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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
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Legislative Budget  
Office

## Substitute Bill Comparative Synopsis

### Sub. H.B. 2

### 133<sup>rd</sup> General Assembly

House Economic and Workforce Development

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Introduced)	Latest Version (I_133_1330-2)
<b>Microcredential</b>	
<p>Defines a “microcredential” for purposes of the TechCred Program and Individual Microcredential Assistance Program (IMAP) created in the bill as a certificate program or other industry-recognized credential that:</p> <ul style="list-style-type: none"> <li>▪ An individual may complete in one year or less; and</li> <li>▪ The Chancellor of Higher Education includes on the inventory of certificate programs and industry-recognized credentials offered at state institutions of higher education and Ohio</li> </ul>	<p>Modifies the definition to mean an industry-recognized credential or certificate that an individual may complete in one year or less and that is approved by the Chancellor. <i>(R.C. 122.178(A) and 122.1710(A).)</i></p>

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<p>technical centers that align with in-demand jobs in Ohio. (R.C. 122.178(A) and 122.179, by reference to R.C. 3333.94, not in the bill.)</p>	
<b>TechCred Program: open enrollment</b>	
<p>No provision.</p>	<p>Requires the Director of the Development Services Agency (DSA) to adopt administrative rules establishing an open enrollment period during which an employer may submit an application to participate in the TechCred Program.</p>
<p>No provision.</p>	<p>Requires an employer seeking to participate in the Program to submit an application to the Director during the annual open enrollment period the Director establishes.</p>
<p>No provision.</p>	<p>Requires the Director to consider all applications submitted during an open enrollment period after the open enrollment period ends. (R.C. 122.178(C), (D), and (I).)</p>
<b>TechCred Program: application to participate</b>	
<p>Requires an employer, for program eligibility purposes, to be (1) registered to do business in Ohio, (2) current on all tax obligations to the state, and (3) in compliance with all applicable environment regulations. Requires the Director to establish additional requirements for employers to be eligible for a reimbursement under the program. (R.C. 122.178(C) and (E).)</p>	<p>Similar, but requires an employer seeking to participate in the program to submit to the Director an application including proof of those requirements and the following information: (1) the training provider's name, (2) the training's cost, (3) the positions for which earning a microcredential will make an employee qualified or the skills that an employee will acquire on earning a microcredential, (4) the address of the location or facility where the employee is expected to be employed after earning a microcredential, and (5) any other information the Director requires.</p>

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No provision.	Allows an employer to include with an application the estimated wage after earning a microcredential or any other information the employer wishes to provide to the Director.
No provision.	Specifies that an application approved by the Director is valid for the fiscal year as designated by the Director. Requires an employer that participates in the program and wishes to participate in any subsequent fiscal year to reapply in the same manner as in the previous fiscal year. <i>(R.C. 122.178(C) and (D).)</i>
<b>TechCred Program: application prioritization</b>	
Requires the Director to approve reimbursement applications based on priority guidelines the Director must establish, which must include the efficiency of a wage increase for an incumbent employee or expected wage for a prospective employee. <i>(R.C. 122.178(D) and (E).)</i>	Requires instead that the Director consider the following factors in determining whether to approve an application to participate in the program: (1) the training program's duration, (2) the training's cost, (3) an employee's estimated wage after earning a microcredential, (4) whether approval will promote regional diversity in apportioning reimbursements uniformly across Ohio, and (5) any other factors the Director considers relevant. Authorizes the Director to adopt rules establishing priority guidelines for approving an application to participate in the program. <i>(R.C. 122.178(D) and (I).)</i>
<b>TechCred Program: reimbursement application</b>	
Requires an employer seeking reimbursement for training costs to submit an application to the Director that includes all of the following:	Same, except:

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<ol style="list-style-type: none"> <li>1. The employee’s name and position or the position for which the employee will be qualified after earning a microcredential;</li> <li>2. The training provider from which the employee received training;</li> <li>3. The cost incurred by the employer for the training;</li> <li>4. Evidence that the employee earned a microcredential;</li> <li>5. Whether the employer did either of the following on an employee’s completion of a microcredential: (a) increased an incumbent employee’s wage by double the amount of the requested reimbursement, or (b) hired a prospective employee for a position in Ohio.</li> </ol> <p>Authorizes an employer to apply for a reimbursement only for an employee who is an Ohio resident.</p> <p>Requires the Director to calculate the amount of a reimbursement as the total amount of the costs for all employees receiving the training to earn a microcredential. <i>(R.C. 122.178(C) and (D).)</i></p>	<ol style="list-style-type: none"> <li>1. Eliminates the option to include the position for which the employee will be qualified after earning a microcredential;</li> <li>2. No provision;</li> <li>3. Requires the actual amount the employer paid to the training provider for the training rather than the cost incurred by the employer for the training;</li> <li>4. Same;</li> <li>5. No provision.</li> </ol> <p>Requires the employer to include in any reimbursement application evidence that the employee is an Ohio resident. <i>(R.C. 122.178(E).)</i></p> <p>No provision.</p>
<b>TechCred Program: application creation</b>	
Requires the Director to create a reimbursement application. <i>(R.C. 122.178(E).)</i>	Also requires the Director to create an application to participate in the program. <i>(R.C. 122.178(H).)</i>
<b>TechCred Program: public records exemption</b>	
No provision.	Exempts from the Public Records Law any information included in an application the Director receives in connection with the TechCred Program regarding (1) an employee’s wages, (2) an employee’s

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	personal information, and (3) the microcredentials sought or earned by an employee. Authorizes the Director to include the information in the annual report the Director must submit under the bill. <i>(R.C. 122.178(J) and 122.1711, by reference to R.C. 149.43, not in the bill.)</i>
<b>TechCred Program: website</b>	
Requires the Director to create a website with the application for and information regarding the program and IMAP. <i>(R.C. 122.178(E).)</i>	Requires the Governor's Office of Workforce Transformation to include on the Office's website either (1) the applications for and information regarding the TechCred Program or (2) an Internet link to the website created by the Director. <i>(R.C. 122.178(H).)</i>
<b>TechCred Program: prohibition</b>	
No provision.	Prohibits an employer from requiring an employee who receives a microcredential because the employer participated in and received a reimbursement through the employer's participation in the TechCred Program to accept or continue employment with the employer. <i>(R.C. 122.178(F).)</i>
<b>TechCred Program: investigation and enforcement</b>	
No provision.	Requires the Auditor of State, at the written request of the Director, to (1) investigate any employer that received a reimbursement to determine whether the employer included inaccurate information in any applications or whether the employer violated the above prohibition and (2) submit the results of the investigation to the Director.
No provision.	Requires the Director to send a notice and conduct a hearing if reasonable evidence exists that the information in any application is inaccurate or that the employer violated the prohibition. Requires, if

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	after a hearing the Director determines the information is inaccurate or that the employer violated the prohibition, the Director to order the employer to refund to the Director the reimbursement the employer received for each employee. <i>(R.C. 122.178(K).)</i>
<b>Approved training providers and microcredentials</b>	
<p>Authorizes the Director, in consultation with the Chancellor, to adopt rules designating eligible training providers for purposes of the TechCred Program and IMAP. <i>(R.C. 122.178(F).)</i></p> <p>No provision.</p>	<p>Requires the Chancellor to adopt rules establishing a list of approved Ohio training providers and the microcredentials offered by those providers.</p> <p>Authorizes the Director to approve an application to participate in the TechCred Program or IMAP only if the training provider and microcredentials identified in the application are included in the Chancellor's list. <i>(R.C. 122.178(D) and 122.1710(D).)</i></p>
<b>Industry Sector Partnership Program</b>	
<p>Defines an "industry sector partnership" as a collaborative relationship between one or more employers and one or more school districts, state institutions of higher education, or Ohio technical centers. <i>(R.C. 122.1710(A).)</i></p>	<p>Defines as a regional workforce collaborative that organizes key leaders and stakeholders of an industry cluster into a working group that focuses on achieving a shared goal of meeting the industry cluster's human resources needs.</p> <p>Expands the list of organizations that may be members of an industry sector partnership to representatives of any organization that the industry sector partnership considers necessary to further the shared goal of meeting the industry cluster's human resources needs, including state or local governments or agencies, businesses, employers, or other institutions or associations.</p>

