such certificate or program authorization or has 550
submitted false, misleading, or incomplete information to the 551
board. Application for a certificate of registration or program 552
authorization shall be made in writing to the board on forms 553
furnished by the board. A certificate of registration or program 554
authorization is not transferable and shall be prominently 555
displayed on the premises of an institution. 556

The board shall assign registration numbers to all schools 557
registered with it. Schools shall display their registration 558
numbers on all school publications and on all advertisements 559
bearing the name of the school. 560

Notwithstanding the requirements of this section for issuance 561
of certificates of registration and program authorization, the 562
board may, in accordance with rules adopted by it, grant 563
certificates of registration and program authorization to schools, 564
colleges, institutes, or universities that have been approved by 565
the state department of education pursuant to the "Act of March 3, 566
1966," 80 Stat. 20, 38 U.S.C.A. 1771. 567

Sec. 3332.051. The state board of ~~proprietary school~~ 568
~~registration~~ career colleges and schools shall direct that a 569
written survey be obtained by schools subject to this chapter, 570
which shall be used to solicit comments from students enrolled at 571
such schools. The board shall establish the guidelines for the 572
survey by rule. The survey shall be designed to determine student 573
satisfaction with the quality of instruction, facilities, school 574
personnel, and business operations, including recruitment and 575
recruitment agents. The board shall adopt rules for the 576

administration of surveys and shall include provisions to ensure 577
student anonymity. Surveys shall be administered prior to the end 578
of each school year. Completed surveys shall be collected by the 579
holder of the certificate of registration or the director or 580
administrator of the school and shall be compiled by the school. 581
Each school shall retain the surveys and the compiled results on 582
file for at least three years and shall make them available to the 583
state board for examination upon request. The holder of a 584
certificate of registration shall be responsible for ensuring that 585
completed surveys are in no way altered. 586

Sec. 3332.06. (A)(1) No program shall be established, 587
offered, or given for a charge, fee, or other contribution; no 588
certificate, diploma, degree, or other written evidence of 589
proficiency or achievement shall be offered whether in a specified 590
place, by correspondence, or any other means of communication, or 591
awarded; and no student enrollment in such program shall be 592
solicited through advertising, agents, mail circulars, or other 593
means, until the person planning to offer or offering such 594
program, certificate, diploma, or degree has obtained a 595
certificate of registration and appropriate program authorization 596
in accordance with section 3332.05 of the Revised Code. No school 597
shall offer a baccalaureate, master's, or doctoral degree program 598
unless it has received a certificate of authorization from the 599
Ohio board of regents and program authorization from the state 600
board of ~~proprietary school registration~~ career colleges and 601
schools. 602

(2) No institution receiving a certificate of registration 603
after July 28, 1989, shall call itself a "university" unless it 604
meets all of the following conditions: 605

(a) It also holds an equivalent certificate issued by another 606
state; 607

(b) It calls itself a "university" in that other state, as 608
permitted under the terms of the other state's certificate; 609

(c) It has been issued degree program authorization under 610
division (C) of section 3332.05 of the Revised Code. 611

(B) The board shall petition the court of common pleas of the 612
county in which a person or agent, as defined in section 3332.01 613
of the Revised Code, offers one or more programs subject to this 614
chapter or advertises for the offering of such programs without a 615
certificate of registration and program authorization, for an 616
order enjoining such offering or advertising. The court may grant 617
such injunctive relief upon a showing that the respondent named in 618
the petition is offering or advertising one or more programs 619
without a certificate of registration and program authorization. 620
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Sec. 3332.07. (A) Each application for issuance and renewal 622
of a certificate of registration, for the issuance and renewal of 623
program authorization, for issuance and renewal of agent's 624
permits, and for any other service specified by the state board of 625
~~proprietary school registration~~ career colleges and schools shall 626
be accompanied by the required fee. Fees submitted under this 627
section are not returnable even if approval or renewal is denied. 628

(B) Fee schedules for the issuance and renewal of 629
certificates of registration, for the issuance and renewal of 630
program authorization, for issuance and renewal of agent's 631
permits, and for any other service specified by the board shall be 632
established by rule adopted by the state board. The fee for a 633
one-year certificate of registration shall be one-half the fee for 634
a two-year certificate. 635

(C) If in any fiscal year the amount received in fees under 636
this section does not equal or exceed fifty per cent of board 637
expenditures for the fiscal year, the board shall increase fees 638

for the ensuing fiscal year by an amount estimated to be 639
sufficient to produce revenues equal to fifty per cent of 640
estimated expenditures for that ensuing fiscal year. 641

Sec. 3332.08. The application for a certificate of 642
registration shall be accompanied by a surety bond in the penal 643
sum of ten thousand dollars with conditions and in a form 644
prescribed by the state board of ~~proprietary school registration~~ 645
career colleges and schools with at least one corporate bonding 646
company that has a AAA or AA rating from either Moody's investors 647
service or Standard & Poor's and that is approved by the 648
department of insurance as surety thereon. Bond shall be 649
maintained in effect for ~~three years by any school that has~~ 650
~~existed under the same ownership for five years immediately before~~ 651
~~the effective date of this amendment, for five years after the~~ 652
~~effective date of this amendment, or its later original~~ 653
~~registration, for any other school; and for five years after the~~ 654
~~approval of a change of ownership of any school~~ a period specified 655
by rule of the board. The board may permit a school to cancel its 656
bond if the school has been approved to participate in any federal 657
student financial assistance program authorized under Title IV of 658
the "Higher Education Act of 1965," 20 U.S.C.A. 1070 et seq., as 659
amended, or if the school meets standards of financial 660
responsibility otherwise established by the board. The bond shall 661
provide for the indemnification of any person suffering loss as 662
the result of any fraud or misrepresentation used in behalf of the 663
principal in procuring such person's enrollment in a program, 664
including repayment of tuition paid in advance by any student. 665

The liability of the surety on such bond for the school 666
covered shall not exceed the sum of ten thousand dollars as an 667
aggregate for all students for all breaches of the conditions of 668
the bond by the school. The term of the bond shall be continuous, 669
but it shall be subject to cancellation by the surety in the 670

manner described in this section. The bond shall provide blanket coverage for the acts of all persons engaged as agents of the school without naming them and without regard to the time they are engaged during the term of the bond.

The surety may terminate the bond upon giving a sixty-day written notice to the principal and to the state board of ~~proprietary school registration~~ career colleges and schools, but the liability of the surety for acts of the principal and its agents continues during the sixty days of cancellation notice. The notice does not absolve the surety from liability which accrues before the cancellation becomes final but which is discovered after that date and which may have arisen at any time during the term of the bond. Unless the bond is replaced by that of another surety before the expiration of the sixty days notice of cancellation, the certificate of registration shall be suspended. Any person subject to this section required to file a bond with an application for a certificate of registration may file, in lieu thereof, cash, a certificate of deposit, letter of credit, or government bonds in the amount of ten thousand dollars. The deposit is subject to the same terms and conditions as are provided for in the surety bond required herein. Any interest or earnings on such deposits are payable to the depositor.

Sec. 3332.081. The student tuition recovery authority is created as a body corporate and politic of this state. The purpose of the authority is to protect students of any school registered by the state board of ~~proprietary school registration~~ career colleges and schools from prepaid tuition loss for the academic term, ~~whether due to business failure or any other reason for which the student is not legally responsible~~ a school closure.

The authority shall consist of five members as follows: the executive director of the state board of ~~proprietary school~~

~~registration~~ career colleges and schools, the executive director 702
of the Ohio ~~council of private~~ association of career colleges and 703
schools, the treasurer of state or ~~his~~ the treasurer of state's 704
designee, the ~~chairman~~ chairperson of the senate committee that 705
primarily deals with education, and the ~~chairman~~ chairperson of 706
the committee of the house of representatives that primarily deals 707
with education. Each member of the authority, before entering upon 708
~~his~~ the member's official duties, shall take an oath as provided 709
by Section 7 of Article XV, Ohio Constitution. The authority shall 710
elect one of its members as ~~chairman~~ chairperson and another as 711
~~vice-chairman~~ vice-chairperson, and shall appoint a 712
secretary-treasurer who need not be a member of the authority. 713

All meetings of the authority shall be public. All final 714
actions of the authority shall be journalized and such journal and 715
the records of the authority shall be open to public inspection at 716
all reasonable times. 717

Sec. 3332.082. The state board of ~~proprietary school~~ 718
~~registration~~ career colleges and schools may pursue any lawful 719
means of assuring that students of any school registered by the 720
state board do not suffer prepaid tuition loss as a result of ~~a~~ 721
~~business failure or other default~~ the closure of a school. This 722
may include lawsuits against a school or any individual who may 723
reasonably have liability as a result of the default, in which the 724
attorney general shall advise and represent the board. Any student 725
seeking reimbursement for a prepaid tuition loss shall submit a 726
claim for reimbursement to the board not later than one year 727
following the school's closure. 728

~~On and after January 1, 1991, any~~ Any reimbursement for a 729
prepaid tuition loss or advance against a possible prepaid tuition 730
loss of a student, and any expenses reasonably incurred by the 731
board in its pursuit of any remedy, shall be paid from the student 732
tuition recovery fund created by section 3332.083 of the Revised 733

Code. ~~This~~ Tuition loss does not include moneys held by a school 734
in escrow accounts for tuition or fees for future terms, as 735
uncommitted grants, loans, or Pell grant money. If the fund is not 736
of sufficient size to pay the students the full amount of their 737
prepaid fee, the ~~students~~ student tuition recovery authority shall 738
determine the percentage of the amount that will be paid. 739

Any money recovered from the defaulting school, any 740
individual with liability for the default, or the surety under a 741
bond provided under section 3332.08 of the Revised Code shall be 742
deposited into the fund. 743

Sec. 3332.083. The student tuition recovery fund is created 744
in the custody of the treasurer of state, but not as a part of the 745
state treasury. All revenues received from payments ~~recieved~~ 746
received under section 3332.085 of the Revised Code from schools 747
registered by the state board of ~~proprietary school registration~~ 748
career colleges and schools and any other sources shall be 749
deposited into the fund. The treasurer of state shall invest any 750
portion of the fund not needed for immediate use in the same 751
manner as in the investment of state funds. All investment 752
earnings of the fund shall be credited to the fund. The treasurer 753
of state shall disburse money from the fund on order of the 754
~~chairman~~ chairperson of the student tuition recovery authority or 755
~~his~~ the chairperson's designee. 756

All moneys and other assets acquired by the authority shall 757
be held in trust to carry out its powers and duties and shall be 758
used and reused to provide for the services described in this 759
chapter. 760

Sec. 3332.085. (A) Not later than the thirty-first day of 761
August in each year, each school registered by the state board of 762
~~proprietary school registration~~ career colleges and schools shall 763
pay into the student tuition recovery fund in the following 764

amounts:	765
(1) Schools initially registered or sold on or after July 28, 1989, for the first five payments \$500;	766 767
(2) Any other school, according to its prior year's tuition receipts:	768 769
Up to \$400,000	\$ 200 770
\$400,001 to \$700,000	400 771
\$700,001 to \$1,000,000	800 772
Over \$1,000,000	1,000 773
Checks shall be made payable to the student tuition recovery fund and sent to the executive director of the state board, who shall promptly forward all such receipts to the treasurer of state. Failure of a school to make a payment is cause for cancellation of its certificate of registration.	774 775 776 777 778
(B) The student tuition recovery authority may impose a special assessment on the schools in an amount up to the amount of an annual contribution if the draw on the money exceeds the money on hand.	779 780 781 782
(C) Once the fund has assets in excess of liabilities of approximately one million dollars, the authority may:	783 784
(1) Reduce or eliminate the annual contributions, except on institutions that are required to contribute to the fund for at least a five-year period. The reduction in contributions to the fund will be at the discretion of the authority but they will be guided by the objective to maintain assets in excess of liabilities of approximately one million dollars.	785 786 787 788 789 790
(2) Utilize moneys in excess of the assets required to be maintained in the fund by division (C)(1) of this section for the purposes of disseminating consumer information about proprietary <u>private career</u> schools and maintaining student records from closed schools.	791 792 793 794 795

Sec. 3332.09. The state board of ~~proprietary school~~ 796
~~registration career colleges and schools~~ may limit, suspend, 797
revoke, or refuse to issue or renew a certificate of registration 798
or program authorization or may impose a penalty pursuant to 799
section 3332.091 of the Revised Code for any one or combination of 800
the following causes: 801

(A) Violation of any provision of sections 3332.01 to 3332.09 802
of the Revised Code, the board's minimum standards, or any rule 803
made by the board; 804

