ANACT

To amend sections 135.143 and 135.35 and to enact section 9.76 of the Revised Code to raise the foreign debt cap from one per cent to two per cent regarding state interim funds and county inactive and public library fund investments and to prohibit a state agency from contracting with a company that is involved in a boycott.

Be it enacted by the General Assembly of the State of Ohio:

Section 1. That sections 135.143 and 135.35 be amended and section 9.76 of the Revised Code be enacted to read as follows:

Sec. 9.76. (A) As used in this section:

- (1) "Boycott" means engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with persons or entities in a discriminatory manner. "Boycott" does not include:
 - (a) Boycotts to which 50 U.S.C. 4607(c) applies;
- (b) A decision based on business or economic reasons, or the specific conduct of a targeted person or entity;
- (c) A boycott against a public entity of a foreign state when the boycott is applied in a nondiscriminatory manner; and
 - (d) Conduct necessary to comply with applicable law in the business's home jurisdiction.
- (2) "Company" means a sole proprietorship, partnership, corporation, national association, societe anonyme, limited liability company, limited partnership, limited liability partnership, joint venture, or other business organization, including their subsidiaries and affiliates, that operates to earn a profit.
 - (3) "Israel" means Israel or Israeli-controlled territories.
- (4) "Jurisdiction with whom this state can enjoy open trade" means any world trade organization member and any jurisdiction with which the United States has free trade or other agreements aimed at ensuring open and nondiscriminatory trade relations.
- (5) "State agency" means an organized body, office, agency, institution, or other entity established by the laws of the state for the exercise of a function of state government.
- (B) A state agency may not enter into or renew a contract with a company for the acquisition or provision of supplies, equipment, or services, or for construction services, unless the contract declares that the company is not boycotting any jurisdiction with whom this state can enjoy open trade, including Israel, and will not do so during the contract period.

Sec. 135.143. (A) The treasurer of state may invest or execute transactions for any part or all of the interim funds of the state in the following classifications of obligations:

- (1) United States treasury bills, notes, bonds, or any other obligations or securities issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States:
- (2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;
- (3)(a) Bonds, notes, and other obligations of the state of Ohio, including, but not limited to, any obligations issued by the treasurer of state, the Ohio public facilities commission, the Ohio building authority, the Ohio housing finance agency, the Ohio water development authority, and the Ohio turnpike infrastructure commission;
- (b) Bonds, notes, and other obligations of any state or political subdivision thereof rated in the three highest categories by at least one nationally recognized standard rating service and purchased through a registered securities broker or dealer, provided the treasurer of state is not the sole purchaser of the bonds, notes, or other obligations at original issuance.
- (4)(a) Written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, or any registered United States government securities dealer, under the terms of which agreement the treasurer of state purchases and the eligible financial institution or dealer agrees unconditionally to repurchase any of the securities that are listed in division (A)(1), (2), or (6) of this section. The market value of securities subject to these transactions must exceed the principal value of the repurchase agreement by an amount specified by the treasurer of state, and the securities must be delivered into the custody of the treasurer of state or the qualified trustee or agent designated by the treasurer of state. The agreement shall contain the requirement that for each transaction pursuant to the agreement, the participating institution or dealer shall provide all of the following information:
 - (i) The par value of the securities;
 - (ii) The type, rate, and maturity date of the securities;
- (iii) A numerical identifier generally accepted in the securities industry that designates the securities.
- (b) The treasurer of state also may sell any securities, listed in division (A)(1), (2), or (6) of this section, regardless of maturity or time of redemption of the securities, under the same terms and conditions for repurchase, provided that the securities have been fully paid for and are owned by the treasurer of state at the time of the sale.
- (5) Securities lending agreements with any eligible financial institution that is a member of the federal reserve system or federal home loan bank or any recognized United States government securities dealer, under the terms of which agreements the treasurer of state lends securities and the eligible financial institution or dealer agrees to simultaneously exchange similar securities or cash, equal value for equal value.

Securities and cash received as collateral for a securities lending agreement are not interim funds of the state. The investment of cash collateral received pursuant to a securities lending agreement may be invested only in such instruments specified by the treasurer of state in accordance with a written investment policy.

(6) Various forms of commercial paper issued by any entity that is organized under the laws of the United States or a state, which notes are rated in the two highest categories by two nationally recognized standard rating services, provided that the total amount invested under this section in any commercial paper at any time shall not exceed forty per cent of the state's total average portfolio, as determined and calculated by the treasurer of state;

- (7) Bankers acceptances, maturing in two hundred seventy days or less, provided that the total amount invested in bankers acceptances at any time shall not exceed ten per cent of the state's total average portfolio, as determined and calculated by the treasurer of state;
- (8) Certificates of deposit in eligible institutions applying for interim moneys as provided in section 135.08 of the Revised Code, including linked deposits as provided in sections 135.61 to 135.67 of the Revised Code, agricultural linked deposits as provided in sections 135.71 to 135.76 of the Revised Code, and housing linked deposits as provided in sections 135.81 to 135.87 of the Revised Code;
- (9) The state treasurer's investment pool authorized under section 135.45 of the Revised Code;
- (10) Debt interests, other than commercial paper described in division (A)(6) of this section, rated in the three highest categories by two nationally recognized standard rating services and issued by entities that are organized under the laws of the United States or a state, or issued by foreign nations diplomatically recognized by the United States government, or any instrument based on, derived from, or related to such interests, provided that:
- (a) The investments in debt interests other than commercial paper shall not exceed in the aggregate twenty-five per cent of the state's portfolio.
- (b) The investments in debt interests issued by foreign nations shall not exceed in the aggregate one two per cent of the state's portfolio.

The treasurer of state shall invest under division (A)(10) of this section in a debt interest issued by a foreign nation only if the debt interest is backed by the full faith and credit of that foreign nation, and provided that all interest and principal shall be denominated and payable in United States funds.

