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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 9  
(I\_133\_1161-3)  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 9's Bill Analysis](#)

**Version:** In House Higher Education

**Primary Sponsors:** Reps. Jones and Sweeney

**Local Impact Statement Procedure Required:** No

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### Highlights

- State universities may incur potentially significant costs to review student records every two years to identify certain students who have been disenrolled for four or more semesters and who have not completed a bachelor's degree but are eligible or close to being eligible for an associate degree, notify students of their eligibility, and report findings to the Chancellor of Higher Education.
- State universities and community colleges that offer certain bachelor's degree programs may also forgo revenue from waiving, in certain circumstances, a student's tuition and general fees for a course that is necessary to complete a bachelor's degree.
- The bill may increase the administrative costs of state institutions and the Department of Higher Education to comply with certain prescribed reporting, study, or rule development and adoption requirements.

### Detailed Analysis

#### Overview

Generally, the bill's provisions address student degree completion at state institutions of higher education in various ways, including requirements for (1) each state university to review its student records every two years to determine if certain disenrolled students who did not complete a bachelor's degree are eligible or close to being eligible for an associate degree and (2) state institutions, under certain circumstances, to waive an eligible student's tuition and general fees for a course that is necessary to complete a bachelor's degree. The bill also prescribes some additional administrative responsibilities for state institutions of higher education and the Department of Higher Education (DHE). These provisions are discussed below in more detail.

## University review of student records for associate degree or certificate eligibility

Each state university will likely incur increased administrative costs to review its student records every two years to identify certain disenrolled students who have not completed a bachelor's degree but are eligible or close to being eligible for an associate degree. The bill prescribes the criteria that each state university must use to identify the students. A student must (1) have been disenrolled for four or more semesters, including summer sessions, (2) have not completed a bachelor's degree, (3) have a grade point average of 2.0 or higher on a 4.0 scale, and (4) have completed at least 45 credit hours. The first review conducted under the bill must include students who disenrolled from the university within the prior five years while subsequent reviews are limited to students who disenrolled within two years prior to that review. Each institution must notify, using the most recent contact information the university has on file, those students that are eligible or close to being eligible for an associate degree offered by that university, and report the findings of each review to the Chancellor of Higher Education. Such costs may be significant to identify students, complete degree audits, and, if eligible, provide notification. The administrative workload of the Department of Higher Education (DHE) will increase to develop and adopt rules to implement the program.

Several years ago, DHE piloted Project Win-Win, a program that appears to be similar to the one proposed above that operated in nine states and 61 two-year institutions. Project Win-Win identified students who were either eligible for an associate's degree or stopped their education when they were very close to earning the degree and assisted those students in completing the courses and credits needed to qualify for the degree. Seven university regional campuses and community colleges participated in the program in Ohio. The Lumina Foundation supported the program through grants passed through DHE to the participating institutions. Those institutions received a total of about \$111,000 from the Foundation to carry out the program. In October 2013, the Institute for Higher Education Policy published a report evaluating the national implementation of Project Win-Win.<sup>1</sup> Below are some notable findings that may be applicable to the program required by the bill.

- “By far, the degree audit was the most difficult and time-consuming Win-Win task in determining . . . whether students . . . should be awarded an associate's degree, or, if not, whether they were “potential completers”” with a relatively small number of credits left to earn an associate degree. There are various software programs available to automate the degree audit process, but, to maintain academic integrity, “nearly all institutions that employed these tools supplemented their findings with hand-and-eye readings; 11 schools used nothing but hand and eye.”
- The registrars' office is central in the degree auditing work, “but some Win-Win institutions hired temporary employees with the necessary background and knowledge

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<sup>1</sup> Adelman, Ph.D., Cliff, “Searching for Our Lost Associate's Degrees: Project Win-Win at the Finish Line,” Institute for Higher Education Policy, October 2013. Available online at <http://www.ihep.org/research/publications/project-win-win-finish-line>.

of institutional protocols to handle the load. These included retired deans of students and former institutional research officers – all working part time.”

## **Waiver of tuition and general fees for final course**

State institutions of higher education may forgo revenue from waiving, in certain circumstances, an eligible student’s tuition and general fees for a course that is necessary to complete a bachelor’s degree. This provision mostly affects public universities since, with the exception of “applied bachelor’s degree programs,” two-year public colleges generally offer two-year degrees or shorter programs. The amount of foregone revenue will depend on the number of students eligible for a tuition waiver and each institution’s tuition rates. LSC does not have data that suggests how many students may qualify, but the number may be somewhat limited due to the criteria specified by the bill. In order to be eligible, all of the following must apply to the student:

- The student was enrolled full time, as defined by the Chancellor, in the student’s final year;
- The student was unable to enroll in the final course in the student’s final year due to a lack of course availability or other circumstances beyond the student’s control, as determined by the Chancellor;
- The student paid all tuition and general fees and did not receive a refund for the courses in which the student enrolled in the student’s final year at the beginning of that year;
- The student registers for the final course in the next academic year in which the course is offered;
- The student did not enroll in the maximum amount of credit hours in the student’s final year, as determined by the state institution of higher education.