(B) Furnishing of false, misleading, deceptive, altered, or 805
incomplete information or documents to the board; 806

(C) The signing of an application or the holding of a 807
certificate of registration by a person who has pleaded guilty or 808
has been found guilty of a felony or has pleaded guilty or been 809
found guilty of a crime involving moral turpitude; 810

(D) The signing of an application or the holding of a 811
certificate of registration by a person who is addicted to the use 812
of any controlled substance, or who is found to be mentally 813
incompetent; 814

(E) Violation of any commitment made in an application for a 815
certificate of registration or program authorization; 816

(F) Presenting to prospective students, either at the time of 817
solicitation or enrollment, or through advertising, mail 818
circulars, or phone solicitation, misleading, deceptive, false, or 819
fraudulent information relating to any program, employment 820
opportunity, or opportunities for enrollment in accredited 821
institutions of higher education after entering or completing 822
programs offered by the holder of a certificate of registration; 823

(G) Failure to provide or maintain premises or equipment for 824
offering programs in a safe and sanitary condition; 825

(H) Refusal by an agent to display the agent's permit upon demand of a prospective student or other interested person;	826 827
(I) Failure to maintain financial resources adequate for the satisfactory conduct of programs as presented in the plan of operation or to retain a sufficient number and qualified staff of instruction, except that nothing in this chapter requires an instructor to be licensed by the state board of education or to hold any type of post-high school degree;	828 829 830 831 832 833
(J) Offering training or programs other than those presented in the application, except that schools may offer special courses adapted to the needs of individual students when the special courses are in the subject field specified in the application;	834 835 836 837
(K) Discrimination in the acceptance of students upon the basis of race, color, religion, sex, or national origin;	838 839
(L) Accepting the services of an agent not holding a valid permit issued under section 3332.10 or 3332.11 of the Revised Code;	840 841 842
(M) The use of monetary or other valuable consideration by the school's agents or representatives to induce prospective students to enroll in the school, or the practice of awarding monetary or other valuable considerations <u>without board approval</u> to students in exchange for procuring the enrollment of others;	843 844 845 846 847
(N) Failure to provide at the request of the board, any information, records, or files pertaining to the operation of the school or recruitment and enrollment of students.	848 849 850
If the board modifies or adopts additional minimum standards or rules pursuant to section 3332.031 of the Revised Code, all schools and agents shall have sixty days from the effective date of the modifications or additional standards or rules to comply with such modifications or additions.	851 852 853 854 855

Sec. 3332.091. (A)(1) Any person adversely affected by the 856
actions of a certificate holder may file a complaint with the 857
state board of ~~proprietary school registration~~ career colleges and 858
schools alleging that any school registered with the board has 859
violated any provision of section 3332.09 of the Revised Code. The 860
complaint shall be in writing and signed by the complainant and 861
shall be filed with the board within six months after the 862
violations allegedly were committed. Upon receiving a complaint, 863
the board shall initiate a preliminary investigation to determine 864
whether it is probable that violations were committed. If the 865
board determines after preliminary investigation that it is not 866
probable that any violations were committed, it shall notify the 867
person who filed the complaint that it has so determined and that 868
it will not issue a formal complaint in the matter. 869

If the board determines after a preliminary investigation 870
that it is probable that violations were committed, it may issue a 871
formal complaint under division (A)(2) of this section or it may 872
endeavor to eliminate such practices by informal methods of 873
conference, conciliation, and persuasion. Nothing said or done 874
during these endeavors shall be disclosed by any member of the 875
board or its staff or be used as evidence in any subsequent 876
proceedings. If, after such investigation and conference, the 877
board is satisfied that such violations will be eliminated, it may 878
treat the complaint as conciliated, and entry of such disposition 879
shall be made in the records of the board. 880

(2) If as a result of any informal methods utilized under 881
division (A)(1) of this section, the board fails to effect the 882
elimination of violations or fails to obtain voluntary compliance 883
with this chapter, the board shall issue a formal complaint to the 884
holder of a certificate of registration of the school under 885
investigation. The formal complaint shall state the charges 886
against the school and ~~require~~ grant the certificate holder the 887

opportunity to appear before the board at a public hearing 888
pursuant to Chapter 119. of the Revised Code. The board shall hold 889
the public hearing not sooner than thirty days after issuance of 890
the formal complaint. Any formal complaint issued pursuant to this 891
section must be issued within one year after the state board's 892
receipt of a complaint from a person adversely affected by the 893
actions of a certificate holder. 894

If at the time of issuing a formal complaint, the board has 895
reasonable cause to believe that the violations that are the 896
subject of the complaint will continue and constitute an immediate 897
threat to the welfare of current and prospective students, the 898
board, for a period not to exceed the lesser of ninety days or the 899
period of time until a final adjudication order dismissing the 900
complaint or imposing a penalty is issued under this section, may: 901

(a) Issue an order prohibiting the school's agents from 902
personally contacting students; 903

(b) Issue an order prohibiting the school from using any 904
advertising, recruiting, or promotional materials unless such 905
materials have been approved by the board. The board must approve 906
or disapprove any materials submitted to it under such an order 907
within thirty days of their receipt. 908

(c) Issue an order prohibiting the operation of a school. 909

If, after a public hearing, the board determines that the 910
holder of a certificate of registration has violated any provision 911
of section 3332.09 of the Revised Code, the board shall issue a 912
final adjudication order levying a civil penalty pursuant to 913
division (B) of this section or limiting, suspending, or revoking 914
the certificate of registration or program authorization or any 915
combination thereof. The board may impose additional penalties 916
including but not necessarily limited to curtailment of 917
advertising, and discontinuation of enrollment of students in 918
specific programs. Upon suspension or revocation, the board 919

immediately shall also issue an order pursuant to Chapter 119. of 920
the Revised Code requiring such person immediately to cease all 921
sales, advertising, and enrollment activities. 922

(B) Pursuant to division (A) of this section, the board may 923
impose a civil penalty of not less than one thousand nor more than 924
three thousand five hundred dollars for each violation of section 925
3332.09 of the Revised Code, but not to exceed an aggregate 926
penalty of thirty-five thousand dollars in any six-month period. 927

(C) The board shall prepare an annual report that documents 928
the disposition of all complaints, their status, board action, and 929
the elapsed time from the initial filing of the complaint until 930
final resolution. The report shall be made available to anyone 931
upon request. 932

(D) The board may, upon its own initiative and independent of 933
the filing of any complaints, conduct a preliminary investigation 934
relating to any possible violations of section 3332.09 of the 935
Revised Code. 936

At any time while a school is in session, the board or its 937
designee may conduct on-site inspections and reviews of a school 938
and its courses of instruction. The board shall conduct such 939
visits and reviews, including visits without prior notice to the 940
schools, as necessary to ensure compliance with this chapter. 941

All books, records, and files of a school shall be open for 942
inspection by the board, its designees, or staff during on-site 943
inspections, or whenever requested by the board for the purpose of 944
ensuring compliance with the provisions of this chapter. 945

For the purpose of conducting any investigation, inspection, 946
or review, the board may administer oaths, take the testimony of 947
any person under oath, issue subpoenas, compel the attendance of 948
witnesses, or require the production for examination of any books 949
and papers relating to any matter under investigation or in 950

question before the board. 951

(E) During the course of any investigation under division (A) 952
or (D) of this section, the board shall refer all possible 953
violations of Chapter 1345. of the Revised Code to the attorney 954
general. 955

Sec. 3332.092. Any school subject to this chapter receiving 956
money under section 3333.12 of the Revised Code on behalf of a 957
student who is determined by the state board of ~~proprietary school~~ 958
~~registration~~ career colleges and schools to be ineligible under 959
such section because the program in which ~~he~~ the student is 960
enrolled does not lead to an associate or baccalaureate degree, 961
shall be liable to the state for the amount specified in section 962
3333.12 of the Revised Code. The state board of ~~proprietary school~~ 963
~~registration~~ career colleges and schools shall suspend the 964
certificate of registration of a school receiving money under 965
section 3333.12 of the Revised Code for such ineligible student 966
until such time as the money is repaid to the Ohio board of 967
regents. 968

Sec. 3332.10. (A) No individual shall sell any program or 969
solicit students therefor in this state unless ~~he~~ the individual 970
is an employee of the school. Any individual whose primary duty, 971
whether on or off school premises, is to solicit prospective 972
students shall first secure a permit as an agent from the state 973
board of ~~proprietary school registration~~ career colleges and 974
schools. If the agent represents more than one school, a separate 975
permit shall be obtained for each school represented by ~~him~~ the 976
agent. An agent who represents a person that operates more than 977
one school in the same geographical area, as determined by the 978
board, need not obtain a separate permit for each such school. 979
Upon approval for a permit, the board shall issue a pocket card to 980
the individual, giving ~~his~~ the individual's name, address, permit 981

number, and the name and address of his the employing school, and 982
certifying that the individual whose name appears on the card is 983
an authorized agent of the school. 984

(B) The application for a permit shall be made on forms to be 985
furnished by the board and accompanied by the fee established in 986
accordance with section 3332.07 of the Revised Code ~~and a surety~~ 987
~~bond acceptable to the board in the penal sum of one thousand~~ 988
~~dollars.~~ A permit shall be renewed every twelve months and shall 989
be valid for up to thirty days after its expiration date. ~~The~~ 990
~~surety bond may be continuous and shall be conditioned to provide~~ 991
~~indemnification to any student suffering loss as a result of any~~ 992
~~fraud or misrepresentation used in procuring his enrollment, and~~ 993
~~may be supplied by an agent of a school or by the school itself as~~ 994
~~a blanket bond covering all of its agents in the amount of one~~ 995
~~thousand dollars for each agent. The liability of the surety on~~ 996
~~such bond for each agent covered shall not exceed the sum of one~~ 997
~~thousand dollars as an aggregate for all students for all breaches~~ 998
~~of the conditions of the bond by such agents. The surety of any~~ 999
~~such bond may cancel the same upon giving thirty days' notice in~~ 1000
~~writing to the board and is relieved of liability for any breach~~ 1001
~~of condition occurring after the effective date of the~~ 1002
~~cancellation.~~ An application for renewal shall be accompanied by 1003
the fee established in accordance with section 3332.07 of the 1004
Revised Code ~~and a surety bond as provided in this section, if a~~ 1005
~~continuous bond has not been furnished.~~ 1006

(C) Each school subject to this chapter shall assume full 1007
responsibility for the actions, statements, and conduct of its 1008
agents, and shall provide them with adequate training and arrange 1009
for proper supervision of their work. The board shall hold schools 1010
liable for the actions, statements, and conduct of agents that 1011
violate any provision of this chapter, unless an agent's acts or 1012
omissions were manifestly outside the scope of his the agent's 1013

employment or official responsibilities. 1014

Sec. 3332.11. Any agent's permit applied for pursuant to 1015
section 3332.10 of the Revised Code shall be granted or denied 1016
within thirty days of the receipt of the application by the state 1017
board of ~~proprietary school registration~~ career colleges and 1018
schools. If the board has not completed its determination with 1019
respect to the issuance of a permit within such thirty-day period, 1020
it shall issue a temporary permit to the applicant, which permit 1021
is sufficient to meet the requirements of section 3332.10 of the 1022
Revised Code until such time as such determination is made. 1023

No permit shall be issued to any person found by the board 1024
not to be of good moral character. 1025

Sec. 3332.12. Any agent's permit issued may be suspended or 1026
revoked by the state board of ~~proprietary school registration~~ 1027
career colleges and schools if the holder of the permit solicits 1028
or enrolls students through fraud, deception, or 1029
misrepresentation, upon a finding that the permit holder has 1030
violated any provision enumerated in division (A), (B), (F), (H), 1031
(J), (K), or (M) of section 3332.09 of the Revised Code, or upon 1032
finding that the permit holder is not of good moral character. 1033

Upon receipt of any written complaint from any person, the 1034
board shall conduct a preliminary investigation. If after such 1035
investigation or if as a result of any investigation conducted 1036
under division (A) or (D) of section 3332.091 of the Revised Code, 1037
the board determines it is probable violations were committed, the 1038
board shall hold informal conferences in the same manner as 1039
provided in section 3332.091 of the Revised Code with an agent 1040
believed to be in violation of one or more of the above 1041
conditions. If after sixty days these conferences fail to 1042
eliminate the agent's objectionable practices or procedures, the 1043
board shall issue a formal complaint to the agent and the school 1044

that employs the agent. The formal complaint shall state the charges against the agent and the holder of the ~~certificate~~ certificate of registration of the school and shall require them to appear before the board at a public hearing pursuant to Chapter 119. of the Revised Code. If, after the public hearing, the board determines that an agent has violated one or more of the provisions described above, the board shall suspend or revoke the agent's permit.