- (c) When added to the investment in commercial paper, the investments in the debt interests of a single issuer shall not exceed in the aggregate five per cent of the state's portfolio.
- (d) For purposes of division (A)(10) of this section, a debt interest is rated in the three highest categories by two nationally recognized standard rating services if either the debt interest itself or the issuer of the debt interest is rated, or is implicitly rated, in the three highest categories by two nationally recognized standard rating services.
- (e) For purposes of division (A)(10) of this section, the "state's portfolio" means the state's total average portfolio, as determined and calculated by the treasurer of state.
- (11) No-load money market mutual funds rated in the highest category by one nationally recognized standard rating service or consisting exclusively of obligations described in division (A) (1), (2), or (6) of this section and repurchase agreements secured by such obligations.
- (12) Obligations of a political subdivision issued under Chapter 133. of the Revised Code and identified in an agreement described in division (G) of this section.
- (B) Whenever, during a period of designation, the treasurer of state classifies public moneys as interim moneys, the treasurer of state shall notify the state board of deposit of such action. The notification shall be given within thirty days after such classification and, in the event the state board

of deposit does not concur in such classification or in the investments or deposits made under this section, the board may order the treasurer of state to sell or liquidate any of the investments or deposits, and any such order shall specifically describe the investments or deposits and fix the date upon which they are to be sold or liquidated. Investments or deposits so ordered to be sold or liquidated shall be sold or liquidated for cash by the treasurer of state on the date fixed in such order at the then current market price. Neither the treasurer of state nor the members of the state board of deposit shall be held accountable for any loss occasioned by sales or liquidations of investments or deposits at prices lower than their cost. Any loss or expense incurred in making these sales or liquidations is payable as other expenses of the treasurer's office.

- (C) If any securities or obligations invested in by the treasurer of state pursuant to this section are registrable either as to principal or interest, or both, such securities or obligations shall be registered in the name of the treasurer of state.
- (D) The treasurer of state is responsible for the safekeeping of all securities or obligations under this section. Any such securities or obligations may be deposited for safekeeping as provided in section 113.05 of the Revised Code.
- (E) Interest earned on any investments or deposits authorized by this section shall be collected by the treasurer of state and credited by the treasurer of state to the proper fund of the state.
- (F) Whenever investments or deposits acquired under this section mature and become due and payable, the treasurer of state shall present them for payment according to their tenor, and shall collect the moneys payable thereon. The moneys so collected shall be treated as public moneys subject to sections 135.01 to 135.21 of the Revised Code.
- (G) The treasurer of state and any political subdivision issuing obligations referred to in division (A)(12) of this section, which obligations mature within one year from the original date of issuance, may enter into an agreement providing for:
- (1) The purchase of those obligations by the treasurer of state on terms and subject to conditions set forth in the agreement;
- (2) The payment by the political subdivision to the treasurer of state of a reasonable fee as consideration for the agreement of the treasurer of state to purchase those obligations; provided, however, that the treasurer of state shall not be authorized to enter into any such agreement with a board of education of a school district that has an outstanding obligation with respect to a loan received under authority of section 3313.483 of the Revised Code.
- (H) For purposes of division (G) of this section, a fee shall not be considered reasonable unless it is set to recover only the direct costs, a reasonable estimate of the indirect costs associated with the purchasing of obligations of a political subdivision under division (G) of this section and any reselling of the obligations or any interest in the obligations, including interests in a fund comprised of the obligations, and the administration thereof. No money from the general revenue fund shall be used to subsidize the purchase or resale of these obligations.
- (I) All money collected by the treasurer of state from the fee imposed by division (G) of this section shall be deposited to the credit of the state political subdivision obligations fund, which is hereby created in the state treasury. Money credited to the fund shall be used solely to pay the treasurer of state's direct and indirect costs associated with purchasing and reselling obligations of a political subdivision under division (G) of this section.

(J) As used in this section, "political subdivision" means a county, township, municipal corporation, or school district.

Sec. 135.35. (A) The investing authority shall deposit or invest any part or all of the county's inactive moneys and shall invest all of the money in the county public library fund when required by section 135.352 of the Revised Code. The following classifications of securities and obligations are eligible for such deposit or investment:

(1) United States treasury bills, notes, bonds, or any other obligation or security issued by the United States treasury, any other obligation guaranteed as to principal or interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States.

Nothing in the classification of eligible securities and obligations set forth in divisions (A)(2) to (10) of this section shall be construed to authorize any investment in stripped principal or interest obligations of such eligible securities and obligations.

- (2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, and government national mortgage association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
- (3) Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts, in any eligible institution mentioned in section 135.32 of the Revised Code;
 - (4) Bonds and other obligations of this state or the political subdivisions of this state;
- (5) No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in division (A)(1), (2), or (6) of section 135.143 of the Revised Code and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions mentioned in section 135.32 of the Revised Code;
 - (6) The Ohio subdivision's fund as provided in section 135.45 of the Revised Code;
- (7) Securities lending agreements with any eligible institution mentioned in section 135.32 of the Revised Code that is a member of the federal reserve system or federal home loan bank or with any recognized United States government securities dealer meeting the description in division (J)(1) of this section, under the terms of which agreements the investing authority lends securities and the eligible institution or dealer agrees to simultaneously exchange similar securities or cash, equal value for equal value.

Securities and cash received as collateral for a securities lending agreement are not inactive moneys of the county or moneys of a county public library fund. The investment of cash collateral received pursuant to a securities lending agreement may be invested only in instruments specified by the investing authority in the written investment policy described in division (K) of this section.

- (8) Up to twenty-five per cent of the county's total average portfolio in either of the following investments:
- (a) Commercial paper notes issued by an entity that is defined in division (D) of section 1705.01 of the Revised Code and that has assets exceeding five hundred million dollars, to which notes all of the following apply:

- (i) The notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services.
- (ii) The aggregate value of the notes does not exceed ten per cent of the aggregate value of the outstanding commercial paper of the issuing corporation.
 - (iii) The notes mature not later than two hundred seventy days after purchase.
- (b) Bankers acceptances of banks that are insured by the federal deposit insurance corporation and that mature not later than one hundred eighty days after purchase.

No investment shall be made pursuant to division (A)(8) of this section unless the investing authority has completed additional training for making the investments authorized by division (A)(8) of this section. The type and amount of additional training shall be approved by the treasurer of state and may be conducted by or provided under the supervision of the treasurer of state.

- (9) Up to fifteen per cent of the county's total average portfolio in notes issued by corporations that are incorporated under the laws of the United States and that are operating within the United States, or by depository institutions that are doing business under authority granted by the United States or any state and that are operating within the United States, provided both of the following apply:
- (a) The notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase.
 - (b) The notes mature not later than two years after purchase.
- (10) Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government. All interest and principal shall be denominated and payable in United States funds. The investments made under division (A)(10) of this section shall not exceed in the aggregate one-two per cent of a county's total average portfolio.

The investing authority shall invest under division (A)(10) of this section in a debt interest issued by a foreign nation only if the debt interest is backed by the full faith and credit of that foreign nation, there is no prior history of default, and the debt interest matures not later than five years after purchase. For purposes of division (A)(10) of this section, a debt interest is rated in the three highest categories by two nationally recognized standard rating services if either the debt interest itself or the issuer of the debt interest is rated, or is implicitly rated, at the time of purchase in the three highest categories by two nationally recognized standard rating services.