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No provision.	Authorizes one or more employers of an industry cluster to organize and lead an industry sector partnership by convening or acting in partnership with representatives of one or more of the organizations referenced above. <i>(R.C. 122.179.)</i>
<b>IMAP: application and prioritization</b>	
Requires an individual seeking a grant under IMAP to submit to the Director an application that includes (1) the microcredential sought, (2) the training provider, and (3) the training's cost. <i>(R.C. 122.179(C).)</i>	Also requires the individual to include in the application: (1) the individual's name and address, (2) the individual's current employer, if applicable, (3) proof that the individual is an Ohio resident, (4) proof of the individual's total income during the prior calendar year, (5) proof that the individual was accepted into the training provider's program to earn a microcredential, and (6) any other information the Director requires.
No provision.	Requires the Director to consider the following factors in determining whether to approve an application: (1) the program's duration, (2) the training's cost, (3) whether approval will promote regional diversity in apportioning grants uniformly across Ohio, and (4) the individual's financial need for the grant.
No provision.	Authorizes the Director to adopt rules to establish priority guidelines for approving applications. <i>(R.C. 122.1710(C), (D), and (I).)</i>
<b>IMAP: grant amount, disbursement, and recoupment</b>	
Requires the Director, if the Director approves a grant application, to disburse half of the grant amount to the training provider before the training begins. Requires the Director to disburse the second half after receiving evidence from the training provider that the individual has completed the first half of training and is enrolled in the second half.	Requires the Director, if the Director approves an application, to notify in writing the individual and the training provider that the Director has approved the application, and disburse a grant to cover the training cost directly to the training provider.

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<p>No provision.</p> <p>Limits the grant amount awarded to \$5,000.</p> <p>Authorizes a training provider to recover half of the grant amount from the individual if the individual fails to complete the training, regardless of the amount of training the individual completed. <i>(R.C. 122.179(D) and (E).)</i></p>	<p>Requires the Director, if the Director denies an application, to notify in writing the individual of the Director’s denial.</p> <p>Limits the grant amount to a minimum of \$500 and a maximum of \$2,000.</p> <p>Requires a training provider to refund the entire grant amount to the Director if an individual fails to complete a training program for which a grant was disbursed. Requires, if the training provider is a public institution, the institution to forward the individual’s name and grant amount to the Attorney General for collection. Allows, if the training provider is a private institution, the institution to sue the individual to recover damages equal to the grant amount. <i>(R.C. 122.1710(E) and (F), by reference to R.C. 131.02, not in the bill.)</i></p>
<b>IMAP: Director duties</b>	
<p>No provision.</p>	<p>Requires the Director to (1) create an application to receive a grant under IMAP and (2) create and distribute a survey to each individual who successfully earned a microcredential inquiring as to the individual’s occupation and wages at the time of completing the survey.</p>
<p>No provision.</p>	<p>Requires the Director to create a website that (1) allows an individual to apply to a training provider for acceptance into a training program, (2) includes the application for and information regarding IMAP and the list of approved training providers and microcredentials, (3) allows a user to search for microcredentials by name, (4) allows a user to search by zip code for microcredentials and training providers, and (5) allows a user to access a listing of every microcredential offered by each approved training provider.</p>