If after such hearing the board also determines that the school at which the agent was employed was negligent in its supervision of the agent or encouraged or caused the commission of the violations, the board shall levy penalties against such school in accordance with division (A) of section 3332.091 of the Revised Code. Nothing said or done in the informal conferences shall be disclosed by the board or any member of its staff nor be used as evidence in any subsequent proceedings.

Sec. 3332.13. The fact that a bond is in force pursuant to section ~~3332.10~~ 3332.08 of the Revised Code does not limit nor impair any right of recovery otherwise available pursuant to law, nor is the amount of such bond relevant in determining the amount of damages or other relief to which any plaintiff may be entitled.

Sec. 3332.18. On receipt of a notice pursuant to section 3123.43 of the Revised Code, the state board of ~~proprietary school registration~~ career colleges and schools shall comply with sections 3123.41 to 3123.50 of the Revised Code and any applicable rules adopted under section 3123.63 of the Revised Code with respect to a permit issued pursuant to this chapter.

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, 1074
municipal educational institutions established under Chapter 3349. 1075
of the Revised Code, community colleges established under Chapter 1076
3354. of the Revised Code, university branches established under 1077
Chapter 3355. of the Revised Code, technical colleges established 1078
under Chapter 3357. of the Revised Code, state community colleges 1079
established under Chapter 3358. of the Revised Code, any 1080
institution of higher education with a certificate of registration 1081
from the state board of ~~proprietary school registration~~ career 1082
colleges and schools, and any institution for which the Ohio board 1083
of regents receives a notice pursuant to division (C) of this 1084
section. 1085

(2) "Community service" has the same meaning as in section 1086
3313.605 of the Revised Code. 1087

(B)(1) The board of trustees or other governing entity of 1088
each institution of higher education shall encourage and promote 1089
participation of students in community service through a program 1090
appropriate to the mission, student population, and environment of 1091
each institution. The program may include, but not be limited to, 1092
providing information about community service opportunities during 1093
student orientation or in student publications; providing awards 1094
for exemplary community service; encouraging faculty members to 1095
incorporate community service into students' academic experiences 1096
wherever appropriate to the curriculum; encouraging recognized 1097
student organizations to undertake community service projects as 1098
part of their purposes; and establishing advisory committees of 1099
students, faculty members, and community and business leaders to 1100
develop cooperative programs that benefit the community and 1101
enhance student experience. The program shall be flexible in 1102
design so as to permit participation by the greatest possible 1103
number of students, including part-time students and students for 1104
whom participation may be difficult due to financial, academic, 1105

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
programs shall encourage students to perform services that will
not supplant the hiring of, result in the displacement of, or
impair any existing employment contracts of any particular
employee of any private or governmental entity for which services
are performed.

(2) The Ohio board of regents shall encourage all
institutions of higher education in the development of community
service programs. With the assistance of the Ohio community
service council created in section 121.40 of the Revised Code, the
board of regents shall make available information about higher
education community service programs to institutions of higher
education and to statewide organizations involved with or
promoting volunteerism, including information about model
community service programs, teacher training courses, and
community service curricula and teaching materials for possible
use by institutions of higher education in their programs. The
board shall encourage institutions of higher education to jointly
coordinate higher education community service programs through
consortia of institutions or other appropriate means of
coordination.

(C) The board of trustees of any nonprofit institution with a
certificate of authorization issued by the Ohio board of regents
pursuant to Chapter 1713. of the Revised Code or the governing
authority of a private institution exempt from regulation under
Chapter 3332. of the Revised Code as prescribed in section
3333.046 of the Revised Code may notify the board of regents that
it is making itself subject to divisions (A) and (B) of this
section. Upon receipt of such a notice, these divisions shall
apply to that institution.

Sec. 3333.12. (A) As used in this section:	1138
(1) "Eligible student" means an undergraduate student who is:	1139
(a) An Ohio resident;	1140
(b) Enrolled in either of the following:	1141
(i) An accredited institution of higher education in this	1142
state that meets the requirements of Title VI of the Civil Rights	1143
Act of 1964 and is state-assisted, is nonprofit and has a	1144
certificate of authorization from the Ohio board of regents	1145
pursuant to Chapter 1713. of the Revised Code, has a certificate	1146
of registration from the state board of proprietary school	1147
registration <u>career colleges and schools</u> and program authorization	1148
to award an associate or bachelor's degree, or is a private	1149
institution exempt from regulation under Chapter 3332. of the	1150
Revised Code as prescribed in section 3333.046 of the Revised	1151
Code. Students who attend an institution that holds a certificate	1152
of registration shall be enrolled in a program leading to an	1153
associate or bachelor's degree for which associate or bachelor's	1154
degree program the institution has program authorization issued	1155
under section 3332.05 of the Revised Code.	1156
(ii) A technical education program of at least two years	1157
duration sponsored by a private institution of higher education in	1158
this state that meets the requirements of Title VI of the Civil	1159
Rights Act of 1964.	1160
(c) Enrolled as a full-time student or enrolled as a less	1161
than full-time student for the term expected to be the student's	1162
final term of enrollment and is enrolled for the number of credit	1163
hours necessary to complete the requirements of the program in	1164
which the student is enrolled.	1165
(2) "Gross income" includes all taxable and nontaxable income	1166
of the parents, the student, and the student's spouse, except	1167

income derived from an Ohio academic scholarship, income earned by 1168
the student between the last day of the spring term and the first 1169
day of the fall term, and other income exclusions designated by 1170
the board. Gross income may be verified to the board by the 1171
institution in which the student is enrolled using the federal 1172
financial aid eligibility verification process or by other means 1173
satisfactory to the board. 1174

(3) "Resident," "full-time student," "dependent," 1175
"financially independent," and "accredited" shall be defined by 1176
rules adopted by the board. 1177

(B) The Ohio board of regents shall establish and administer 1178
an instructional grant program and may adopt rules to carry out 1179
this section. The general assembly shall support the instructional 1180
grant program by such sums and in such manner as it may provide, 1181
but the board may also receive funds from other sources to support 1182
the program. If the amounts available for support of the program 1183
are inadequate to provide grants to all eligible students, 1184
preference in the payment of grants shall be given in terms of 1185
income, beginning with the lowest income category of gross income 1186
and proceeding upward by category to the highest gross income 1187
category. 1188

An instructional grant shall be paid to an eligible student 1189
through the institution in which the student is enrolled, except 1190
that no instructional grant shall be paid to any person serving a 1191
term of imprisonment. Applications for such grants shall be made 1192
as prescribed by the board, and such applications may be made in 1193
conjunction with and upon the basis of information provided in 1194
conjunction with student assistance programs funded by agencies of 1195
the United States government or from financial resources of the 1196
institution of higher education. The institution shall certify 1197
that the student applicant meets the requirements set forth in 1198
divisions (A)(1)(b) and (c) of this section. Instructional grants 1199

\$5,801 - \$6,300	3,828	4,362	4,920	5,466	5,466	5,466	1263
\$6,301 - \$6,800	3,288	3,828	4,362	4,920	5,466	5,466	1264
\$6,801 - \$7,300	2,736	3,288	3,828	4,362	4,920	5,466	1265
\$7,301 - \$8,300	2,178	2,736	3,288	3,828	4,362	4,920	1266
\$8,301 - \$9,300	1,626	2,178	2,736	3,288	3,828	4,362	1267
\$9,301 - \$10,300	1,344	1,626	2,178	2,736	3,288	3,828	1268
\$10,301 - \$11,800	1,080	1,344	1,626	2,178	2,736	3,288	1269
\$11,801 - \$13,300	984	1,080	1,344	1,626	2,178	2,736	1270
\$13,301 - \$14,800	888	984	1,080	1,344	1,626	2,178	1271
\$14,801 - \$16,300	444	888	984	1,080	1,344	1,626	1272
\$16,301 - \$19,300	--	444	888	984	1,080	1,344	1273
\$19,301 - \$22,300	--	--	444	888	984	1,080	1274
\$22,301 - \$25,300	--	--	--	444	888	984	1275
\$25,301 - \$30,300	--	--	--	--	444	888	1276
\$30,301 - \$35,300	--	--	--	--	--	444	1277

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~~ career colleges and schools or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

<u>Proprietary Career</u> Institution							1287
Table of Grants							1288
Maximum Grant \$4,632							1289
Gross Income	Number of Dependents						1290
	1	2	3	4	5 or more		1291
\$0 - \$15,000	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632		1292
\$15,001 - \$16,000	4,182	4,632	4,632	4,632	4,632		1293
\$16,001 - \$17,000	3,684	4,182	4,632	4,632	4,632		1294

\$17,001 - \$18,000	3,222	3,684	4,182	4,632	4,632	1295
\$18,001 - \$19,000	2,790	3,222	3,684	4,182	4,632	1296
\$19,001 - \$22,000	2,292	2,790	3,222	3,684	4,182	1297
\$22,001 - \$25,000	1,854	2,292	2,790	3,222	3,684	1298
\$25,001 - \$28,000	1,416	1,854	2,292	2,790	3,222	1299
\$28,001 - \$31,000	1,134	1,416	1,854	2,292	2,790	1300
\$31,001 - \$32,000	906	1,134	1,416	1,854	2,292	1301
\$32,001 - \$33,000	852	906	1,134	1,416	1,854	1302
\$33,001 - \$34,000	750	852	906	1,134	1,416	1303
\$34,001 - \$35,000	372	750	852	906	1,134	1304
\$35,001 - \$36,000	--	372	750	852	906	1305
\$36,001 - \$37,000	--	--	372	750	852	1306
\$37,001 - \$38,000	--	--	--	372	750	1307
\$38,001 - \$39,000	--	--	--	--	372	1308

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~~
~~registration~~ career colleges and schools or a private institution
 exempt from regulation under Chapter 3332. of the Revised Code as
 prescribed in section 3333.046 of the Revised Code, the amount of
 the instructional grant for two semesters, three quarters, or a
 comparable portion of the academic year shall be determined in
 accordance with the following table:

<u>Proprietary Career Institution</u>							1318
Table of Grants							1319
Gross Income	Maximum Grant \$4,632						1320
	Number of Dependents						1321
	0	1	2	3	4	5 or more	1322
\$0 - \$4,800	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	1323
\$4,801 - \$5,300	4,182	4,632	4,632	4,632	4,632	4,632	1324
\$5,301 - \$5,800	3,684	4,182	4,632	4,632	4,632	4,632	1325
\$5,801 - \$6,300	3,222	3,684	4,182	4,632	4,632	4,632	1326

\$6,301 - \$6,800	2,790	3,222	3,684	4,182	4,632	4,632	1327
\$6,801 - \$7,300	2,292	2,790	3,222	3,684	4,182	4,632	1328
\$7,301 - \$8,300	1,854	2,292	2,790	3,222	3,684	4,182	1329
\$8,301 - \$9,300	1,416	1,854	2,292	2,790	3,222	3,684	1330
\$9,301 - \$10,300	1,134	1,416	1,854	2,292	2,790	3,222	1331
\$10,301 - \$11,800	906	1,134	1,416	1,854	2,292	2,790	1332
\$11,801 - \$13,300	852	906	1,134	1,416	1,854	2,292	1333
\$13,301 - \$14,800	750	852	906	1,134	1,416	1,854	1334
\$14,801 - \$16,300	372	750	852	906	1,134	1,416	1335
\$16,301 - \$19,300	--	372	750	852	906	1,134	1336
\$19,301 - \$22,300	--	--	372	750	852	906	1337
\$22,301 - \$25,300	--	--	--	372	750	852	1338
\$25,301 - \$30,300	--	--	--	--	372	750	1339
\$30,301 - \$35,300	--	--	--	--	--	372	1340

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution							1346
Table of Grants							1347
Gross Income	Maximum Grant \$2,190					5 or more	1349
	Number of Dependents						
	1	2	3	4		1350	
\$0 - \$15,000	\$2,190	\$2,190	\$2,190	\$2,190	\$2,190	1351	
\$15,001 - \$16,000	1,974	2,190	2,190	2,190	2,190	1352	
\$16,001 - \$17,000	1,740	1,974	2,190	2,190	2,190	1353	
\$17,001 - \$18,000	1,542	1,740	1,974	2,190	2,190	1354	
\$18,001 - \$19,000	1,320	1,542	1,740	1,974	2,190	1355	
\$19,001 - \$22,000	1,080	1,320	1,542	1,740	1,974	1356	
\$22,001 - \$25,000	864	1,080	1,320	1,542	1,740	1357	
\$25,001 - \$28,000	648	864	1,080	1,320	1,542	1358	