- (11) A current unpaid or delinquent tax line of credit authorized under division (G) of section 135.341 of the Revised Code, provided that all of the conditions for entering into such a line of credit under that division are satisfied, or bonds and other obligations of a county land reutilization corporation organized under Chapter 1724. of the Revised Code, if the county land reutilization corporation is located wholly or partly within the same county as the investing authority.
- (B) Nothing in the classifications of eligible obligations and securities set forth in divisions (A)(1) to (10) of this section shall be construed to authorize investment in a derivative, and no investing authority shall invest any county inactive moneys or any moneys in a county public library fund in a derivative. For purposes of this division, "derivative" means a financial instrument or contract or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself. Any security, obligation,

trust account, or other instrument that is created from an issue of the United States treasury or is created from an obligation of a federal agency or instrumentality or is created from both is considered a derivative instrument. An eligible investment described in this section with a variable interest rate payment, based upon a single interest payment or single index comprised of other eligible investments provided for in division (A)(1) or (2) of this section, is not a derivative, provided that such variable rate investment has a maximum maturity of two years. A treasury inflation-protected security shall not be considered a derivative, provided the security matures not later than five years after purchase.

- (C) Except as provided in division (D) of this section, any investment made pursuant to this section must mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of the county or to a specific obligation or debt of a political subdivision of this state, and the investment is specifically approved by the investment advisory committee.
- (D) The investing authority may also enter into a written repurchase agreement with any eligible institution mentioned in section 135.32 of the Revised Code or any eligible securities dealer pursuant to division (J) of this section, under the terms of which agreement the investing authority purchases and the eligible institution or dealer agrees unconditionally to repurchase any of the securities listed in divisions (D)(1) to (5), except letters of credit described in division (D)(2), of section 135.18 of the Revised Code. The market value of securities subject to an overnight written repurchase agreement must exceed the principal value of the overnight written repurchase agreement by at least two per cent. A written repurchase agreement must exceed the principal value of the overnight written repurchase agreement, by at least two per cent. A written repurchase agreement shall not exceed thirty days, and the market value of securities subject to a written repurchase agreement must exceed the principal value of the written repurchase agreement by at least two per cent and be marked to market daily. All securities purchased pursuant to this division shall be delivered into the custody of the investing authority or the qualified custodian of the investing authority or an agent designated by the investing authority. A written repurchase agreement with an eligible securities dealer shall be transacted on a delivery versus payment basis. The agreement shall contain the requirement that for each transaction pursuant to the agreement the participating institution shall provide all of the following information:
 - (1) The par value of the securities;
 - (2) The type, rate, and maturity date of the securities;
- (3) A numerical identifier generally accepted in the securities industry that designates the securities.

No investing authority shall enter into a written repurchase agreement under the terms of which the investing authority agrees to sell securities owned by the county to a purchaser and agrees with that purchaser to unconditionally repurchase those securities.

- (E) No investing authority shall make an investment under this section, unless the investing authority, at the time of making the investment, reasonably expects that the investment can be held until its maturity. The investing authority's written investment policy shall specify the conditions under which an investment may be redeemed or sold prior to maturity.
 - (F) No investing authority shall pay a county's inactive moneys or moneys of a county public

library fund into a fund established by another subdivision, treasurer, governing board, or investing authority, if that fund was established by the subdivision, treasurer, governing board, or investing authority for the purpose of investing or depositing the public moneys of other subdivisions. This division does not apply to the payment of public moneys into either of the following:

- (1) The Ohio subdivision's fund pursuant to division (A)(6) of this section;
- (2) A fund created solely for the purpose of acquiring, constructing, owning, leasing, or operating municipal utilities pursuant to the authority provided under section 715.02 of the Revised Code or Section 4 of Article XVIII, Ohio Constitution.

For purposes of division (F) of this section, "subdivision" includes a county.

- (G) The use of leverage, in which the county uses its current investment assets as collateral for the purpose of purchasing other assets, is prohibited. The issuance of taxable notes for the purpose of arbitrage is prohibited. Contracting to sell securities not owned by the county, for the purpose of purchasing such securities on the speculation that bond prices will decline, is prohibited.
- (H) Any securities, certificates of deposit, deposit accounts, or any other documents evidencing deposits or investments made under authority of this section shall be issued in the name of the county with the county treasurer or investing authority as the designated payee. If any such deposits or investments are registrable either as to principal or interest, or both, they shall be registered in the name of the treasurer.
- (I) The investing authority shall be responsible for the safekeeping of all documents evidencing a deposit or investment acquired under this section, including, but not limited to, safekeeping receipts evidencing securities deposited with a qualified trustee, as provided in section 135.37 of the Revised Code, and documents confirming the purchase of securities under any repurchase agreement under this section shall be deposited with a qualified trustee, provided, however, that the qualified trustee shall be required to report to the investing authority, auditor of state, or an authorized outside auditor at any time upon request as to the identity, market value, and location of the document evidencing each security, and that if the participating institution is a designated depository of the county for the current period of designation, the securities that are the subject of the repurchase agreement may be delivered to the treasurer or held in trust by the participating institution on behalf of the investing authority.

Upon the expiration of the term of office of an investing authority or in the event of a vacancy in the office for any reason, the officer or the officer's legal representative shall transfer and deliver to the officer's successor all documents mentioned in this division for which the officer has been responsible for safekeeping. For all such documents transferred and delivered, the officer shall be credited with, and the officer's successor shall be charged with, the amount of moneys evidenced by such documents.

- (J)(1) All investments, except for investments in securities described in divisions (A)(5), (6), and (11) of this section, shall be made only through a member of the financial industry regulatory authority (FINRA), through a bank, savings bank, or savings and loan association regulated by the superintendent of financial institutions, or through an institution regulated by the comptroller of the currency, federal deposit insurance corporation, or board of governors of the federal reserve system.
- (2) Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred

are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.