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<p>Requires the Director to make the grant application available on the OhioMeansJobs website and the websites maintained by DSA, the Governor’s Office of Workforce Transformation, and the Departments of Higher Education and Education. <i>(R.C. 122.179(C).)</i></p>	<p>Eliminates the requirement that the Director make the application available on the Department of Education’s and the Department of Higher Education’s websites. Requires the Governor’s Office of Workforce Transformation to include on both the Office’s website and the OhioMeansJobs website, either (1) all of the content included on the website the Director creates under the bill or (2) an Internet link to that website. <i>(R.C. 122.1710(G) and (H).)</i></p>
<b>IMAP: public records exemption</b>	
<p>No provision.</p>	<p>Excludes from the Public Records Law any personal information of an individual included in an application the Director receives in connection with IMAP. Authorizes the Director to use the personal information of an individual as necessary to complete the annual report the Director must submit under the bill. <i>(R.C. 122.1710(J) and 122.1711, by reference to R.C. 149.43, not in the bill.)</i></p>
<b>IMAP: income tax</b>	
<p>No provision.</p>	<p>Allows an individual to deduct from an individual’s adjusted gross income, to the extent not otherwise already allowable as a deduction or exclusion for purposes of calculating an individual’s state income tax, any amount included in an individual’s federal adjusted gross income attributable to any grants disbursed under IMAP. <i>(R.C. 5747.01(A).)</i></p>

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<b>TechCred Program and IMAP: regions</b>	
No provision.	Establishes six regions within Ohio for the purposes of determining regional diversity in apportioning reimbursements and grants uniformly across Ohio under the TechCred Program and IMAP. <i>(R.C. 122.178(D) and (G) and 122.1710(D).)</i>
<b>Report to General Assembly and marketing</b>	
No provision.	Requires the Director, beginning one year after the bill's effective date and every year thereafter, to submit to the General Assembly a written report that compiles and includes information specified under the bill regarding IMAP and the TechCred and industry sector partnership programs. Requires the Director to use the regions established under the bill in categorizing the information included in the report.
No provision.	Requires the Director to market IMAP and the TechCred and industry sector partnership programs. <i>(R.C. 122.1711.)</i>
<b>Appropriations</b>	
<p>Appropriates \$14,700,000 in FY 2020 and FY 2021 for the TechCred Program and specifies that the following amounts are awardable in each fiscal year to businesses depending on the number employees employed by the business:</p> <ul style="list-style-type: none"> <li>▪ For businesses with 50 or fewer employees, not less than \$2,500,000;</li> <li>▪ For businesses with 200 or fewer employees, not less than \$2,500,000, in addition to the minimum amount awardable to businesses with 50 or fewer employees; and</li> </ul>	<p>Reduces the TechCred Program appropriation amount to \$12,300,000 in FY 2020 and FY 2021 and allows the following maximum amounts, rather than minimum amounts, to be awarded in each fiscal year to businesses depending on the number employees employed by the business:</p> <ul style="list-style-type: none"> <li>▪ For businesses with 50 or fewer employees, not <i>more</i> than \$4,100,000;</li> <li>▪ For businesses with between 51 and 200 employees, not <i>more</i> than \$4,100,000; and</li> </ul>

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<ul style="list-style-type: none"> <li>▪ For businesses with 200 or more employees, not less than \$2,250,000.</li> </ul> <p>Appropriates \$14,700,000 in FY 2020 and FY 2021 for IMAP.</p> <p>Appropriates \$600,000 in FY 2020 and FY 2021 to cover the operating costs of the TechCred Program and IMAP.</p> <p>No provision.</p> <p>No provision. <i>(Section 2.)</i></p>	<ul style="list-style-type: none"> <li>▪ For businesses with 201 or more employees, not <b>more</b> than \$4,100,000.</li> </ul> <p>Reduces the appropriation amount to \$2,500,000 per fiscal year.</p> <p>No provision.</p> <p>Appropriates \$200,000 in FY 2020 and FY 2021 to be used for marketing the workforce development programs created under the bill.</p> <p>Requires the Director on July 1, 2020, or as soon as possible thereafter, to certify to the Director of Budget and Management the unexpended, unencumbered balance of all appropriation amounts under the bill from FY 2020, and reappropriates that certified amount for IMAP and the TechCred and industry sector partnership programs in FY 2021. <i>(Section 2.)</i></p>