\$28,001 - \$31,000	522	648	864	1,080	1,320	1359
\$31,001 - \$32,000	420	522	648	864	1,080	1360
\$32,001 - \$33,000	384	420	522	648	864	1361
\$33,001 - \$34,000	354	384	420	522	648	1362
\$34,001 - \$35,000	174	354	384	420	522	1363
\$35,001 - \$36,000	--	174	354	384	420	1364
\$36,001 - \$37,000	--	--	174	354	384	1365
\$37,001 - \$38,000	--	--	--	174	354	1366
\$38,001 - \$39,000	--	--	--	--	174	1367

For a full-time student who is financially independent and
enrolled in a state-assisted educational institution, the amount
of the instructional grant for two semesters, three quarters, or a
comparable portion of the academic year shall be determined in
accordance with the following table:

Public Institution

Table of Grants

Maximum Grant \$2,190

Gross Income

Number of Dependents

	0	1	2	3	4	5 or more	
\$0 - \$4,800	\$2,190	\$2,190	\$2,190	\$2,190	\$2,190	\$2,190	1377
\$4,801 - \$5,300	1,974	2,190	2,190	2,190	2,190	2,190	1378
\$5,301 - \$5,800	1,740	1,974	2,190	2,190	2,190	2,190	1379
\$5,801 - \$6,300	1,542	1,740	1,974	2,190	2,190	2,190	1380
\$6,301 - \$6,800	1,320	1,542	1,740	1,974	2,190	2,190	1381
\$6,801 - \$7,300	1,080	1,320	1,542	1,740	1,974	2,190	1382
\$7,301 - \$8,300	864	1,080	1,320	1,542	1,740	1,974	1383
\$8,301 - \$9,300	648	864	1,080	1,320	1,542	1,740	1384
\$9,301 - \$10,300	522	648	864	1,080	1,320	1,542	1385
\$10,301 - \$11,800	420	522	648	864	1,080	1,320	1386
\$11,801 - \$13,300	384	420	522	648	864	1,080	1387
\$13,301 - \$14,800	354	384	420	522	648	864	1388
\$14,801 - \$16,300	174	354	384	420	522	648	1389

\$16,301 - \$19,300	--	174	354	384	420	522	1391
\$19,301 - \$22,300	--	--	174	354	384	420	1392
\$22,301 - \$25,300	--	--	--	174	354	384	1393
\$25,301 - \$30,300	--	--	--	--	174	354	1394
\$30,301 - \$35,300	--	--	--	--	--	174	1395

(D) For a full-time student enrolled in an eligible institution for a semester or quarter in addition to the portion of the academic year covered by a grant determined under division (C) of this section, the maximum grant amount shall be a percentage of the maximum prescribed in the applicable table of that division. The maximum grant for a fourth quarter shall be one-third of the maximum amount prescribed under that division. The maximum grant for a third semester shall be one-half of the maximum amount prescribed under that division.

(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, 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 to the 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 1423
specified in division (F)(1) of this section or the secretary 1424
determines due to mitigating circumstances the institution may 1425
continue to participate in federal financial aid programs. The 1426
board shall adopt rules requiring institutions to provide 1427
information regarding an appeal to the board. 1428

(b) Any student who has previously received a grant under 1429
this section who meets all other requirements of this section. 1430

(3) The board shall adopt rules for the notification of all 1431
institutions whose students will be ineligible to participate in 1432
the grant program pursuant to division (F)(1) of this section. 1433

(4) A student's attendance at an institution whose students 1434
lose eligibility for grants under division (F)(1) of this section 1435
shall not affect that student's eligibility to receive a grant 1436
when enrolled in another institution. 1437

(G) Institutions of higher education that enroll students 1438
receiving instructional grants under this section shall report to 1439
the board all students who have received instructional grants but 1440
are no longer eligible for all or part of such grants and shall 1441
refund any moneys due the state within thirty days after the 1442
beginning of the quarter or term immediately following the quarter 1443
or term in which the student was no longer eligible to receive all 1444
or part of the student's grant. There shall be an interest charge 1445
of one per cent per month on all moneys due and payable after such 1446
thirty-day period. The board shall immediately notify the office 1447
of budget and management and the legislative service commission of 1448
all refunds so received. 1449

Sec. 3333.29. (A) As used in this section: 1450

(1) "Resident" has the meaning established for purposes of 1451
this section by rule of the Ohio board of regents. 1452

(2) "Eligible institution" means either:	1453
(a) A private career school registered in accordance with section 3332.05 of the Revised Code;	1454 1455
(b) A private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code.	1456 1457 1458
(B) Beginning July 1, 2000, the <u>The</u> Ohio board of regents shall establish and administer the student workforce development grant program and shall adopt rules for the administration of the program. Such rules shall be similar to the rules the Ohio board of regents adopts under section 3333.27 of the Revised Code.	1459 1460 1461 1462 1463
(C) The Ohio board of regents may make a grant to any resident of this state who is enrolled as a full-time student in an authorized baccalaureate degree or associate degree program at an eligible institution and who maintains an academic record that meets or exceeds a standard 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 an <u>eligible institution before July 1, 2000</u> <u>career colleges and schools</u> . 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.	1464 1465 1466 1467 1468 1469 1470 1471 1472 1473 1474 1475 1476
(D) The Ohio board of regents shall prescribe the form and manner of application for grants and shall provide a method for 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 <u>career colleges and schools</u> .	1477 1478 1479 1480 1481 1482 1483

(E) A grant awarded to an eligible student shall be paid to the eligible institution in which the student is enrolled, and the 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 eligible institution and the amount of total assistance the student receives under other provisions of state law.

(G) The general assembly shall support the workforce development grant program with such appropriations as the general assembly sees fit. The Ohio board of regents may also receive funds from other sources to support the program.

(H) Eligible institutions that enroll students receiving grants under this section shall report to the Ohio board of regents the name of each student who has received such a grant but who is no longer eligible for such a grant. In the event that an eligible student who has been awarded a grant under this section withdraws from enrollment at an institution during any term, the institution shall refund a prorated amount of the student's grant for that term to the Ohio board of regents in accordance with the school's refund policy.

(I) ~~Beginning July 1, 2000, the~~ The state board of

~~proprietary school registration~~ career colleges and schools shall 1516
report to the Ohio board of regents each degree granting 1517
~~proprietary private career~~ school's job placement rate for the 1518
immediately preceding academic year. No grant awarded to an 1519
eligible student under this section shall be paid to a registered 1520
private career school if the school's job placement rate for 1521
baccalaureate degree and associate degree programs for the 1522
preceding academic year was less than seventy-five per cent. 1523

Sec. 3334.01. As used in this chapter: 1524

(A) "Aggregate original principal amount" means the aggregate 1525
of the initial offering prices to the public of college savings 1526
bonds, exclusive of accrued interest, if any. "Aggregate original 1527
principal amount" does not mean the aggregate accreted amount 1528
payable at maturity or redemption of such bonds. 1529

(B) "Beneficiary" means: 1530

(1) An individual designated by the purchaser under a tuition 1531
payment contract or through a scholarship program as the 1532
individual on whose behalf tuition credits purchased under the 1533
contract or awarded through the scholarship program will be 1534
applied toward the payment of undergraduate, graduate, or 1535
professional tuition; or 1536

(2) An individual designated by the contributor under a 1537
variable college savings program contract as the individual whose 1538
tuition and other higher education expenses will be paid from a 1539
variable college savings program account. 1540

(C) "Capital appreciation bond" means a bond for which the 1541
following is true: 1542

(1) The principal amount is less than the amount payable at 1543
maturity or early redemption; and 1544

(2) No interest is payable on a current basis. 1545

(D) "Tuition credit" means a credit of the Ohio tuition trust authority purchased under section 3334.09 of the Revised Code.

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(E) "College savings bonds" means revenue and other obligations issued on behalf of the state or any agency or issuing authority thereof as a zero-coupon or capital appreciation bond, and designated as college savings bonds as provided in this chapter. "College savings bond issue" means any issue of bonds of which any part has been designated as college savings bonds.

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(F) "Institution of higher education" means a state institution of higher education, a private college, university, or other postsecondary institution located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or a certificate of registration issued by the state board of ~~proprietary school registration~~ career colleges and schools under Chapter 3332. of the Revised Code, or an accredited college, university, or other postsecondary institution located outside this state that is accredited by an accrediting organization or professional association recognized by the authority. To be considered an institution of higher education, an institution shall meet the definition of an eligible educational institution under section 529 of the Internal Revenue Code.

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(G) "Issuing authority" means any authority, commission, body, agency, or individual empowered by the Ohio Constitution or the Revised Code to issue bonds or any other debt obligation of the state or any agency or department thereof. "Issuer" means the issuing authority or, if so designated under division (B) of section 3334.04 of the Revised Code, the treasurer of state.

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(H) "Tuition" means the charges imposed to attend an institution of higher education as an undergraduate, graduate, or professional student and all fees required as a condition of

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enrollment, as determined by the Ohio tuition trust authority. 1578
"Tuition" does not include laboratory fees, room and board, or 1579
other similar fees and charges. 1580

(I) "Weighted average tuition" means the tuition cost 1581
resulting from the following calculation: 1582

(1) Add the products of the annual undergraduate tuition 1583
charged to Ohio residents at each four-year state university 1584
multiplied by that institution's total number of undergraduate 1585
fiscal year equated students; and 1586

(2) Divide the gross total of the products from division 1587
(I)(1) of this section by the total number of undergraduate fiscal 1588
year equated students attending four-year state universities. 1589

(J) "Zero-coupon bond" means a bond which has a stated 1590
interest rate of zero per cent and on which no interest is payable 1591
until the maturity or early redemption of the bond, and is offered 1592
at a substantial discount from its original stated principal 1593
amount. 1594

(K) "State institution of higher education" includes the 1595
state universities listed in section 3345.011 of the Revised Code, 1596
community colleges created pursuant to Chapter 3354. of the 1597
Revised Code, university branches created pursuant to Chapter 1598
3355. of the Revised Code, technical colleges created pursuant to 1599
Chapter 3357. of the Revised Code, state community colleges 1600
created pursuant to Chapter 3358. of the Revised Code, the medical 1601
college of Ohio at Toledo, and the northeastern Ohio universities 1602
college of medicine. 1603

(L) "Four-year state university" means those state 1604
universities listed in section 3345.011 of the Revised Code. 1605

(M) "Principal amount" refers to the initial offering price 1606
to the public of an obligation, exclusive of the accrued interest, 1607
if any. "Principal amount" does not refer to the aggregate 1608

accrued amount payable at maturity or redemption of an 1609
obligation. 1610

(N) "Scholarship program" means a program registered with the 1611
Ohio tuition trust authority pursuant to section 3334.17 of the 1612
Revised Code. 1613

(O) "Internal Revenue Code" means the "Internal Revenue Code 1614
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1 et seq., as amended. 1615

(P) "Other higher education expenses" means room and board 1616
and books, supplies, equipment, and nontuition-related fees 1617
associated with the cost of attendance of a beneficiary at an 1618
institution of higher education, but only to the extent that such 1619
expenses meet the definition of "qualified higher education 1620
expenses" under section 529 of the Internal Revenue Code. "Other 1621
higher education expenses" does not include tuition as defined in 1622
division (H) of this section. 1623

(Q) "Purchaser" means the person signing the tuition payment 1624
contract, who controls the account and acquires tuition credits 1625
for an account under the terms and conditions of the contract. 1626

(R) "Contributor" means a person who signs a variable college 1627
savings program contract with the Ohio tuition trust authority and 1628
contributes to and owns the account created under the contract. 1629
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Sec. 3365.01. As used in sections 3365.01 to 3365.10 of the 1631
Revised Code: 1632

(A) "College" means any state-assisted college or university 1633
described in section 3333.041 of the Revised Code, any nonprofit 1634
institution holding a certificate of authorization pursuant to 1635
Chapter 1713. of the Revised Code, any private institution exempt 1636
from regulation under Chapter 3332. of the Revised Code as 1637
prescribed in section 3333.046 of the Revised Code, and any 1638

institution holding a certificate of registration from the state 1639
board of ~~proprietary school registration~~ career colleges and 1640
schools and program authorization for an associate or bachelor's 1641
degree program issued under section 3332.05 of the Revised Code. 1642

(B) "School district," except as specified in division (G) of 1643
this section, means any school district to which a student is 1644
admitted under section 3313.64, 3313.65, 3313.98, or 3317.08 of 1645
the Revised Code and does not include a joint vocational or 1646
cooperative education school district. 1647

(C) "Parent" has the same meaning as in section 3313.64 of 1648
the Revised Code. 1649

(D) "Participant" means a student enrolled in a college under 1650
the post-secondary enrollment options program established by this 1651
chapter. 1652

(E) "Secondary grade" means the ninth through twelfth grades. 1653
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(F) "School foundation payments" means the amount required to 1655
be paid to a school district for a fiscal year under Chapter 3317. 1656
of the Revised Code. 1657

(G) "Tuition base" means, with respect to a participant's 1658
school district, the formula amount defined in division (B) of 1659
section 3317.02 of the Revised Code multiplied by the district's 1660
cost-of-doing-business factor defined in division (N) of section 1661
3317.02 of the Revised Code. The participant's "school district" 1662
in the case of a participant enrolled in a community school shall 1663
be the school district in which the student is entitled to attend 1664
school under section 3313.64 or 3313.65 of the Revised Code. 1665

(H) "Educational program" means enrollment in one or more 1666
school districts, in a nonpublic school, or in a college under 1667
division (B) of section 3365.04 of the Revised Code. 1668

(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.