- (K)(1) Except as otherwise provided in division (K)(2) of this section, no investing authority shall make an investment or deposit under this section, unless there is on file with the auditor of state a written investment policy approved by the investing authority. The policy shall require that all entities conducting investment business with the investing authority shall sign the investment policy of that investing authority. All brokers, dealers, and financial institutions, described in division (J)(1) of this section, initiating transactions with the investing authority by giving advice or making investment recommendations shall sign the investing authority's investment policy thereby acknowledging their agreement to abide by the policy's contents. All brokers, dealers, and financial institutions, described in division (J)(1) of this section, executing transactions initiated by the investing authority, having read the policy's contents, shall sign the investment policy thereby acknowledging their comprehension and receipt.
- (2) If a written investment policy described in division (K)(1) of this section is not filed on behalf of the county with the auditor of state, the investing authority of that county shall invest the county's inactive moneys and moneys of the county public library fund only in time certificates of deposits or savings or deposit accounts pursuant to division (A)(3) of this section, no-load money market mutual funds pursuant to division (A)(5) of this section, or the Ohio subdivision's fund pursuant to division (A)(6) of this section.
- (L)(1) The investing authority shall establish and maintain an inventory of all obligations and securities acquired by the investing authority pursuant to this section. The inventory shall include a description of each obligation or security, including type, cost, par value, maturity date, settlement date, and any coupon rate.
- (2) The investing authority shall also keep a complete record of all purchases and sales of the obligations and securities made pursuant to this section.
- (3) The investing authority shall maintain a monthly portfolio report and issue a copy of the monthly portfolio report describing such investments to the county investment advisory committee, detailing the current inventory of all obligations and securities, all transactions during the month that affected the inventory, any income received from the obligations and securities, and any investment expenses paid, and stating the names of any persons effecting transactions on behalf of the investing authority.
- (4) The monthly portfolio report shall be a public record and available for inspection under section 149.43 of the Revised Code.
- (5) The inventory and the monthly portfolio report shall be filed with the board of county commissioners. The monthly portfolio report also shall be filed with the treasurer of state.
- (M) An investing authority may enter into a written investment or deposit agreement that includes a provision under which the parties agree to submit to nonbinding arbitration to settle any controversy that may arise out of the agreement, including any controversy pertaining to losses of public moneys resulting from investment or deposit. The arbitration provision shall be set forth entirely in the agreement, and the agreement shall include a conspicuous notice to the parties that any party to the arbitration may apply to the court of common pleas of the county in which the arbitration was held for an order to vacate, modify, or correct the award. Any such party may also apply to the

court for an order to change venue to a court of common pleas located more than one hundred miles from the county in which the investing authority is located.

For purposes of this division, "investment or deposit agreement" means any agreement between an investing authority and a person, under which agreement the person agrees to invest, deposit, or otherwise manage, on behalf of the investing authority, a county's inactive moneys or moneys in a county public library fund, or agrees to provide investment advice to the investing authority.

- (N)(1) An investment held in the county portfolio on September 27, 1996, that was a legal investment under the law as it existed before September 27, 1996, may be held until maturity.
- (2) An investment held in the county portfolio on September 10, 2012, that was a legal investment under the law as it existed before September 10, 2012, may be held until maturity.

SECTION 2. That existing sections 135.143 and 135.35 of the Revised Code are hereby repealed.

Speaker of the House of Representatives.
President Pro Tempore of the Senate.
Passed <u>December 8</u> , 20 <u>16</u>
Approved $2-19$, $20/6$
Governor.
OF THE

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the 204 day of December, A. D. 2016 pu that

Secretary of State.

Effective Date March 21, 2017 File No. 141

(131st General Assembly) (Substitute House Bill Number 476)

AN ACT

To amend sections 135.143 and 135.35 and to enact section 9.76 of the Revised Code to raise the foreign debt cap from one per cent to two per cent regarding state interim funds and county inactive and public library fund investments and to prohibit a state agency from contracting with a company that is involved in a boycott.

Introduced by

Representative Schuring

Cosponsors: Speaker Rosenberger, Representatives Strahorn, Amstutz, Boyce, Brown, Celebrezze, Cera, Derickson, Driehaus, Hayes, McClain, Slesnick, Sprague, Buchy, Anielski, Antani, Barnes, Boyd, Brenner, Craig, Dever, Dovilla, Ginter, Goodman, Johnson, T., Leland, Maag, Merrin, Perales, Roegner, Romanchuk, Smith, R., Sweeney, Terhar, Thompson, Young, Zeltwanger Senators LaRose, Bacon, Coley, Eklund, Faber, Hackett, Hite, Hottinger, Hughes, Jones, Obhof, Patton, Peterson, Seitz, Thomas, Uecker, Williams

Passed by the House of Representatives,

November 29

20 16

Passed by the Senate,

December 8

, 20 16

Filed in the office of the Secretary of State at Columbus, Ohio, on the

Lottday of Docember . A. D. 20 16

Secretary of State.

Concurred in Senate amendments, December 8, 2016.

ANACT

To amend sections 9.76, 123.01, 3313.6020, 3333.04, 3333.122, 3345.0212, 3345.21, 3345.35, 3345.481, and 5727.75 and to enact sections 3333.0418, 3333.073, 3333.126, 3333.127, 3333.168, 3345.024, 3345.028, 3345.0215, 3345.064, 3345.241, 3345.381, and 3345.461 of the Revised Code and to amend Sections 381.10 and 381.480 of H.B. 110 of the 134th General Assembly with regard to the operation of state institutions of higher education, free speech in public universities and colleges, the Second Chance Grant Program, high school career advising, apprenticeships, and energy project education relationships, and to make an appropriation.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 9.76, 123.01, 3313.6020, 3333.04, 3333.122, 3345.0212, 3345.21, 3345.35, 3345.481, and 5727.75 be amended and sections 3333.0418, 3333.073, 3333.126, 3333.127, 3333.168, 3345.024, 3345.028, 3345.0215, 3345.064, 3345.241, 3345.381, and 3345.461 of the Revised Code be enacted to read as follows:

Sec. 9.76. (A) As used in this section:

- (1) "Boycott" means engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with persons or entities in a discriminatory manner. "Boycott" does not include:
 - (a) Boycotts to which 50 U.S.C. 4607(c) applies;
- (b) A decision based on business or economic reasons, or the specific conduct of a targeted person or entity;
- (c) A boycott against a public entity of a foreign state when the boycott is applied in a nondiscriminatory manner; and
 - (d) Conduct necessary to comply with applicable law in the business's home jurisdiction.
- (2) "Company" means a sole proprietorship, partnership, corporation, national association, societe anonyme, limited liability company, limited partnership, limited liability partnership, joint venture, or other business organization, including their subsidiaries and affiliates, that operates to earn a profit.
 - (3) "Israel" means Israel or Israeli-controlled territories.
- (4) "Jurisdiction with whom this state can enjoy open trade" means any world trade organization member and any jurisdiction with which the United States has free trade or other agreements aimed at ensuring open and nondiscriminatory trade relations.
- (5) "State agency" means an organized body, office, agency, institution, or other entity established by the laws of the state for the exercise of a function of state government, and includes a

"state institution of higher education" as defined in section 3345.011 of the Revised Code.

(B) A state agency may not enter into or renew a contract with a company for the acquisition or provision of supplies, equipment, or services, or for construction services, unless the contract declares that the company is not boycotting any jurisdiction with whom this state can enjoy open trade, including Israel, and will not do so during the contract period.

