### **As Introduced**

# 127th General Assembly Regular Session 2007-2008

H. B. No. 34

### **Representative Wolpert**

Cosponsors: Representatives Stewart, J., Uecker, Gibbs, Seitz, Fende,
Combs, Collier, Stebelton

## A BILL

То	amend sections 184.02 and 3345.32 and to enact	1
	sections 184.30, 184.31, 184.32, 184.33, 184.34,	2
	and 184.35 of the Revised Code to establish the	3
	Third Frontier Pilot Forgivable Loan Program for	4
	graduate students	<b>E</b>

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

Section 1. That sections 184.02 and 3345.32 be amended and	6
sections 184.30, 184.31, 184.32, 184.33, 184.34, and 184.35 of the	7
Revised Code be enacted to read as follows:	8
Sec. 184.02. (A) In addition to the powers and duties under	9
sections 184.10 to 184.20 of the Revised Code, the third frontier	10
commission may perform any act to ensure the performance of any	11
function necessary or appropriate to carry out the purposes of,	12
and exercise the powers granted under, sections 184.01 and 184.02	13
of the Revised Code this chapter. In addition, the commission may	14
do any of the following:	15
(1) Adopt, amend, and rescind rules under section 111.15 of	16
the Revised Code for the administration of any aspect of its	17
operations;	18

(2) Adopt bylaws governing its operations, including bylaws	19
that establish procedures and set policies as may be necessary to	20
assist with the furtherance of its purposes;	21
(3) Appoint and set the compensation of employees needed to	22
carry out its duties;	23
(4) Contract with, retain the services of, or designate, and	24
fix the compensation of, such financial consultants, accountants,	25
other consultants and advisors, and other independent contractors	26
as may be necessary or desirable to carry out its duties;	27
(5) Solicit input and comments from the third frontier	28
advisory board, and specialized industry, professional, and other	29
relevant interest groups concerning its purposes;	30
(6) Facilitate alignment of the state's science and	31
technology programs and activities;	32
(7) Make grants and loans to individuals, public agencies,	33
private companies or organizations, or joint ventures for any of	34
the broad range of activities related to its purposes.	35
(B) In addition to the powers and duties under sections	36
184.10 to 184.20 of the Revised Code, the commission shall do all	37
of the following:	38
(1) Establish a competitive process for the award of grants	39
and loans that is designed to fund the most meritorious proposals	40
and, when appropriate, provide for peer review of proposals;	41
(2) Within ninety days after the end of each fiscal year,	42
submit to the governor and the general assembly a report of the	43
activities of the commission during the preceding fiscal year;	44
(3) With specific application to the biomedical research and	45
technology transfer trust fund, periodically make strategic	46
assessments of the types of state investments in biomedical	47
research and biotechnology in the state that would likely create	48

jobs and business opportunities in the state and produce the most	49
beneficial long-term improvements to the public health of Ohioans,	50
including, but not limited to, biomedical research and	51
biotechnology initiatives that address tobacco-related illnesses	52
as may be outlined in any master agreement. The commission shall	53
award grants and loans from the fund pursuant to a process	54
established under division (B)(1) of this section.	55
Sec. 184.30. As used in sections 184.30 to 184.35 of the	56
Revised Code:	57
(A) "Approved field of study" includes a field of study in	58
engineering, chemistry, physics, computer sciences, biomedical	59
technologies, or other field that directly relates to the goals of	60
the third frontier, as determined by the third frontier	61
commission.	62
(B) "Ohio institution of higher education" means both of the	63
following:	64
(1) A state university, as defined in section 3345.011 of the	65
Revised Code;	66
(2) An institution authorized by the Ohio board of regents	67
under Chapter 1713. of the Revised Code to grant master's or	68
doctorate degrees in an approved field of study and that is	69
accredited by the appropriate regional, and when appropriate,	70
professional accrediting associations within whose jurisdiction it	71
falls.	72
(C) "Student" means an individual, of any citizenship status,	73
enrolled at an Ohio institution of higher education in a master's	74
or doctorate degree program in an approved field of study.	75
Sec. 184.31. The third frontier pilot forgivable loan program	76 
is hereby established. The purpose of the program is to encourage	77
graduate students to accept employment in Ohio in a career related	78

