



Ohio Legislative Service Commission

Bill Analysis

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S.B. 19

131st General Assembly
(As Introduced)

Sens. Sawyer, Brown, Cafaro, Gentile, Schiavoni, Skindell, Tavares, Thomas, Williams, Yuko

BILL SUMMARY

- Requires the Chancellor of the Ohio Department of Higher Education to adopt rules to govern the allocation of state capital appropriations to state colleges and universities.
 - Increases the amount of bonds the Ohio Public Facilities Commission may issue and sell to pay the costs of capital facilities for state-supported and state-assisted institutions of higher education.
 - Modifies the existing Ohio College Opportunity Grant Program to increase the maximum grant amount for a student enrolled for a semester or quarter in addition to the portion of the academic year covered by a grant.
 - Limits the overload fee that state universities and colleges can charge students.
 - Makes an appropriation.
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CONTENT AND OPERATION

State capital appropriations

Allocation

The bill requires the Chancellor of the Ohio Board of Regents, which office was renamed the Ohio Department of Higher Education by H.B. 64 of the 131st General Assembly, to adopt rules to govern the allocation of state capital appropriations to state colleges and universities. The Chancellor is to consult with the colleges and universities and the Office of Budget and Management (OBM) in drafting the rules. The rules are to incorporate the recommendations of the final report of the Commission to Study Higher

Education Debt Service, issued June 28, 1994, as these recommendations have been utilized and modified in procedures developed by the Chancellor and OBM since the report was issued. The rules are to be adopted in accordance with the Administrative Procedure Act.¹

Bond issuance

The bill increases the amount of bonds the Ohio Public Facilities Commission (PFC) may issue to pay the costs of capital facilities for state-supported and state-assisted institutions of higher education. For this purpose, the PFC is currently authorized to issue and sell general obligations of the state in an aggregate principal amount not to exceed \$507 million. The bill increases that amount to \$539 million.²

Ohio College Opportunity Grant

The bill modifies the existing Ohio College Opportunity Grant Program, a needs-based financial aid program administered by the Chancellor. In general, the amount of a grant awarded to a student under the program equals the student's remaining state cost of attendance after the student's Pell grant and expected family contribution are applied to the instructional and general charges for the undergraduate program. For a student enrolled for a semester or quarter in addition to the portion of the academic year covered by a grant, the maximum grant amount is a percentage of the maximum specified in rules adopted by the Chancellor: the maximum grant for a fourth quarter is one-third of the maximum amount so prescribed and the maximum grant for a third semester is one-half of the maximum amount so prescribed.

Under the bill, the maximum grant for both a fourth quarter and a third semester is to be "equal to" the maximum amount prescribed by the Chancellor.³

Overload fees

The bill limits the overload fee that can be charged by state universities and colleges. For this purpose, "overload fee" means a fee or increased tuition rate charged to students who take credit hours in excess of a full course load. The term "full course load" is to be defined by the board of trustees of each state university or college. "Tuition" means the amount a state university or college charges a student to take a full course load, and "credit plateau" means the maximum number of credits a state university or college allows to be taken in a full course load.

¹ R.C. 3333.072.

² Sections 7 and 8.

³ R.C. 3333.122.



Under the bill, state universities and colleges are prohibited from charging an overload fee that is more than the amount resulting from the division of the university's or college's tuition by its credit plateau. And a state university or college cannot increase or create any other fee it charges students to offset this limitation on overload fees.⁴

To cover any deferred maintenance that may result from decreased overload fee revenue, the bill provides supplemental capital funding to state-assisted universities.⁵

HISTORY

ACTION	DATE
Introduced	02-02-15

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⁴ R.C. 3345.38.

⁵ Section 5 and 6.