Sec. 123.01. (A) The department of administrative services, in addition to those powers enumerated in Chapters 124. and 125. of the Revised Code and provided elsewhere by law, shall exercise the following powers:

- (1) To prepare and suggest comprehensive plans for the development of grounds and buildings under the control of a state agency;
- (2) To acquire, by purchase, gift, devise, lease, or grant, all real estate required by a state agency, in the exercise of which power the department may exercise the power of eminent domain, in the manner provided by sections 163.01 to 163.22 of the Revised Code;
- (3) To erect, supervise, and maintain all public monuments and memorials erected by the state, except where the supervision and maintenance is otherwise provided by law;
 - (4) To procure, by lease, storage accommodations for a state agency;
- (5) To lease or grant easements or licenses for unproductive and unused lands or other property under the control of a state agency. Such leases, easements, or licenses may be granted to any person or entity, shall be for a period not to exceed fifteen years, unless a longer period is authorized by division (A)(5) of this section, and shall be executed for the state by the director of administrative services. The director shall grant leases, easements, or licenses of university land for periods not to exceed twenty-five years for purposes approved by the respective university's board of trustees wherein the uses are compatible with the uses and needs of the university and may grant leases of university land for periods not to exceed forty years for purposes approved by the respective university's board of trustees pursuant to section 123.17 of the Revised Code. The director may grant perpetual easements to public utilities, as defined in section 4905.02 of the Revised Code or described in section 4905.03 of the Revised Code.
 - (6) To lease space for the use of a state agency;
- (7) To have general supervision and care of the storerooms, offices, and buildings leased for the use of a state agency;
 - (8) To exercise general custodial care of all real property of the state;
- (9) To assign and group together state offices in any city in the state and to establish, in cooperation with the state agencies involved, rules governing space requirements for office or storage use;
- (10) To lease for a period not to exceed forty years, pursuant to a contract providing for the construction thereof under a lease-purchase plan, buildings, structures, and other improvements for any public purpose, and, in conjunction therewith, to grant leases, easements, or licenses for lands under the control of a state agency for a period not to exceed forty years. The lease-purchase plan shall provide that at the end of the lease period, the buildings, structures, and related improvements, together with the land on which they are situated, shall become the property of the state without cost.
- (a) Whenever any building, structure, or other improvement is to be so leased by a state agency, the department shall retain either basic plans, specifications, bills of materials, and estimates

of cost with sufficient detail to afford bidders all needed information or, alternatively, all of the following plans, details, bills of materials, and specifications:

- (i) Full and accurate plans suitable for the use of mechanics and other builders in the improvement;
 - (ii) Details to scale and full sized, so drawn and represented as to be easily understood;
- (iii) Accurate bills showing the exact quantity of different kinds of material necessary to the construction:
- (iv) Definite and complete specifications of the work to be performed, together with such directions as will enable a competent mechanic or other builder to carry them out and afford bidders all needed information:
 - (v) A full and accurate estimate of each item of expense and of the aggregate cost thereof.
- (b) The department shall give public notice, in such newspaper, in such form, and with such phraseology as the director of administrative services prescribes, published once each week for four consecutive weeks, of the time when and place where bids will be received for entering into an agreement to lease to a state agency a building, structure, or other improvement. The last publication shall be at least eight days preceding the day for opening the bids. The bids shall contain the terms upon which the builder would propose to lease the building, structure, or other improvement to the state agency. The form of the bid approved by the department shall be used, and a bid is invalid and shall not be considered unless that form is used without change, alteration, or addition. Before submitting bids pursuant to this section, any builder shall comply with Chapter 153. of the Revised Code.
- (c) On the day and at the place named for receiving bids for entering into lease agreements with a state agency, the director of administrative services shall open the bids and shall publicly proceed immediately to tabulate the bids upon duplicate sheets. No lease agreement shall be entered into until the bureau of workers' compensation has certified that the person to be awarded the lease agreement has complied with Chapter 4123. of the Revised Code, until, if the builder submitting the lowest and best bid is a foreign corporation, the secretary of state has certified that the corporation is authorized to do business in this state, until, if the builder submitting the lowest and best bid is a person nonresident of this state, the person has filed with the secretary of state a power of attorney designating the secretary of state as its agent for the purpose of accepting service of summons in any action brought under Chapter 4123. of the Revised Code, and until the agreement is submitted to the attorney general and the attorney general's approval is certified thereon. Within thirty days after the day on which the bids are received, the department shall investigate the bids received and shall determine that the bureau and the secretary of state have made the certifications required by this section of the builder who has submitted the lowest and best bid. Within ten days of the completion of the investigation of the bids, the department shall award the lease agreement to the builder who has submitted the lowest and best bid and who has been certified by the bureau and secretary of state as required by this section. If bidding for the lease agreement has been conducted upon the basis of basic plans, specifications, bills of materials, and estimates of costs, upon the award to the builder the department, or the builder with the approval of the department, shall appoint an architect or engineer licensed in this state to prepare such further detailed plans, specifications, and bills of materials as are required to construct the building, structure, or improvement. The department shall adopt such rules

as are necessary to give effect to this section. The department may reject any bid. Where there is reason to believe there is collusion or combination among bidders, the bids of those concerned therein shall be rejected.

- (11) To acquire by purchase, gift, devise, or grant and to transfer, lease, or otherwise dispose of all real property required to assist in the development of a conversion facility as defined in section 5709.30 of the Revised Code as that section existed before its repeal by Amended Substitute House Bill 95 of the 125th general assembly;
- (12) To lease for a period not to exceed forty years, notwithstanding any other division of this section, the state-owned property located at 408-450 East Town Street, Columbus, Ohio, formerly the state school for the deaf, to a developer in accordance with this section. "Developer," as used in this section, has the same meaning as in section 123.77 of the Revised Code.

Such a lease shall be for the purpose of development of the land for use by senior citizens by constructing, altering, renovating, repairing, expanding, and improving the site as it existed on June 25, 1982. A developer desiring to lease the land shall prepare for submission to the department a plan for development. Plans shall include provisions for roads, sewers, water lines, waste disposal, water supply, and similar matters to meet the requirements of state and local laws. The plans shall also include provision for protection of the property by insurance or otherwise, and plans for financing the development, and shall set forth details of the developer's financial responsibility.

The department may employ, as employees or consultants, persons needed to assist in reviewing the development plans. Those persons may include attorneys, financial experts, engineers, and other necessary experts. The department shall review the development plans and may enter into a lease if it finds all of the following:

- (a) The best interests of the state will be promoted by entering into a lease with the developer;
- (b) The development plans are satisfactory;
- (c) The developer has established the developer's financial responsibility and satisfactory plans for financing the development.