(J) "School year" means the year beginning on the first day of July and ending on the thirtieth day of June.

(K) "Community school" means any school established pursuant to Chapter 3314. of the Revised Code that includes secondary grades.

(L) "Community school payments" means payments made by the department of education to a community school pursuant to division (D) of section 3314.08 of the Revised Code.

Sec. 3365.15. This section does not apply to students enrolled in twelfth grade after July 1, 2001.

No later than July 1, 1999, the board of regents shall adopt rules under which it shall award at least a five-hundred dollar scholarship to each student who both:

(A) After July 1, 1998, and while the student attends twelfth grade, attains on all five tests at least the scores designated under former division (A)(3) of section 3301.0710 of the Revised Code;

(B) Submits to the board of regents, in the form and manner and by any deadline prescribed by the rules, evidence of having enrolled in a state-assisted college or university, a nonprofit institution holding a certificate of authorization pursuant to Chapter 1713. of the Revised Code, or an institution registered by the state board of ~~proprietary school registration~~ career colleges and schools that has program authorization to award an associate or bachelor's degree.

The board of regents shall pay each scholarship awarded under

this section to the student. It may be used to defray any 1699
educational expenses. 1700

Sec. 4742.05. (A) A ~~proprietary~~ career school that holds a 1701
valid certificate of registration from the state board of 1702
~~proprietary school registration~~ career colleges and schools may 1703
apply to the state board of education for certification of a basic 1704
course of emergency service telecommunicator training or of 1705
continuing education coursework in emergency service 1706
telecommunicator training. The state board of education shall 1707
prescribe the form of the application. 1708

(B) Upon receipt of an application, the state board of 1709
education shall review it and consider whether the proposed course 1710
or coursework meets the requirements of division (A) or (B) of 1711
section 4742.03 of the Revised Code concerning course length and 1712
content. If the proposed course or coursework meets those 1713
requirements, the state board of education shall issue a 1714
certification of that fact to the ~~proprietary~~ career school. 1715
Inclusion of on-site verifiable electronic training as part of a 1716
proposed basic or continuing education course shall not be a 1717
reason for the state board to deny certification. 1718

(C) If, after receiving a certification from the state board 1719
of education under this section, the ~~proprietary~~ career school 1720
changes the approved course or coursework, the prior certification 1721
is canceled and the ~~proprietary~~ career school shall apply to the 1722
state board of education for certification of the changed course 1723
or coursework. 1724

Sec. 4742.06. (A) A person may obtain certification as an 1725
emergency service telecommunicator by successfully completing a 1726
basic course of emergency service telecommunicator training that 1727
is conducted by a ~~proprietary~~ career school that has obtained 1728

certification of that course from the state board of education 1729
under section 4742.05 of the Revised Code. If a person 1730
successfully completes the course, the proprietary career school 1731
shall certify the person's successful completion. 1732

(B) A person may maintain certification as an emergency 1733
service telecommunicator by successfully completing continuing 1734
education coursework in emergency service telecommunicator 1735
training that is conducted by a proprietary career school that has 1736
obtained certification of that coursework from the state board of 1737
education under section 4742.05 of the Revised Code. If a person 1738
successfully completes the coursework, the proprietary career 1739
school shall certify the person's successful completion. 1740

(C) Upon certification of a person's successful completion 1741
under division (A) or (B) of this section, the proprietary career 1742
school shall send a copy of the certification to the person and to 1743
the emergency service provider that employs the person. 1744

(D) Tuition and materials costs for a person enrolled in a 1745
certified basic or continuing education course conducted by a 1746
proprietary career school shall be paid by the person, an 1747
emergency service provider, or any other entity on behalf of the 1748
person or an emergency service provider. 1749

Sec. 4743.03. No board, commission, or agency created under 1750
or by virtue of Title 47 of the Revised Code shall restrict entry 1751
into any occupation, profession, or trade under its supervision or 1752
regulation by: 1753

(A) Unreasonably restricting the number of schools or other 1754
institutions it certifies or accredits for the purpose of 1755
fulfilling educational or training requirements for such 1756
occupation, profession, or trade; 1757

(B) Denying certification or accreditation for the purpose of 1758
fulfilling such educational or training requirements to any 1759

school, college, or other educational institution that has been 1760
certified by the Ohio board of regents or the state board of 1761
~~proprietary school registration~~ career colleges and schools or to 1762
a high school for which the state board of education prescribes 1763
minimum standards under division (D) of section 3301.07 of the 1764
Revised Code, unless the educational or training program offered 1765
by such school, college, or institution is not in substantial 1766
compliance with applicable standards of the occupation, 1767
profession, or trade. 1768

(C) Rules of state regulatory boards relevant to age and 1769
level of education required for admission to courses of study 1770
leading to examination and licensing in professions or occupations 1771
controlled by regulatory boards not requiring a technical, 1772
associate, or baccalaureate degree shall not apply to vocational 1773
education programs conducted in the public schools where such 1774
vocational education programs in all other respects meet the 1775
minimum standards and requirements of any regulatory board and 1776
students completing such programs are of the minimum age required 1777
for examination and licensing for the purpose of practicing 1778
professions or occupations controlled by regulatory boards. 1779

Nothing in this section shall prohibit a board, commission, 1780
or agency from prescribing and enforcing educational and training 1781
requirements and standards for certification and accreditation of 1782
schools and other institutions that constitute reasonable bases 1783
for maintaining necessary standards of performance in any 1784
occupation, profession, or trade. 1785

Sec. 4762.02. (A) Except as provided in division (B) of this 1786
section, no person shall engage in the practice of acupuncture 1787
unless the person holds a valid certificate of registration as an 1788
acupuncturist issued by the state medical board under this 1789
chapter. 1790

(B) Division (A) of this section does not apply to a 1791
physician or to a person who performs acupuncture as part of a 1792
training program in acupuncture operated by an educational 1793
institution that holds an effective certificate of authorization 1794
issued by the Ohio board of regents under section 1713.02 of the 1795
Revised Code or a school that holds an effective certificate of 1796
registration issued by the state board of ~~proprietary school~~ 1797
~~registration~~ career colleges and schools under section 3332.05 of 1798
the Revised Code. 1799

Sec. 4763.05. (A)(1) A person shall make application for an 1800
initial state-certified general real estate appraiser certificate, 1801
an initial state-certified residential real estate appraiser 1802
certificate, an initial state-licensed residential real estate 1803
appraiser license, or an initial state-registered real estate 1804
appraiser assistant registration in writing to the superintendent 1805
of real estate on a form the superintendent prescribes. The 1806
application shall include the address of the applicant's principal 1807
place of business and all other addresses at which the applicant 1808
currently engages in the business of preparing real estate 1809
appraisals and the address of the applicant's current residence. 1810
The superintendent shall retain the applicant's current residence 1811
address in a separate record which shall not constitute a public 1812
record for purposes of section 149.03 of the Revised Code. The 1813
application shall indicate whether the applicant seeks 1814
certification as a general real estate appraiser or as a 1815
residential real estate appraiser, licensure as a residential real 1816
estate appraiser, or registration as a real estate appraiser 1817
assistant and be accompanied by the prescribed examination and 1818
certification, registration, or licensure fees set forth in 1819
section 4763.09 of the Revised Code. The application also shall 1820
include a pledge, signed by the applicant, that the applicant will 1821
comply with the standards set forth in this chapter and a 1822

statement that the applicant understands the types of misconduct 1823
for which disciplinary proceedings may be initiated against the 1824
applicant pursuant to this chapter. 1825

(2) For purposes of providing funding for the real estate 1826
appraiser recovery fund established by section 4763.16 of the 1827
Revised Code, the real estate appraiser board shall levy an 1828
assessment against each person issued an initial certificate, 1829
registration, or license and against current licensees, 1830
registrants, and certificate holders, as required by board rule. 1831
The assessment is in addition to the application and examination 1832
fees for initial applicants required by division (A)(1) of this 1833
section and the renewal fees required for current certificate 1834
holders, registrants, and licensees. The superintendent shall 1835
deposit the assessment into the state treasury to the credit of 1836
the real estate appraiser recovery fund. The assessment for 1837
initial certificate holders, registrants, and licensees shall be 1838
paid prior to the issuance of a certificate, registration, or 1839
license, and for current certificate holders, registrants, and 1840
licensees, at the time of renewal. 1841

(B) An applicant for an initial general real estate appraiser 1842
certificate shall possess at least thirty months of experience in 1843
real estate appraisal, or any equivalent experience the board 1844
prescribes. An applicant for a residential real estate appraiser 1845
certificate or residential real estate appraiser license shall 1846
possess at least two years of experience in real estate appraisal, 1847
or any equivalent experience the board prescribes. In addition to 1848
any other information required by the board, the applicant shall 1849
furnish, under oath, a detailed listing of the appraisal reports 1850
or file memoranda for each year for which experience is claimed 1851
and, upon request of the superintendent or the board, shall make 1852
available for examination a sample of the appraisal reports 1853
prepared by the applicant in the course of the applicant's 1854

practice.

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(C)(1) Except as provided in division (C)(2) of this section,
an applicant for an initial certificate, registration, or license
shall be at least eighteen years of age, honest, truthful, and of
good reputation and shall present satisfactory evidence to the
superintendent of the following, as appropriate:

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(a) If the applicant is seeking a state-certified general
real estate appraiser certificate, that the applicant has
successfully completed at least one hundred sixty-five classroom
hours of courses in subjects related to real estate appraisal,
including at least one course devoted exclusively to federal,
state, and municipal fair housing law, presented by a nationally
recognized appraisal organization, an institution of higher
education, a ~~proprietary career~~ school registered by the state
board of ~~proprietary school registration~~ career colleges and
schools, a state or federal commission or agency, or any other
organization that represents the interests of financial
institutions or real estate brokers, appraisers, or agents and
that provides appraisal education, plus fifteen classroom hours
related to standards of professional practice and the provisions
of this chapter;

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(b) If the applicant is seeking a state-certified residential
real estate appraiser certificate, that the applicant has
successfully completed at least one hundred five classroom hours
of courses in subjects related to real estate appraisal, including
at least one course devoted exclusively to federal, state, and
municipal fair housing law, presented by a nationally recognized
appraisal organization, an institution of higher education, a
~~proprietary career~~ school registered by the state board of
~~proprietary school registration~~ career colleges and schools, or
any other organization that represents the interests of financial
institutions or real estate brokers, appraisers, or agents and

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that provides appraisal education, plus fifteen classroom hours 1887
related to standards of professional practice and the provisions 1888
of this chapter; 1889

(c) If the applicant is seeking a state-licensed residential 1890
real estate appraiser license, that the applicant has successfully 1891
completed at least seventy-five classroom hours of courses in 1892
subjects related to real estate appraisal, including at least one 1893
course devoted exclusively to federal, state, and municipal fair 1894
housing law, presented by a nationally recognized appraisal 1895
organization, an institution of higher education, a ~~proprietary~~ 1896
career school registered by the state board of ~~proprietary school~~ 1897
~~registration~~ career colleges and schools, a state or federal 1898
commission or agency, or any other organization that represents 1899
the interests of financial institutions or real estate brokers, 1900
appraisers, or agents and that provides appraisal education, plus 1901
fifteen classroom hours related to standards of professional 1902
practice and the provisions of this chapter; 1903

(d) If the applicant is seeking a state-registered real 1904
estate appraiser assistant registration, that the applicant has 1905
successfully completed at least seventy-five classroom hours of 1906
courses in subjects related to real estate appraisal, including at 1907
least one course devoted exclusively to federal, state, and 1908
municipal fair housing law, presented by a nationally recognized 1909
appraisal organization, an institution of higher education, a 1910
~~proprietary~~ career school registered by the state board of 1911
~~proprietary school registration~~ career colleges and schools, or 1912
any other organization that represents the interests of financial 1913
institutions or real estate brokers, appraisers, or agents, and 1914
that provides appraisal education that included at least fifteen 1915
classroom hours of instruction related to standards of 1916
professional practice and the requirements of this chapter and the 1917
rules adopted under this chapter. 1918

(2) Each person who files an application for an initial certificate or license within one year of the date established by the board as the first date on which applications will be accepted under this section, which date shall be no later than September 1, 1990, and who, at the time of filing that application, does not satisfy the educational requirements for the certification or licensure sought of either division (C)(1)(a) or (b) of this section is exempt from those educational requirements for the term of the initial certification or licensure. In applying for a renewal certificate or license pursuant to section 4763.06 of the Revised Code, a certificate holder or licensee who was exempted from the educational requirements of division (C)(1)(a) or (b) of this section when applying for the initial certificate or license shall present satisfactory evidence to the superintendent that the certificate holder or licensee has completed the educational requirements for the certification or licensure to be renewed of one of those divisions before the renewal certificate or license may be issued.