to the goals of the third frontier after receipt of a master's or	79
doctorate degree in approved fields of study. Under the program, a	80
maximum of five hundred loans may be awarded in an academic year	81
to students pursuing master's or doctorate degrees in approved	82
fields of study. Each loan shall be in an amount of eight thousand	83
dollars per year, provided the general assembly appropriates	84
sufficient funds for the program. Loan amounts may be forgiven as	85
provided in section 184.33 of the Revised Code.	86
The program shall be administered by the third frontier	87
commission, in consultation with the third frontier advisory	88
board.	89
Within sixty days after the end of five years of operation of	90
the program, the third frontier commission shall submit a written	91
report to the governor and the general assembly that provides	92
information as to the effectiveness of the program in encouraging	93
students to accept employment in Ohio that directly relates to the	94
goals of the third frontier.	95
Sec. 184.32. (A) In each academic year in which the general	96
assembly appropriates sufficient funds, the third frontier	97
commission shall award a loan of eight thousand dollars to not	98
more than five hundred students, on a competitive basis.	99
To qualify for a loan under this section, a student shall do	100
all of the following:	101
(1) Submit an application to the commission that demonstrates	102
all of the following:	103
(a) Current or acceptance for enrollment in an Ohio	104
institution of higher education on a full-time basis for the	105
purpose of pursuing a master's or doctorate degree in an approved	106
field of study;	107
(b) If currently enrolled, a status of good standing with the	108

H. B. No. 34 As Introduced	Page 5
Ohio institution of higher education;	109
(c) If currently enrolled, maintenance of a minimum grade	110
point average comparable to a 3.0 on a 4.0 scale.	111
(2) Submit evidence satisfactory to the commission describing	112
how the student's completion of a master's or doctorate degree in	113
an approved field of study can benefit Ohio's economy and the	114
goals of the third frontier. Evidence submitted may include a	115
written essay, letters of recommendation from faculty and business	116
leaders, and academic publications to which the student	117
contributed.	118
(3) Comply with any other application requirements prescribed	119
by the commission in rules adopted under section 184.35 of the	120
Revised Code.	121
(B) Loan proceeds shall be disbursed to the students in equal	122
amounts over an academic year, in a manner determined by rules of	123
the commission.	124
(C) A student who receives a loan in one academic year has	125
priority to receive additional loan amounts in subsequent academic	126
years, provided the student continues to satisfy the requirements	127
of division (A) of this section. However, no student may receive a	128
loan for more than five academic years.	129
(D) All applications for loans through this program shall be	130
submitted to the third frontier commission by the fifteenth day of	131
March preceding the academic year for which a loan is sought.	132
Applications shall be submitted in the form and manner prescribed	133
in rules adopted by the commission under section 184.35 of the	134
Revised Code, and shall be accompanied by any additional materials	135
required by the rules.	136
Sec. 184.33. (A) Repayment of any loan amounts awarded under	137
section 184.32 of the Revised Code shall be deferred during the	138

H. B. No. 34 As Introduced	Page 6
following periods:	139
(1) While a student continues to satisfy the requirements	140
specified in divisions (A)(1)(a) to (c) of section 184.32 of the	141
Revised Code;	142
(2) For six months following the student's completion of a	143
master's or doctorate degree from an Ohio institution of higher	144
education in an approved field of study;	145
(3) During a period of demonstrated financial hardship, as	146
determined by rules adopted by the third frontier commission.	147
(B) The third frontier commission shall not require a loan	148
recipient to make repayments on a loan awarded under section	149
184.32 of the Revised Code and shall forgive amounts of such a	150
loan under division (C) of this section if the recipient provides	151
to the commission's satisfaction evidence of all of the following:	152
(1) The recipient has been awarded a master's or doctorate	153
degree from an Ohio institution of higher education in an approved	154
field of study.	155
(2) Within six months of the award of a master's or doctorate	156
degree from an Ohio institution of higher education in an approved	157
field of study, the recipient has either:	158
(a) Accepted employment in Ohio with an Ohio entity engaging	159
the recipient in a position directly related to the goals of the	160
third frontier, as determined by the third frontier commission.	161
Acceptable employment may include employment on the faculty of an	162
Ohio institution of higher education, with a private Ohio company	163
receiving funds from the third frontier commission, or with the	164
state of Ohio, provided the position directly relates to the goals	165
of the third frontier, as determined by the commission. To qualify	166
as acceptable employment, a position need not directly relate to	167
the recipient's approved field of study, so long as the position	168
relates to the goals of the third frontier, as determined by the	169