The lease shall contain a provision that construction or renovation of the buildings, roads, structures, and other necessary facilities shall begin within one year after the date of the lease and shall proceed according to a schedule agreed to between the department and the developer or the lease will be terminated. The lease shall contain such conditions and stipulations as the director considers necessary to preserve the best interest of the state. Moneys received by the state pursuant to this lease shall be paid into the general revenue fund. The lease shall provide that at the end of the lease period the buildings, structures, and related improvements shall become the property of the state without cost.

- (13) To manage the use of space owned and controlled by the department by doing all of the following:
- (a) Biennially implementing, by state agency location, a census of agency employees assigned space;
 - (b) Periodically in the discretion of the director of administrative services:
- (i) Requiring each state agency to categorize the use of space allotted to the agency between office space, common areas, storage space, and other uses, and to report its findings to the department;

- (ii) Creating and updating a master space utilization plan for all space allotted to state agencies. The plan shall incorporate space utilization metrics.
- (iii) Conducting a cost-benefit analysis to determine the effectiveness of state-owned buildings;
- (iv) Assessing the alternatives associated with consolidating the commercial leases for buildings located in Columbus.
- (c) Commissioning a comprehensive space utilization and capacity study in order to determine the feasibility of consolidating existing commercially leased space used by state agencies into a new state-owned facility.
- (14) To adopt rules to ensure that energy efficiency and conservation is considered in the purchase of products and equipment, except motor vehicles, by any state agency, department, division, bureau, office, unit, board, commission, authority, quasi-governmental entity, or institution. The department may require minimum energy efficiency standards for purchased products and equipment based on federal testing and labeling if available or on standards developed by the department. When possible, the rules shall apply to the competitive selection of energy consuming systems, components, and equipment under Chapter 125. of the Revised Code.
- (15) To ensure energy efficient and energy conserving purchasing practices by doing all of the following:
 - (a) Identifying available energy efficiency and conservation opportunities;
 - (b) Providing for interchange of information among purchasing agencies;
 - (c) Identifying laws, policies, rules, and procedures that should be modified;
- (d) Monitoring experience with and the cost-effectiveness of this state's purchase and use of motor vehicles and of major energy-consuming systems, components, equipment, and products having a significant impact on energy consumption by the government;
- (e) Providing technical assistance and training to state employees involved in the purchasing process;
- (f) Working with the department of development to make recommendations regarding planning and implementation of purchasing policies and procedures that are supportive of energy efficiency and conservation.
- (16) To require all state agencies, departments, divisions, bureaus, offices, units, commissions, boards, authorities, quasi-governmental entities, institutions, and state institutions of higher education to implement procedures to ensure that all of the passenger automobiles they acquire in each fiscal year, except for those passenger automobiles acquired for use in law enforcement or emergency rescue work, achieve a fleet average fuel economy of not less than the fleet average fuel economy for that fiscal year as the department shall prescribe by rule. The department shall adopt the rule prior to the beginning of the fiscal year, in accordance with the average fuel economy standards established by federal law for passenger automobiles manufactured during the model year that begins during the fiscal year.

Each state agency, department, division, bureau, office, unit, commission, board, authority. quasi-governmental entity, institution, and state institution of higher education shall determine its fleet average fuel economy by dividing the total number of passenger vehicles acquired during the fiscal year, except for those passenger vehicles acquired for use in law enforcement or emergency

rescue work, by a sum of terms, each of which is a fraction created by dividing the number of passenger vehicles of a given make, model, and year, except for passenger vehicles acquired for use in law enforcement or emergency rescue work, acquired during the fiscal year by the fuel economy measured by the administrator of the United States environmental protection agency, for the given make, model, and year of vehicle, that constitutes an average fuel economy for combined city and highway driving.

As used in division (A)(16) of this section, "acquired" means leased for a period of sixty continuous days or more, or purchased.

- (17) To correct legal descriptions or title defects, or release fractional interests in real property, as necessary to cure title clouds reflected in public records, including those resulting from boundary disputes, ingress or egress issues, title transfers precipitated through retirement of bond requirements, and the retention of fractional interests in real estate otherwise disposed of in previous title transfers.
- (18)(a) To, with controlling board approval, sell state-owned real property that is <u>not held for</u> the benefit of an institution of higher education and is appraised at not more than one hundred thousand dollars by an independent third-party appraiser.
- (b) To sell state-owned real property that is held for the benefit of an institution of higher education, provided all of the following are true:
- (i) The board of trustees of the institution of higher education, or, in the case of a university branch district, any other managing authority, adopts a resolution approving the sale;
- (ii) The real property is appraised at not more than ten million dollars by an independent third-party appraiser;
 - (iii) The controlling board approves the sale.

Notwithstanding any provision of law to the contrary, net proceeds from any disposition of real property made pursuant to division (A)(18) of this section shall, at the direction of the director of budget and management, be credited to a fund or funds in the state treasury, or to accounts held by a state an institution of higher education for purposes to be determined by the institution.

As used in division (A)(18) of this section, "institution of higher education" has the same meaning as in section 3345.12 of the Revised Code.

- (B) This section and section 125.02 of the Revised Code shall not interfere with any of the following:
- (1) The power of the adjutant general to purchase military supplies, or with the custody of the adjutant general of property leased, purchased, or constructed by the state and used for military purposes, or with the functions of the adjutant general as director of state armories;
- (2) The power of the director of transportation in acquiring rights-of-way for the state highway system, or the leasing of lands for division or resident district offices, or the leasing of lands or buildings required in the maintenance operations of the department of transportation, or the purchase of real property for garage sites or division or resident district offices, or in preparing plans and specifications for and constructing such buildings as the director may require in the administration of the department;
- (3) The power of the director of public safety and the registrar of motor vehicles to purchase or lease real property and buildings to be used solely as locations to which a deputy registrar is

assigned pursuant to division (B) of section 4507.011 of the Revised Code and from which the deputy registrar is to conduct the deputy registrar's business, the power of the director of public safety to purchase or lease real property and buildings to be used as locations for division or district offices as required in the maintenance of operations of the department of public safety, and the power of the superintendent of the state highway patrol in the purchase or leasing of real property and buildings needed by the patrol, to negotiate the sale of real property owned by the patrol, to rent or lease real property owned or leased by the patrol, and to make or cause to be made repairs to all property owned or under the control of the patrol;