(D) An applicant for an initial general real estate appraiser or residential real estate appraiser certificate or residential real estate appraiser license shall take and successfully complete a written examination in order to qualify for the certificate or license. The examination shall require the applicant to demonstrate all of the following:

(1) Appropriate knowledge of technical terms commonly used in or related to real estate appraising, appraisal report writing, and the economic concepts applicable to real estate;

(2) Understanding of the principles of land economics, real estate appraisal processes, and problems likely to be encountered in gathering, interpreting, and processing of data in carrying out appraisal disciplines;

(3) Understanding of the standards for the development and

communication of real estate appraisals as provided in this	1951
chapter and the rules adopted thereunder;	1952
(4) Knowledge of theories of depreciation, cost estimating,	1953
methods of capitalization, direct sales comparison, and the	1954
mathematics of real estate appraisal that are appropriate for the	1955
certification or licensure for which the applicant has applied;	1956
(5) Knowledge of other principles and procedures as	1957
appropriate for the certification or license;	1958
(6) Basic understanding of real estate law;	1959
(7) Understanding of the types of misconduct for which	1960
disciplinary proceedings may be initiated against a certificate	1961
holder and licensee.	1962
(E)(1) A nonresident, natural person of this state who has	1963
complied with this section may obtain a certificate, registration,	1964
or license. The board shall adopt rules relating to the	1965
certification, registration, and licensure of a nonresident	1966
applicant whose state of residence the board determines to have	1967
certification, registration, or licensure requirements that are	1968
substantially similar to those set forth in this chapter and the	1969
rules adopted thereunder.	1970
(2) A nonresident appraiser may apply for, and the board may	1971
issue, a temporary certificate or license if the board determines	1972
that the state in which the nonresident appraiser is licensed or	1973
certified has licensing or certification requirements that are	1974
substantially similar to the certification or licensure	1975
requirements set forth in this chapter and the rules adopted	1976
thereunder.	1977
The board shall adopt rules relating to the temporary	1978
certification and licensure of nonresident appraisers. Each	1979
temporary certificate and license issued by the board shall	1980
identify the location of the real estate property to be appraised	1981

and shall not authorize appraisal of more than one real estate
property located in this state. The board shall not issue more
than two temporary certificates or licenses in any one calendar
year to any one applicant.

(3) In addition to any other information required to be
submitted with the nonresident applicant's or appraiser's
application for a certificate, registration, license, or temporary
certificate or license, each nonresident applicant or appraiser
shall submit a statement consenting to the service of process upon
the nonresident applicant or appraiser by means of delivering that
process to the secretary of state if, in an action against the
applicant, certificate holder, registrant, or licensee arising
from the applicant's, certificate holder's, registrant's, or
licensee's activities as a certificate holder, registrant, or
licensee, the plaintiff, in the exercise of due diligence, cannot
effect personal service upon the applicant, certificate holder,
registrant, or licensee.

(F) The superintendent shall not issue a certificate,
registration, temporary certificate or license, or license to a
corporation, partnership, or association. This prohibition shall
not be construed to prevent a certificate holder or licensee from
signing an appraisal report on behalf of a corporation,
partnership, or association.

(G) Every person licensed, registered, or certified under
this chapter shall notify the superintendent, on a form provided
by the superintendent, of a change in the address of the
licensee's, registrant's, or certificate holder's principal place
of business or residence within thirty days of the change. If a
licensee's, registrant's, or certificate holder's license,
registration, or certificate is revoked or not renewed, the
licensee, registrant, or certificate holder immediately shall
return the annual and any renewal certificate, registration, or

license to the superintendent.

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(H) The superintendent shall not issue a certificate, registration, temporary certificate or license, or license to any person who does not meet applicable minimum criteria for state certification, registration, or licensure prescribed by federal law or rule.

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Sec. 5107.58. In accordance with a federal waiver granted by the United States secretary of health and human services pursuant to a request made under former section 5101.09 of the Revised Code, county departments of job and family services may establish and administer as a work activity for minor heads of households and adults participating in Ohio works first an education program under which the participant is enrolled full-time in post-secondary education leading to vocation at a state institution of higher education, as defined in section 3345.031 of the Revised Code; a private nonprofit college or university that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, or is exempted by division (E) of section 1713.02 of the Revised Code from the requirement of a certificate; a school that holds a certificate of registration and program authorization issued by the state board of ~~proprietary school registration~~ career colleges and schools under Chapter 3332. of the Revised Code; a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code; or a school that has entered into a contract with the county department of job and family services. The participant shall make reasonable efforts, as determined by the county department, to obtain a loan, scholarship, grant, or other assistance to pay for the tuition, including a federal Pell grant under 20 U.S.C.A. 1070a and an Ohio instructional grant under section 3333.12 of the Revised Code. If the participant has made reasonable efforts but

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is unable to obtain sufficient assistance to pay the tuition the 2046
program may pay the tuition. On or after October 1, 1998, the 2047
county department may enter into a loan agreement with the 2048
participant to pay the tuition. The total period for which tuition 2049
is paid and loans made shall not exceed two years. If the 2050
participant, pursuant to division (B)(3) of section 5107.43 of the 2051
Revised Code, volunteers to participate in the education program 2052
for more hours each week than the participant is assigned to the 2053
program, the program may pay or the county department may loan the 2054
cost of the tuition for the additional voluntary hours as well as 2055
the cost of the tuition for the assigned number of hours. The 2056
participant may receive, for not more than three years, support 2057
services, including publicly funded child day-care under Chapter 2058
5104. of the Revised Code and transportation, that the participant 2059
needs to participate in the program. To receive support services 2060
in the third year, the participant must be, as determined by the 2061
educational institution in which the participant is enrolled, in 2062
good standing with the institution. 2063

A county department that provides loans under this section 2064
shall establish procedures governing loan application for and 2065
approval and administration of loans granted pursuant to this 2066
section. 2067

Sec. 5747.01. Except as otherwise expressly provided or 2068
clearly appearing from the context, any term used in this chapter 2069
has the same meaning as when used in a comparable context in the 2070
Internal Revenue Code, and all other statutes of the United States 2071
relating to federal income taxes. 2072

As used in this chapter: 2073

(A) "Adjusted gross income" or "Ohio adjusted gross income" 2074
means adjusted gross income as defined and used in the Internal 2075
Revenue Code, adjusted as provided in this section: 2076

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.	2077 2078 2079
(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States that are exempt from federal income taxes but not from state income taxes.	2080 2081 2082 2083
(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.	2084 2085 2086 2087 2088
(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.	2089 2090
(5) Deduct benefits under Title II of the Social Security Act and tier 1 railroad retirement benefits to the extent included in federal adjusted gross income under section 86 of the Internal Revenue Code.	2091 2092 2093 2094
(6) Add, in the case of a taxpayer who is a beneficiary of a trust that makes an accumulation distribution as defined in section 665 of the Internal Revenue Code, the portion, if any, of such distribution that does not exceed the undistributed net income of the trust for the three taxable years preceding the taxable year in which the distribution is made. "Undistributed net income of a trust" means the taxable income of the trust increased by (a)(i) the additions to adjusted gross income required under division (A) of this section and (ii) the personal exemptions allowed to the trust pursuant to section 642(b) of the Internal Revenue Code, and decreased by (b)(i) the deductions to adjusted gross income required under division (A) of this section, (ii) the amount of federal income taxes attributable to such income, and	2095 2096 2097 2098 2099 2100 2101 2102 2103 2104 2105 2106 2107

(iii) the amount of taxable income that has been included in the 2108
adjusted gross income of a beneficiary by reason of a prior 2109
accumulation distribution. Any undistributed net income included 2110
in the adjusted gross income of a beneficiary shall reduce the 2111
undistributed net income of the trust commencing with the earliest 2112
years of the accumulation period. 2113

(7) Deduct the amount of wages and salaries, if any, not 2114
otherwise allowable as a deduction but that would have been 2115
allowable as a deduction in computing federal adjusted gross 2116
income for the taxable year, had the targeted jobs credit allowed 2117
and determined under sections 38, 51, and 52 of the Internal 2118
Revenue Code not been in effect. 2119

(8) Deduct any interest or interest equivalent on public 2120
obligations and purchase obligations to the extent included in 2121
federal adjusted gross income. 2122

(9) Add any loss or deduct any gain resulting from the sale, 2123
exchange, or other disposition of public obligations to the extent 2124
included in federal adjusted gross income. 2125

(10) Deduct or add amounts, as provided under section 5747.70 2126
of the Revised Code, related to contributions to variable college 2127
savings program accounts made or tuition credits purchased 2128
pursuant to Chapter 3334. of the Revised Code. 2129

(11)(a) Deduct, to the extent not otherwise allowable as a 2130
deduction or exclusion in computing federal or Ohio adjusted gross 2131
income for the taxable year, the amount the taxpayer paid during 2132
the taxable year for medical care insurance and qualified 2133
long-term care insurance for the taxpayer, the taxpayer's spouse, 2134
and dependents. No deduction for medical care insurance under 2135
division (A)(11) of this section shall be allowed either to any 2136
taxpayer who is eligible to participate in any subsidized health 2137
plan maintained by any employer of the taxpayer or of the 2138

taxpayer's spouse, or to any taxpayer who is entitled to, or on application would be entitled to, benefits under part A of Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of division (A)(11)(a) of this section, "subsidized health plan" means a health plan for which the employer pays any portion of the plan's cost. The deduction allowed under division (A)(11)(a) of this section shall be the net of any related premium refunds, related premium reimbursements, or related insurance premium dividends received during the taxable year.

(b) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income during the taxable year, the amount the taxpayer paid during the taxable year, not compensated for by any insurance or otherwise, for medical care of the taxpayer, the taxpayer's spouse, and dependents, to the extent the expenses exceed seven and one-half per cent of the taxpayer's federal adjusted gross income.

(c) For purposes of division (A)(11) of this section, "medical care" has the meaning given in section 213 of the Internal Revenue Code, subject to the special rules, limitations, and exclusions set forth therein, and "qualified long-term care" has the same meaning given in section 7702(B)(b) of the Internal Revenue Code.

(12)(a) Deduct any amount included in federal adjusted gross income solely because the amount represents a reimbursement or refund of expenses that in any year the taxpayer had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable United States department of the treasury regulations. The deduction otherwise allowed under division (A)(12)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio adjusted gross income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio adjusted gross income in any taxable year.

(13) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year;

(b) It does not otherwise reduce the taxpayer's adjusted gross income for the current or any other taxable year.

(14) Deduct an amount equal to the deposits made to, and net investment earnings of, a medical savings account during the taxable year, in accordance with section 3924.66 of the Revised Code. The deduction allowed by division (A)(14) of this section does not apply to medical savings account deposits and earnings otherwise deducted or excluded for the current or any other taxable year from the taxpayer's federal adjusted gross income.

(15)(a) Add an amount equal to the funds withdrawn from a medical savings account during the taxable year, and the net investment earnings on those funds, when the funds withdrawn were used for any purpose other than to reimburse an account holder for, or to pay, eligible medical expenses, in accordance with section 3924.66 of the Revised Code;

(b) Add the amounts distributed from a medical savings account under division (A)(2) of section 3924.68 of the Revised Code during the taxable year.