H. B. No. 34
As Introduced

commission.	170
(b) Started a business in Ohio that directly relates to the	171
goals of the third frontier, as determined by the commission.	172
(3) The recipient continues to remain employed in a position	173
in Ohio that directly relates to the goals of the third frontier,	174
as determined by the commission, while an outstanding loan balance	175
exists.	176
(4) The recipient is a resident of Ohio for purposes of Title	177
LVII of the Revised Code.	178
(C) If a recipient reports to the commission's satisfaction	179
that the recipient fulfills all of the requirements of division	180
(B) of this section, the commission shall forgive one thousand	181
dollars of loan amounts awarded under section 184.32 of the	182
Revised Code ninety-one days after the date of first employment	183
and one thousand dollars every ninety-one days thereafter, for as	184
long as the recipient fulfills all requirements of that division,	185
until the student no longer has any outstanding loan amounts.	186
(D) A recipient who does not qualify or ceases to qualify for	187
a deferment of loan repayment or loan forgiveness under this	188
section shall repay any outstanding loan amounts awarded under	189
section 184.32 of the Revised Code to the third frontier	190
commission in monthly payments, at an annual interest rate of six	191
per cent compounded daily from the date loan amounts are	192
disbursed. The maximum repayment schedule shall be for a period of	193
five years.	194
(E) If a recipient who qualifies for loan forgiveness under	195
divisions (B) and (C) of this section becomes unemployed, the	196
recipient has ninety days from the date of unemployment to accept	197
employment that meets the requirements of division (B)(2)(a) or	198
(b) of this section to maintain eligibility for loan deferment and	199
forgiveness. If the recipient fails to accept such employment	200

compliance with divisions (C) to  $\frac{(F)}{(E)}$  of this section. Each

statement of selective service status shall contain a section

wherein a male student born after December 31, 1959, certifies

257

258

259

that the student has registered with the selective service system	260
in accordance with the "Military Selective Service Act," 62 Stat.	261
604, 50 U.S.C. App. 453, as amended. For those students not	262
required to register with the selective service, as specified in	263
divisions (A)(2)(b)(i) to (iv) of this section, a section shall be	264
provided on the statement of selective service status for the	265
certification of nonregistration and for an explanation of the	266
reason for the exemption. The board of regents may require that	267
such statements be accompanied by documentation specified by rule	268
of the board.	269

- (C) A state university or college that enrolls in any course, 270 class, or program a male student born after December 31, 1959, who 271 has not filed a statement of selective service status with the 272 university or college shall, regardless of the student's 273 residency, charge the student any tuition surcharge charged 274 students who are not residents of this state. 275
- (D) No male born after December 31, 1959, shall be eligible 276 to receive any loan, grant, scholarship, or other financial 277 assistance for educational expenses under section 184.32, 3315.33, 278 3333.12, 3333.122, 3333.21, 3333.22, 3333.26, 3333.27, 5910.03, 279 5910.032, or 5919.34 of the Revised Code unless that person has 280 filed a statement of selective service status with that person's 281 institution of higher education.
- (E) If an institution of higher education receives a 283 statement from an individual certifying that the individual has 284 registered with the selective service system in accordance with 285 the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 286 453, as amended or that the individual is exempt from registration 287 for a reason other than that the individual is under eighteen 288 years of age, the institution shall not require the individual to 289 file any further statements. If it receives a statement certifying 290 that the individual is not required to register because the 291

H. B. No. 34 As Introduced	Page 11
individual is under eighteen years of age, the institution shall	292
require the individual to file a new statement of selective	293
service status each time the individual seeks to enroll for a new	294
academic term or makes application for a new loan or loan	295
guarantee or for any form of financial assistance for educational	296
expenses, until it receives a statement certifying that the	297
individual has registered with the selective service system or is	298
exempt from registration for a reason other than that the	299
individual is under eighteen years of age.	300
Section 2. That existing sections 184.02 and 3345.32 of the	301
Revised Code are hereby repealed.	302