- (4) The power of the division of liquor control in the leasing or purchasing of retail outlets and warehouse facilities for the use of the division;
- (5) The power of the director of development to enter into leases of real property, buildings, and office space to be used solely as locations for the state's foreign offices to carry out the purposes of section 122.05 of the Revised Code;
- (6) The power of the director of environmental protection to enter into environmental covenants, to grant and accept easements, or to sell property pursuant to division (G) of section 3745.01 of the Revised Code;
- (7) The power of the department of public safety under section 5502.01 of the Revised Code to direct security measures and operations for the Vern Riffe center and the James A. Rhodes state office tower. The department of administrative services shall implement all security measures and operations at the Vern Riffe center and the James A. Rhodes state office tower as directed by the department of public safety.
- (C) Purchases for, and the custody and repair of, buildings under the management and control of the capitol square review and advisory board, the opportunities for Ohioans with disabilities agency, the bureau of workers' compensation, or the departments of public safety, job and family services, mental health and addiction services, developmental disabilities, and rehabilitation and correction; buildings of educational and benevolent institutions under the management and control of boards of trustees; and purchases or leases for, and the custody and repair of, office space used for the purposes of any agency of the legislative branch of state government are not subject to the control and jurisdiction of the department of administrative services.

An agency of the legislative branch of state government that uses office space in a building under the management and control of the department of administrative services may exercise the agency's authority to improve the agency's office space as authorized under this division only if, upon review, the department of administrative services concludes the proposed improvements do not adversely impact the structural integrity of the building.

If an agency of the legislative branch of state government, except the capitol square review and advisory board, so requests, the agency and the director of administrative services may enter into a contract under which the department of administrative services agrees to perform any services requested by the agency that the department is authorized under this section to perform. In performing such services, the department shall not use competitive selection. As used in this division, "competitive selection" has the meaning defined in section 125.01 of the Revised Code and includes any other type of competitive process for the selection of persons producing or dealing in the services to be provided.

(D) Any instrument by which real property is acquired pursuant to this section shall identify the agency of the state that has the use and benefit of the real property as specified in section 5301.012 of the Revised Code.

Sec. 3313.6020. (A)(1) Beginning in the 2015-2016 school year, the board of education of each city, local, exempted village, and joint vocational school district shall adopt a policy on career advising that complies with this section. Thereafter, the policy shall be updated at least once every two years.

- (2) The board shall make the policy publicly available to students, parents, guardians, or custodians, local post-secondary institutions, and residents of the district. The district shall post the policy in a prominent location on its web site, if it has one.
 - (B) The policy on career advising shall specify how the district will do all of the following:
- (1) Provide students with grade-level examples that link their schoolwork to one or more career fields. A district may use career connections developed under division (B)(2) of section 3301.079 of the Revised Code for this purpose.
 - (2) Create a plan to provide career advising to students in grades six through twelve;
- (3) Beginning in the 2015-2016 school year, provide additional interventions and career advising for students who are identified as at risk of dropping out of school in accordance with division (C) of this section;
- (4) Train its employees on how to advise students on career pathways, including training on advising students using online tools;
- (5) Develop multiple, clear academic pathways through high school that students may choose in order to earn a high school diploma;
- (6) Identify and publicize courses that can award students both traditional academic and career-technical credit;
- (7) Document the career advising provided to each student for review by the student, the student's parent, guardian, or custodian, and future schools that the student may attend. A district shall not otherwise release this information without the written consent of the student's parent, guardian, or custodian, if the student is less than eighteen years old, or the written consent of the student, if the student is at least eighteen years old.
- (8) Prepare students for their transition from high school to their post-secondary destinations, including any special interventions that are necessary for students in need of remediation in mathematics or English language arts:
- (9) Include information regarding career fields that require an industry-recognized credential, certificate, associate's degree, bachelor's degree, graduate degree, or professional degree;
- (10) Provide students with information about ways a student may offset the costs of a post-secondary education, including programs such as all of the following:
 - (a) The reserve officer training corps:
 - (b) The college credit plus program established under Chapter 3365. of the Revised Code;
- (c) The Ohio guaranteed transfer pathways initiative established under section 3333.168 of the Revised Code;
- (d) Joint academic programming or dual enrollment opportunities required under section 3333.168 of the Revised Code.

The chancellor of higher education shall develop informational materials that illustrate cost saving estimates for each of the options listed under division (B)(10) of this section. The chancellor shall develop a list of individual college courses that are transferable under section 3333.16 of the Revised Code.

- (C)(1) Beginning in the 2015-2016 school year, each district shall identify students who are at risk of dropping out of school using a method that is both research-based and locally-based and that is developed with input from the district's classroom teachers and guidance counselors. If a student is identified as at risk of dropping out of school, the district shall develop a student success plan that addresses the student's academic pathway to a successful graduation and the role of career-technical education, competency-based education, and experiential learning, as appropriate, in that pathway.
- (2) Prior to developing a student success plan for a student, the district shall invite the student's parent, guardian, or custodian to assist in developing the plan. If the student's parent, guardian, or custodian does not participate in the development of the plan, the district shall provide to the parent, guardian, or custodian a copy of the student's success plan and a statement of the importance of a high school diploma and the academic pathways available to the student in order to successfully graduate.
- (3) Following the development of a student success plan for a student, the district shall provide career advising to the student that is aligned with the plan and, beginning in the 2015-2016 school year, the district's plan to provide career advising created under division (B)(2) of this section.
- (D)(1) Not later than December 1, 2014, the department of education shall develop and post on its web site model policies on career advising and model student success plans.
- (2) Not later than July 1, 2015, the department shall create an online clearinghouse of research related to proven practices for policies on career advising and student success plans that districts may access when fulfilling the requirements of this section.

Sec. 3333.04. The chancellor of higher education shall:

- (A) Make studies of state policy in the field of higher education and formulate a master plan for higher education for the state, considering the needs of the people, the needs of the state, and the role of individual public and private institutions within the state in fulfilling these needs;
- (B)(1) Report annually to the governor and the general assembly on the findings from the chancellor's studies and the master plan for higher education for the state;
- (2) Report at least semiannually to the general assembly and the governor the enrollment numbers at each state-assisted institution of higher education.
- (C) Approve or disapprove the establishment of new branches or academic centers of state colleges and universities;
- (D) Approve or disapprove the establishment of state technical colleges or any other state institution of higher education;
- (E) Recommend the nature of the programs, undergraduate, graduate, professional, state-financed research, and public services which should be offered by the state colleges, universities, and other state-assisted institutions of higher education in order to utilize to the best advantage their facilities and personnel;
 - (F) Recommend to the state colleges, universities, and other state-assisted institutions of

higher education graduate or professional programs, including, but not limited to, doctor of philosophy, doctor of education, and juris doctor programs, that could be eliminated because they constitute unnecessary duplication, as shall be determined using the process developed pursuant to this division, or for other good and sufficient cause. Prior to recommending a program for elimination, the chancellor shall request the board of regents to hold at least one public hearing on the matter and advise the chancellor on whether the program should be recommended for elimination. The board shall provide notice of each hearing within a reasonable amount of time prior to its scheduled date. Following the hearing, the board shall issue a recommendation to the chancellor. The chancellor shall consider the board's recommendation but shall not be required to accept it.

