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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 69  
134<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for S.B. 69's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Sen. Williams

**Local Impact Statement Procedure Required:** No

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### Highlights

- Individual Ohio College Opportunity Grant (OCOG) awards may decrease for those students currently eligible to receive them if there are a number of newly eligible students under the bill and the appropriation is not increased.
- The Department of Higher Education's administrative expenses may increase under the bill, especially if they are to determine if a program should be offered for credit or not.

### Detailed Analysis

#### Expanding OCOG eligibility

##### Background

The Ohio College Opportunity Grant (OCOG) is Ohio's primary need-based financial aid program for higher education students. In general, to be eligible for an OCOG award, a student must be an Ohio resident in an associate's degree, first bachelor's degree, or nurse diploma program at an eligible public, private nonprofit, or private for-profit institution of higher education. A student must also have an expected family contribution (EFC) of 2190 or less and a maximum household income of \$96,000. In FY 2022, OCOG generally provides eligible full-time students enrolled at public institutions an annual award up to \$2,200, students enrolled at private, nonprofit institutions an annual award up to \$3,700, and students enrolled at private, for-profit institutions an annual award up to \$1,400.

To determine the maximum per student OCOG amounts for each fiscal year, the Department of Higher Education (DHE), generally, subtracts the maximum federal Pell grant and EFC combination from the average instructional and general fees charged by the student's respective institutional sector. In other words, OCOG is limited to instructional and general fees that exceed the Pell grant. This policy, referred to as "Pell-first," typically eliminates the

possibility for OCOG awards for those attending lower cost institutions, including community colleges and university regional campuses (two-year colleges).

### **The bill**

The bill expands OCOG eligibility to include students enrolled in certain noncredit community college and state community college programs. Generally, unless the appropriation for OCOG is increased, making additional students eligible for OCOG will decrease the awards of those already eligible or receiving OCOG since the individual award amounts are projected by dividing the total available OCOG appropriation by the number of students eligible for an award. Any effect on the award amounts will depend on the number of students that would be newly eligible under the bill. Although DHE does not currently collect data on the number of students enrolled in noncredit programs, there were an estimated 550 such programs operating at community colleges according to a DHE survey completed in calendar year 2017.

As mentioned above, on a per-student basis, students enrolled in degree programs at two-year colleges, generally, do not receive OCOG as a result of the program's "Pell-first" policy. According to a DHE spokesperson, students enrolled in noncredit programs generally do not receive Pell. Presumably, those same students may be able to receive an OCOG award under the bill up to the tuition charged for the program or the maximum OCOG amount established by the Chancellor of Higher Education for students enrolled at a public institution, whichever amount is lower, in that academic year.

### **Chancellor's duties under the bill**

The bill requires the Chancellor of Higher Education to establish policies and procedures for awarding credit for career or technical certification programs offered by community colleges and state community colleges and for applying that credit toward an associate degree in a related field. These additional duties are likely to increase DHE's administrative expenses, the extent of which is uncertain. According to a DHE spokesperson, community colleges currently decide whether a program is offered for credit or noncredit. If the bill requires DHE to ultimately determine whether these programs should be offered for credit or noncredit, then the additional administrative responsibility would be greater as it would require an extensive process among DHE, institutions, and faculty to decide which programs will receive credit and which will remain noncredit programs.