



OHIO LEGISLATIVE SERVICE COMMISSION

Edward M. Millane

Fiscal Note & Local Impact Statement

Bill: H.B. 508 of the 132nd G.A.
(L_132_2217-2)

Status: In House Finance

Sponsor: Reps. Ryan and Reineke

Local Impact Statement Procedure Required: No

Subject: Establishes the OhioCorps Pilot Program and makes an appropriation

Fiscal Highlights

- The bill provides \$2.5 million through an FY 2019 cash transfer from the GRF to the OhioCorps Fund (Fund 5UK0) to fund the newly created OhioCorps Pilot Program, which supports mentorship programs for at-risk students and, in subsequent fiscal years, one-time college scholarships of \$1,000.
- The bill permits the Department of Higher Education to use up to \$50,000 of the \$2.5 million appropriated for the Pilot Program for its increased administrative costs associated with the program.
- The bill authorizes the unused balance of the appropriation at the end of FY 2019 to be reappropriated for FY 2020 to continue to support the Pilot Program.
- The Office of the Attorney General will likely incur a minimal at most annual increase in administrative costs and gain in revenue to perform background checks.

Detailed Fiscal Analysis

The bill creates the OhioCorps Pilot Program to provide eligible at-risk students living in Ohio with guidance to a pathway to higher education through mentorship programs operated by public universities and community and technical colleges during FY 2020 and FY 2021. The bill defines an "at-risk" student as a primary or secondary school student who is at least 13 years old and (1) is eligible for a free or reduced price lunch, (2) would have an expected family contribution¹ of \$0, as determined by the free application for federal student aid (FAFSA), in grade 12, or (3) is impacted by family opioid addiction or has entered into recovery for opioid addiction. The Pilot Program will be implemented and administered by the Chancellor of Higher Education.

¹ In general, expected family contribution is a measure of a family's financial strength and is used to determine eligibility for federal student aid.

Each mentorship program must consist of a service-learning component for students enrolled at each participating institution that will allow those students to mentor and assist at-risk middle and high school students, and their parents, on a variety of topics, including preparing for college and career planning, tutoring, and opioid and drug education programs. Qualifying mentorship programs must provide a stipend, in an amount to be determined by the institution, to student mentors and develop plans for training mentors and partnering with local providers and existing programs, such as AmeriCorps and the Ohio Commission on Service and Volunteerism.

Mentors that have not already undergone a criminal records check due to their participation in one of the above service programs will be required to obtain one, which will minimally increase both the workload for those administering the check and the fees collected. The base fees of the state-only and Federal Bureau of Investigation (FBI) background checks are \$22 and \$24, respectively. The \$22 state-only background check fee and \$2 of the \$24 FBI background check fee are deposited in the General Reimbursement Fund (Fund 1060) used by the Attorney General. The remaining \$22 of the FBI background check fee is sent to the FBI.

To incentivize eligible at-risk students to participate in the Pilot Program and ultimately enroll in college, the Pilot Program also provides a one-time college scholarship of \$1,000 for those students for use at a public university or community or technical college. To qualify for the scholarship, an at-risk student must fully participate in a mentorship program, enroll in an eligible state institution of higher education, and meet other academic and community service requirements.

The bill provides \$2.5 million for the Pilot Program through an FY 2019 cash transfer of that same amount from the GRF to the OhioCorps Fund (Fund 5UK0), which the bill creates. The bill appropriates the transferred cash to Fund 5UK0 line item 235594, OhioCorps Pilot Program, to be used by the Chancellor for administrative costs and to support the creation of mentorship programs at the state institutions of higher education. The bill also authorizes the unexpended, unencumbered balance of line item 235594 at the end of FY 2019 to be reappropriated for FY 2020 to support mentorship programs at the qualifying state institutions of higher education.

The bill may increase the administrative costs of the Department of Higher Education (DHE) to implement and operate the program. The bill earmarks up to \$50,000 in FY 2019 from line item 235594 to support these potential costs. In addition to implementing and administering the program, the bill requires the Chancellor to issue a report to the General Assembly at the end of FY 2021 regarding the implementation and outcomes of the Pilot Program.

Synopsis of Fiscal Effect Changes

The substitute bill (L_132_2217-2) expands eligibility for the OhioCorps Pilot Program from at-risk students living in the eastern region of Ohio, as in the previous version of the bill (the As Introduced bill with AM1542), to such students living anywhere in the state. Expanding the program to eligible at-risk students statewide may increase the number of students and institutions opting to participate. The previous bill's appropriation for the Pilot Program remains unchanged under the substitute bill, at \$2.5 million.

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