(16) Add any amount claimed as a credit under section 2202
5747.059 of the Revised Code to the extent that such amount 2203
satisfies either of the following: 2204

(a) The amount was deducted or excluded from the computation 2205
of the taxpayer's federal adjusted gross income as required to be 2206
reported for the taxpayer's taxable year under the Internal 2207
Revenue Code; 2208

(b) The amount resulted in a reduction of the taxpayer's 2209
federal adjusted gross income as required to be reported for any 2210
of the taxpayer's taxable years under the Internal Revenue Code. 2211

(17) Deduct the amount contributed by the taxpayer to an 2212
individual development account program established by a county 2213
department of job and family services pursuant to sections 329.11 2214
to 329.14 of the Revised Code for the purpose of matching funds 2215
deposited by program participants. On request of the tax 2216
commissioner, the taxpayer shall provide any information that, in 2217
the tax commissioner's opinion, is necessary to establish the 2218
amount deducted under division (A)(17) of this section. 2219

(18) Beginning in taxable year 2001, if the taxpayer is 2220
married and files a joint return and the combined federal adjusted 2221
gross income of the taxpayer and the taxpayer's spouse for the 2222
taxable year does not exceed one hundred thousand dollars, or if 2223
the taxpayer is single and has a federal adjusted gross income for 2224
the taxable year not exceeding fifty thousand dollars, deduct 2225
amounts paid during the taxable year for qualified tuition and 2226
fees paid to an eligible institution for the taxpayer, the 2227
taxpayer's spouse, or any dependent of the taxpayer, who is a 2228
resident of this state and is enrolled in or attending a program 2229
that culminates in a degree or diploma at an eligible institution. 2230
The deduction may be claimed only to the extent that qualified 2231
tuition and fees are not otherwise deducted or excluded for any 2232
taxable year from federal or Ohio adjusted gross income. The 2233

deduction may not be claimed for educational expenses for which 2234
the taxpayer claims a credit under section 5747.27 of the Revised 2235
Code. 2236

(19) Add any reimbursement received during the taxable year 2237
of any amount the taxpayer deducted under division (A)(18) of this 2238
section in any previous taxable year to the extent the amount is 2239
not otherwise included in Ohio adjusted gross income. 2240

(B) "Business income" means income arising from transactions, 2241
activities, and sources in the regular course of a trade or 2242
business and includes income from tangible and intangible property 2243
if the acquisition, rental, management, and disposition of the 2244
property constitute integral parts of the regular course of a 2245
trade or business operation. 2246

(C) "Nonbusiness income" means all income other than business 2247
income and may include, but is not limited to, compensation, rents 2248
and royalties from real or tangible personal property, capital 2249
gains, interest, dividends and distributions, patent or copyright 2250
royalties, or lottery winnings, prizes, and awards. 2251

(D) "Compensation" means any form of remuneration paid to an 2253
employee for personal services. 2254

(E) "Fiduciary" means a guardian, trustee, executor, 2255
administrator, receiver, conservator, or any other person acting 2256
in any fiduciary capacity for any individual, trust, or estate. 2257

(F) "Fiscal year" means an accounting period of twelve months 2258
ending on the last day of any month other than December. 2259

(G) "Individual" means any natural person. 2260

(H) "Internal Revenue Code" means the "Internal Revenue Code 2261
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 2262

(I) "Resident" means: 2263

(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;	2264 2265
(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code and any election under section 5747.25 of the Revised Code are not controlling for purposes of division (I)(2) of this section.	2266 2267 2268 2269 2270
(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.	2271 2272 2273 2274
(K) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.	2275 2276
(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.	2277 2278 2279 2280
(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.	2281 2282 2283 2284
(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the election under division (D) of section 5747.08 of the Revised Code.	2285 2286 2287 2288
(O) "Dependents" means dependents as defined in the Internal Revenue Code and as claimed in the taxpayer's federal income tax return for the taxable year or which the taxpayer would have been permitted to claim had the taxpayer filed a federal income tax return.	2289 2290 2291 2292 2293

(P) "Principal county of employment" means, in the case of a nonresident, the county within the state in which a taxpayer performs services for an employer or, if those services are performed in more than one county, the county in which the major portion of the services are performed.

(Q) As used in sections 5747.50 to 5747.55 of the Revised Code:

(1) "Subdivision" means any county, municipal corporation, park district, or township.

(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.

(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.

(S) "Taxable income" applies to estates only and means taxable income as defined and used in the Internal Revenue Code adjusted as follows:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities;

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States that are exempt from federal income taxes but not from state income taxes;

(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code;

(4) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States that are

exempt from state taxes under the laws of the United States;	2324
	2325
(5) Deduct the amount of wages and salaries, if any, not	2326
otherwise allowable as a deduction but that would have been	2327
allowable as a deduction in computing federal taxable income for	2328
the taxable year, had the targeted jobs credit allowed under	2329
sections 38, 51, and 52 of the Internal Revenue Code not been in	2330
effect;	2331
(6) Deduct any interest or interest equivalent on public	2332
obligations and purchase obligations to the extent included in	2333
federal taxable income;	2334
(7) Add any loss or deduct any gain resulting from sale,	2335
exchange, or other disposition of public obligations to the extent	2336
included in federal taxable income;	2337
(8) Except in the case of the final return of an estate, add	2338
any amount deducted by the taxpayer on both its Ohio estate tax	2339
return pursuant to section 5731.14 of the Revised Code, and on its	2340
federal income tax return in determining either federal adjusted	2341
gross income or federal taxable income;	2342
(9)(a) Deduct any amount included in federal taxable income	2343
solely because the amount represents a reimbursement or refund of	2344
expenses that in a previous year the decedent had deducted as an	2345
itemized deduction pursuant to section 63 of the Internal Revenue	2346
Code and applicable treasury regulations. The deduction otherwise	2347
allowed under division (S)(9)(a) of this section shall be reduced	2348
to the extent the reimbursement is attributable to an amount the	2349
taxpayer or decedent deducted under this section in any taxable	2350
year.	2351
(b) Add any amount not otherwise included in Ohio taxable	2352
income for any taxable year to the extent that the amount is	2353
attributable to the recovery during the taxable year of any amount	2354

deducted or excluded in computing federal or Ohio taxable income 2355
in any taxable year. 2356

(10) Deduct any portion of the deduction described in section 2357
1341(a)(2) of the Internal Revenue Code, for repaying previously 2358
reported income received under a claim of right, that meets both 2359
of the following requirements: 2360

(a) It is allowable for repayment of an item that was 2361
included in the taxpayer's taxable income or the decedent's 2362
adjusted gross income for a prior taxable year and did not qualify 2363
for a credit under division (A) or (B) of section 5747.05 of the 2364
Revised Code for that year. 2365

(b) It does not otherwise reduce the taxpayer's taxable 2366
income or the decedent's adjusted gross income for the current or 2367
any other taxable year. 2368

(11) Add any amount claimed as a credit under section 2369
5747.059 of the Revised Code to the extent that the amount 2370
satisfies either of the following: 2371

(a) The amount was deducted or excluded from the computation 2372
of the taxpayer's federal taxable income as required to be 2373
reported for the taxpayer's taxable year under the Internal 2374
Revenue Code; 2375

(b) The amount resulted in a reduction in the taxpayer's 2376
federal taxable income as required to be reported for any of the 2377
taxpayer's taxable years under the Internal Revenue Code. 2378

(T) "School district income" and "school district income tax" 2379
have the same meanings as in section 5748.01 of the Revised Code. 2380
2381

(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) 2382
of this section, "public obligations," "purchase obligations," and 2383
"interest or interest equivalent" have the same meanings as in 2384

section 5709.76 of the Revised Code.	2385
(V) "Limited liability company" means any limited liability company formed under Chapter 1705. of the Revised Code or under the laws of any other state.	2386 2387 2388
(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or investor in that pass-through entity.	2389 2390 2391 2392
(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.	2393 2394
(Y) "Month" means a calendar month.	2395
(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.	2396 2397 2398
(AA)(1) "Eligible institution" means a state university or state institution of higher education as defined in section 3345.011 of the Revised Code, or a private, nonprofit college, university, or other post-secondary institution located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or a certificate of registration issued by the state board of proprietary school registration <u>career colleges and schools</u> under Chapter 3332. of the Revised Code.	2399 2400 2401 2402 2403 2404 2405 2406 2407
(2) "Qualified tuition and fees" means tuition and fees imposed by an eligible institution as a condition of enrollment or attendance, not exceeding two thousand five hundred dollars in each of the individual's first two years of post-secondary education. If the individual is a part-time student, "qualified tuition and fees" includes tuition and fees paid for the academic equivalent of the first two years of post-secondary education during a maximum of five taxable years, not exceeding a total of	2408 2409 2410 2411 2412 2413 2414 2415

five thousand dollars. "Qualified tuition and fees" does not	2416
include:	2417
(a) Expenses for any course or activity involving sports,	2418
games, or hobbies unless the course or activity is part of the	2419
individual's degree or diploma program;	2420
(b) The cost of books, room and board, student activity fees,	2421
athletic fees, insurance expenses, or other expenses unrelated to	2422
the individual's academic course of instruction;	2423
(c) Tuition, fees, or other expenses paid or reimbursed	2424
through an employer, scholarship, grant in aid, or other	2425
educational benefit program.	2426
(BB) Any term used in this chapter that is not otherwise	2427
defined in this section and that is not used in a comparable	2428
context in the Internal Revenue Code and other statutes of the	2429
United States relating to federal income taxes has the same	2430
meaning as in section 5733.40 of the Revised Code.	2431
Sec. 5919.34. (A) As used in this section:	2432
(1) "Academic term" means any one of the following:	2433
(a) Fall term, which consists of fall semester or fall	2434
quarter, as appropriate;	2435
(b) Winter term, which consists of winter semester, winter	2436
quarter, or spring semester, as appropriate;	2437
(c) Spring term, which consists of spring quarter;	2438
(d) Summer term, which consists of summer semester or summer	2439
quarter, as appropriate.	2440
(2) "Eligible applicant" means any individual to whom all of	2441
the following apply:	2442
(a) The individual does not possess a baccalaureate degree.	2443

(b) The individual has enlisted, re-enlisted, or extended current enlistment in the Ohio national guard. 2444
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(c) The individual is actively enrolled as a full-time or part-time student for at least six credit hours of course work in a semester or quarter in a two-year or four-year degree-granting program at an institution of higher education or in a diploma-granting program at an institution of higher education that is a school of nursing. 2446
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(d) The individual has not accumulated ninety-six eligibility units under division (E) of this section. 2452
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(3) "Institution of higher education" means an Ohio institution of higher education that is state-assisted, that is nonprofit and has received a certificate of authorization from the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, 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, or that holds a certificate of registration and program authorization issued by the state board of ~~proprietary school registration~~ career colleges and schools pursuant to section 3332.05 of the Revised Code. 2454
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(4) "State university" has the same meaning as in section 3345.011 of the Revised Code. 2464
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(B)(1) There is hereby created a scholarship program to be known as the Ohio national guard scholarship program. For the fiscal year 2000, the number of participants in the program for the fall term is limited to the equivalent of two thousand five hundred full-time participants; the number of participants in the program for the winter term is limited to the equivalent of two thousand five hundred full-time participants; the number of participants in the program for the spring term is limited to the equivalent of one thousand six hundred seventy-five full-time 2466
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participants; and the number of participants in the program for 2475
the summer term is limited to the equivalent of six hundred 2476
full-time participants. Except as provided in division (B)(2) of 2477
this section for the fiscal year 2001 and succeeding fiscal years, 2478
the number of participants in the program for the fall term is 2479
limited to the equivalent of three thousand five hundred full-time 2480
participants; the number of participants in the program for the 2481
winter term is limited to the equivalent of three thousand five 2482
hundred full-time participants; the number of participants in the 2483
program for the spring term is limited to the equivalent of two 2484
thousand three hundred forty-five full-time participants; and the 2485
number of participants in the program for the summer term is 2486
limited to the equivalent of eight hundred full-time participants. 2487

(2) After the application deadline for any academic term in 2488
fiscal year 2001, the adjutant general may request the controlling 2489
board, if sufficient appropriated funds are available, to approve 2490
the following number of additional participants for that term: 2491

(a) For the fall or winter academic term, up to the 2492
equivalent of five hundred additional full-time participants; 2493

(b) For the spring academic term, up to the equivalent of 2494
three hundred seventy-five additional full-time participants; 2495

(c) For the summer academic term, up to the equivalent of one 2496
hundred twenty-five additional full-time participants. 2497