As with the program discussed above, DHE’s administrative workload will increase to develop and adopt rules to implement the program.

## **New administrative responsibilities**

The bill also may increase the administrative costs of the state institutions of higher education and DHE to fulfill the requirements described below.

- A state university must (1) report to the Chancellor any time the university refuses to accept or grant credit for any general education coursework that is both completed at a different state university and subject to the policies, procedures, or systems in place or proposed under the bill related to the transfer of college credits and (2) provide DHE’s contact information to the student that has been denied the credit.
- Each state institution of higher education must include in its updated strategic completion plan, provided to DHE every two years under continuing law, a report about the institution’s collaboration with other institutions of higher education through the Chancellor’s initiative to assist students who have some college experience, but no degree, in earning an associate degree, certificate, or credential. The initiative appears to be the Credit When It’s Due (CWID) Program, which began in 2013 to assist eligible students with obtaining an associate degree through collaboration between the public

institutions. According to DHE, all 13 public universities and 23 community colleges participate in the initiative.

- DHE's Transfer Practices Advisory Committee<sup>2</sup> must conduct a study of current rules involving college credit transfers between state institutions of higher education and, within one year after the bill's effective date, issue to the General Assembly a report of its findings and recommendations for changes to the rules.

## **Electronic equivalency management tool**

There appears to be little, if any, fiscal effect associated with the bill's requirements for DHE to develop an electronic equivalency management tool to assist in the transfer of coursework and degrees between state institutions of higher education. It appears DHE may already comply with this requirement through various resources available on its website. DHE currently oversees the Course Equivalency Management System (CEMS), an online portal that, according to DHE, is used to submit courses and programs and create matches for Ohio Transfer Modules (OTM), Transfer Assurance Guides (TAGs), Career-Technical Assurance Guides (CTAGs), and Advanced Placement (AP). Faculty panels review courses submitted by institutions to the system and approve matches. In addition, DHE also hosts an online tool for students that uses a five-step process to determine if a student's credits will transfer towards certain transfer-to-degree pathways at other institutions in the state.<sup>3</sup>

## **Synopsis of Fiscal Effect Changes**

- The substitute bill (I\_133\_1161-3) may increase or decrease the As Introduced (previous) bill's cost to state universities to carry out the reviews of student records related to associate degree or certificate eligibility. On one hand, the substitute bill adds the requirement for state institutions to identify students who are close to being eligible for an associate degree. On the other hand, the substitute bill adds student criteria that may limit the number of students identified, requires the university to determine only if a student is eligible or close to being eligible for an associate degree (not a program certificate) offered by that university (not any other institution), and adds a provision specifying that the university must inform students of that eligibility using the most recent contact information the university has on file.
- The substitute bill may increase or decrease the amount of foregone revenue associated with the previous bill's provisions requiring a waiver of tuition and fees for a final course

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<sup>2</sup> According to DHE's website, the Committee was chartered in October 2016 to (1) identify and discuss promising practices through a combination of national research, member discussions, and survey, (2) develop an inventory of promising practices and its resources, (3) provide guidance in the implementation of promising practices for the current and future statewide transfer initiatives, (4) develop a process for the implementation of the promising practices through data collection and analysis, (5) recommend and act on statewide dissemination and inventory rollout process, and (6) report its findings to the Ohio Articulation and Transfer Network Oversight Board.

<sup>3</sup> To access the tool and view more information on transferring college credit, please view the following link: [https://transfercredit.ohio.gov/pg\\_20](https://transfercredit.ohio.gov/pg_20).

under certain circumstances. On one hand, the substitute bill modifies the eligibility criteria to require that the student must register for the final course in the next academic year in which the course is offered instead of in the academic year immediately after the student's final year, providing some additional flexibility in the criteria. However, the substitute bill also adds that, to be eligible for a waiver, a student must not have received a refund for the tuition and fees the student paid for the courses for which the student registered in the student's final year and the student must not have enrolled in the maximum number of credit hours in the student's final year.

- The substitute bill may increase the administrative costs of state universities and DHE compared to the previous bill by adding the provisions prescribing additional administrative responsibilities described above.