(C) If the adjutant general estimates that appropriations for 2498
all scholarships applied for under this section and likely to be 2499
used during an academic term are inadequate for all eligible 2500
applicants for that academic term to receive scholarships, the 2501
adjutant general shall promptly inform all applicants not 2502
receiving scholarships for that academic term of the next academic 2503
term that appropriations will be adequate for the scholarships. 2504
Any such eligible applicant may again apply for a scholarship 2505

beginning that academic term if the applicant is in compliance 2506
with all requirements established by this section and the adjutant 2507
general for the program. The adjutant general shall process all 2508
applications for scholarships for each academic term in the order 2509
in which they are received. The scholarships shall be made without 2510
regard to financial need. At no time shall one person be placed in 2511
priority over another because of sex, race, or religion. 2512

(D) Except as provided in division (H) of this section, for 2513
each academic term that an eligible applicant is approved for a 2514
scholarship under this section and remains a current member in 2515
good standing of the Ohio national guard, the institution of 2516
higher education in which the applicant is enrolled shall, if the 2517
applicant's enlistment obligation extends beyond the end of that 2518
academic term, be paid on the applicant's behalf the applicable 2519
one of the following amounts: 2520

(1) If the institution is state-assisted, an amount equal to 2521
one hundred per cent of the institution's tuition charges; 2522

(2) If the institution is a nonprofit private institution or 2523
a private institution exempt from regulation under Chapter 3332. 2524
of the Revised Code as prescribed in section 3333.046 of the 2525
Revised Code, an amount equal to one hundred per cent of the 2526
average tuition charges of all state universities; 2527

(3) If the institution is an institution that holds a 2528
certificate of registration from the state board of ~~proprietary~~ 2529
~~school registration~~ career colleges and schools, the lesser of the 2530
following: 2531

(a) An amount equal to one hundred per cent of the total 2532
instructional and general charges of the institution; 2533

(b) An amount equal to one hundred per cent of the average 2534
tuition charges of all state universities. 2535

(4) An eligible applicant's scholarship shall not be reduced 2536

by the amount of that applicant's benefits under "the Montgomery
G.I. Bill Act of 1984," Pub. L. No. 98-525, 98 Stat. 2553 (1984). 2537
2538

(E) A scholarship recipient under this section shall be 2539
entitled to receive scholarships under this section for the number 2540
of quarters or semesters it takes the recipient to accumulate 2541
ninety-six eligibility units as determined under divisions (E)(1) 2542
to (3) of this section. 2543

(1) To determine the maximum number of semesters or quarters 2544
for which a recipient is entitled to a scholarship under this 2545
section, the adjutant general shall convert a recipient's credit 2546
hours of enrollment for each academic term into eligibility units 2547
in accordance with the following table: 2548

Number of	The 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
12 or more hours	12 units	8 units	2553
9 but less than 12	9 units	6 units	2554
6 but less than 9	6 units	4 units	2555

(2) A scholarship recipient under this section may continue 2557
to apply for scholarships under this section until the recipient 2558
has accumulated ninety-six eligibility units. 2559

(3) If a scholarship recipient withdraws from courses prior 2560
to the end of an academic term so that the recipient's enrollment 2561
for that academic term is less than six credit hours, no 2562
scholarship shall be paid on behalf of that person for that 2563
academic term except that, if a scholarship has already been paid 2564
on behalf of the person for that academic term, the adjutant 2565
general shall add to that person's accumulated eligibility units 2566
the number of eligibility units for which the scholarship was 2567
paid. 2568

(F) A scholarship recipient under this section who fails to 2569
complete the term of enlistment, re-enlistment, or extension of 2570
current enlistment the recipient was serving at the time a 2571
scholarship was paid on behalf of the recipient under this section 2572
is liable to the state for repayment of a percentage of all Ohio 2573
national guard scholarships paid on behalf of the recipient under 2574
this section, plus interest at the rate of ten per cent per annum 2575
calculated from the dates the scholarships were paid. This 2576
percentage shall equal the percentage of the current term of 2577
enlistment, re-enlistment, or extension of enlistment a recipient 2578
has not completed as of the date the recipient is discharged from 2579
the Ohio national guard. 2580

The attorney general may commence a civil action on behalf of 2581
the adjutant general to recover the amount of the scholarships and 2582
the interest provided for in this division and the expenses 2583
incurred in prosecuting the action, including court costs and 2584
reasonable attorney's fees. A scholarship recipient is not liable 2585
under this division if the recipient's failure to complete the 2586
term of enlistment being served at the time a scholarship was paid 2587
on behalf of the recipient under this section is due to the 2588
recipient's death; discharge from the national guard due to 2589
disability; or the recipient's enlistment, for a term not less 2590
than the recipient's remaining term in the national guard, in the 2591
active component of the United States armed forces or the active 2592
reserve component of the United States armed forces. 2593

(G) On or before the first day of each academic term, the 2594
adjutant general shall provide an eligibility roster to each 2595
institution of higher education at which one or more scholarship 2596
recipients have applied for enrollment. The institution shall use 2597
the roster to certify the actual full-time or part-time enrollment 2598
of each scholarship recipient listed as enrolled at the 2599
institution and return the roster to the adjutant general within 2600

thirty days after the first day of the academic term. The adjutant
general shall report to the Ohio board of regents the number of
students in the Ohio national guard scholarship program at each
institution of higher education. The Ohio board of regents shall
provide for payment of the appropriate number and amount of
scholarships to each institution of higher education pursuant to
division (D) of this section. The adjutant general shall report on
a quarterly basis to the director of budget and management, the
speaker of the house of representatives, and the president of the
senate the number of Ohio national guard scholarship recipients
and a projection of the cost of the program for the remainder of
the biennium.

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

(I) 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.

Section 2. That existing sections 955.43, 1713.02, 1713.03,
1713.25, 2741.01, 3332.01, 3332.02, 3332.03, 3332.031, 3332.04,
3332.05, 3332.051, 3332.06, 3332.07, 3332.08, 3332.081, 3332.082,
3332.083, 3332.085, 3332.09, 3332.091, 3332.092, 3332.10, 3332.11,
3332.12, 3332.13, 3332.18, 3333.043, 3333.12, 3333.29, 3334.01,
3365.01, 3365.15, 4742.05, 4742.06, 4743.03, 4762.02, 4763.05,
5107.58, 5747.01, and 5919.34 of the Revised Code are hereby
repealed.

Section 3. That sections 3332.04, 3332.08, 3332.082, and 2632
3332.084 of the Revised Code be amended to read as follows: 2633

Sec. 3332.04. The state board of career colleges and schools 2634
may appoint an executive director and such other staff as may be 2635
required for the performance of the board's duties and provide 2636
necessary facilities. In selecting an executive director, the 2637
board shall appoint an individual with a background or experience 2638
in the regulation of commerce, business, or education. The board 2639
may also arrange for services and facilities to be provided by the 2640
state board of education and the Ohio board of regents. All 2641
receipts of the board shall be deposited in the career colleges 2642
and schools operating fund, which is hereby created in the state 2643
treasury to the credit of the general revenue fund. Moneys in the 2644
fund shall be used solely for the administration and enforcement 2645
of Chapter 3332. of the Revised Code. All investment earnings on 2646
the fund shall be credited to the fund. 2647

Sec. 3332.08. The application for a certificate of 2648
registration for a school located within Ohio shall be accompanied 2649
by a surety bond in ~~the a~~ penal sum of ~~ten thousand dollars~~ 2650
established by rule of the state board of career colleges and 2651
schools with conditions and in a form prescribed by the ~~state~~ 2652
~~board of career colleges and schools~~ with at least one corporate 2653
bonding company that has a AAA or AA rating from either Moody's 2654
investors service or Standard & Poor's and that is approved by the 2655
department of insurance as surety thereon. Bond shall be 2656
maintained in effect for a period specified by rule of the board. 2657
The board may permit a school to cancel its bond if the school has 2658
been approved to participate in any federal student financial 2659
assistance program authorized under Title IV of the "Higher 2660
Education Act of 1965," 20 U.S.C.A. 1070 et seq., as amended, or 2661

if the school meets standards of financial responsibility 2662
otherwise established by the board. The bond shall provide for the 2663
indemnification of any person suffering prepaid tuition loss as 2664
the result of ~~any fraud or misrepresentation used in behalf of the~~ 2665
~~principal in procuring such person's enrollment in a program,~~ 2666
~~including repayment of tuition paid in advance by any student a~~ 2667
school closure in accordance with section 3332.082 of the Revised 2668
Code. 2669

The liability of the surety on such bond for the school 2670
covered shall not exceed the sum of ~~ten thousand dollars~~ the bond 2671
as an aggregate for all students for all breaches of the 2672
conditions of the bond by the school. The term of the bond shall 2673
be continuous, but it shall be subject to cancellation by the 2674
surety in the manner described in this section. The bond shall 2675
provide blanket coverage for the acts of all persons engaged as 2676
agents of the school without naming them and without regard to the 2677
time they are engaged during the term of the bond. 2678

The surety may terminate the bond upon giving a sixty-day 2679
written notice to the principal and to the state board of career 2680
colleges and schools, but the liability of the surety for acts of 2681
the principal and its agents continues during the sixty days of 2682
cancellation notice. The notice does not absolve the surety from 2683
liability which accrues before the cancellation becomes final but 2684
which is discovered after that date and which may have arisen at 2685
any time during the term of the bond. Unless the bond is replaced 2686
by that of another surety before the expiration of the sixty days 2687
notice of cancellation, the certificate of registration shall be 2688
suspended. Any person subject to this section required to file a 2689
bond with an application for a certificate of registration may 2690
file, in lieu thereof, cash, a certificate of deposit, letter of 2691
credit, or government bonds in the amount ~~of ten thousand dollars~~ 2692
established by the board. The deposit is subject to the same terms 2693

and conditions as are provided for in the surety bond required 2694
herein. Any interest or earnings on such deposits are payable to 2695
the depositor. 2696

Sec. 3332.082. The state board of career colleges and schools 2697
may pursue any lawful means of assuring that students of any 2698
school registered by the state board do not suffer prepaid tuition 2699
loss as a result of the closure of a school. This may include 2700
lawsuits against a school or any individual who may reasonably 2701
have liability as a result of the default, in which the attorney 2702
general shall advise and represent the board. Any student seeking 2703
reimbursement for a prepaid tuition loss shall submit a claim for 2704
reimbursement to the board not later than one year following the 2705
school's closure. 2706

Any reimbursement for a prepaid tuition loss or advance 2707
against a possible prepaid tuition loss of a student, and any 2708
expenses reasonably incurred by the board in its pursuit of any 2709
remedy, shall be paid from the surety bond provided by the school 2710
pursuant to section 3332.08 of the Revised Code. If proceeds from 2711
the surety bond are not sufficient to cover such payments, any 2712
additional payments shall be paid from the student tuition 2713
recovery fund created by section 3332.083 of the Revised Code. 2714
Tuition loss does not include moneys held by a school in escrow 2715
accounts for tuition or fees for future terms, as uncommitted 2716
grants, loans, or Pell grant money. If the fund is not of 2717
sufficient size to pay the students the full amount of their 2718
prepaid fee, the student tuition recovery authority shall 2719
determine the percentage of the amount that will be paid. 2720

Any money recovered from the defaulting school, or any 2721
individual with liability for the default, or from the surety 2722
under a bond provided under section 3332.08 of the Revised Code in 2723
excess of any payments made under this section shall be deposited 2724
into the fund. 2725

Sec. 3332.084. The student tuition recovery authority may:	2726
(A) Adopt bylaws for the regulation of its affairs and the conduct of its business;	2727 2728
(B) Maintain a principal office at such place within the state as is designated by the authority;	2729 2730
(C) Distribute moneys from <u>the surety bond required by section 3332.08 of the Revised Code</u> and the student tuition recovery fund to or on behalf of students who are determined eligible by the authority;	2731 2732 2733 2734
(D) Reduce contributions to or utilize excess money in the fund, as provided in division (C) of section 3332.085 of the Revised Code.	2735 2736 2737
Section 4. That existing sections 3332.04, 3332.08, 3332.082, and 3332.084 of the Revised Code are hereby repealed.	2738 2739
Section 5. Sections 3 and 4 of this act shall take effect July 1, 2003.	2740 2741
Section 6. Within sixty days after the effective date of this act, the Governor shall appoint an additional member who has been engaged for at least the immediately preceding five years in an executive or managerial position at a career school to the State Board of Career Colleges and Schools pursuant to section 3332.03 of the Revised Code, as amended by this act. Such member shall hold office until the twentieth day of November following the member's appointment and shall be eligible for reappointment to a full five-year term under that section.	2742 2743 2744 2745 2746 2747 2748 2749 2750