For purposes of determining the amounts of any state instructional subsidies paid to state colleges, universities, and other state-assisted institutions of higher education, the chancellor may exclude students enrolled in any program that the chancellor has recommended for elimination pursuant to this division except that the chancellor shall not exclude any such student who enrolled in the program prior to the date on which the chancellor initially commences to exclude students under this division.

The chancellor and state colleges, universities, and other state-assisted institutions of higher education shall jointly develop a process for determining which existing graduate or professional programs constitute unnecessary duplication.

- (G) Recommend to the state colleges, universities, and other state-assisted institutions of higher education programs which should be added to their present programs;
- (H) Conduct studies for the state colleges, universities, and other state-assisted institutions of higher education to assist them in making the best and most efficient use of their existing facilities and personnel;
- (I) Make recommendations to the governor and general assembly concerning the development of state-financed capital plans for higher education; the establishment of new state colleges, universities, and other state-assisted institutions of higher education; and the establishment of new programs at the existing state colleges, universities, and other institutions of higher education;
- (J) Review the appropriation requests of the public community colleges and the state colleges and universities and submit to the office of budget and management and to the chairpersons of the finance committees of the house of representatives and of the senate the chancellor's recommendations in regard to the biennial higher education appropriation for the state, including appropriations for the individual state colleges and universities and public community colleges. For the purpose of determining the amounts of instructional subsidies to be paid to state-assisted colleges and universities, the chancellor shall define "full-time equivalent student" by program per academic year. The definition may take into account the establishment of minimum enrollment levels in technical education programs below which support allowances will not be paid. Except as otherwise provided in this section, the chancellor shall make no change in the definition of "full-time equivalent student" in effect on November 15, 1981, which would increase or decrease the number of subsidyeligible full-time equivalent students, without first submitting a fiscal impact statement to the president of the senate, the speaker of the house of representatives, the legislative service commission, and the director of budget and management. The chancellor shall work in close

cooperation with the director of budget and management in this respect and in all other matters concerning the expenditures of appropriated funds by state colleges, universities, and other institutions of higher education.

- (K) Seek the cooperation and advice of the officers and trustees of both public and private colleges, universities, and other institutions of higher education in the state in performing the chancellor's duties and making the chancellor's plans, studies, and recommendations;
- (L) Appoint advisory committees consisting of persons associated with public or private secondary schools, members of the state board of education, or personnel of the state department of education;
- (M) Appoint advisory committees consisting of college and university personnel, or other persons knowledgeable in the field of higher education, or both, in order to obtain their advice and assistance in defining and suggesting solutions for the problems and needs of higher education in this state;
- (N) Approve or disapprove all new degrees and new degree programs at all state colleges, universities, and other state-assisted institutions of higher education;

When considering approval of a new degree or degree program for a state institution of higher education, as defined in section 3345.011 of the Revised Code, the chancellor shall take into account the extent to which the degree or degree program aligns with the state's workforce development priorities.

- (O) Adopt such rules as are necessary to carry out the chancellor's duties and responsibilities. The rules shall prescribe procedures for the chancellor to follow when taking actions associated with the chancellor's duties and responsibilities and shall indicate which types of actions are subject to those procedures. The procedures adopted under this division shall be in addition to any other procedures prescribed by law for such actions. However, if any other provision of the Revised Code or rule adopted by the chancellor prescribes different procedures for such an action, the procedures adopted under this division shall not apply to that action to the extent they conflict with the procedures otherwise prescribed by law. The procedures adopted under this division shall include at least the following:
 - (1) Provision for public notice of the proposed action;
- (2) An opportunity for public comment on the proposed action, which may include a public hearing on the action by the board of regents;
- (3) Methods for parties that may be affected by the proposed action to submit comments during the public comment period;
- (4) Submission of recommendations from the board of regents regarding the proposed action, at the request of the chancellor;
- (5) Written publication of the final action taken by the chancellor and the chancellor's rationale for the action;
 - (6) A timeline for the process described in divisions (O)(1) to (5) of this section.
- (P) Make recommendations to the governor and the general assembly regarding the design and funding of the student financial aid programs specified in sections 3333.12. 3333.122, 3333.21 to 3333.26, and 5910.02 of the Revised Code;
 - (Q) Participate in education-related state or federal programs on behalf of the state and

assume responsibility for the administration of such programs in accordance with applicable state or federal law;

- (R) Adopt rules for student financial aid programs as required by sections 3333.12, 3333.122, 3333.21 to 3333.26, 3333.28, and 5910.02 of the Revised Code, and perform any other administrative functions assigned to the chancellor by those sections;
 - (S) Conduct enrollment audits of state-supported institutions of higher education;
- (T) Appoint consortia of college and university personnel to advise or participate in the development and operation of statewide collaborative efforts, including the Ohio supercomputer center, the Ohio academic resources network, OhioLink, and the Ohio learning network. For each consortium, the chancellor shall designate a college or university to serve as that consortium's fiscal agent, financial officer, and employer. Any funds appropriated for the consortia shall be distributed to the fiscal agents for the operation of the consortia. A consortium shall follow the rules of the college or university that serves as its fiscal agent. The chancellor may restructure existing consortia, appointed under this division, in accordance with procedures adopted under divisions (O)(1) to (6) of this section.
- (U) Adopt rules establishing advisory duties and responsibilities of the board of regents not otherwise prescribed by law;
- (V) Respond to requests for information about higher education from members of the general assembly and direct staff to conduct research or analysis as needed for this purpose.
- Sec. 3333.0418. (A) As used in this section, "state institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.
- (B) The chancellor of higher education annually shall issue, to the extent practicable, a report about the mental health and wellness services and initiatives of state institutions of higher education. The report shall include all of the following:
- (1) A description of each state institution of higher education's mental health and wellness services and initiatives;
- (2) A summary of how much funding each state institution of higher education dedicates to mental health and wellness services and initiatives, including the percentage of that funding that is used for administrative costs;
 - (3) Any other information the chancellor determines appropriate.
- (C) Each state institution of higher education shall submit to the chancellor, in a form and manner prescribed by the chancellor, any information or data the chancellor requires to issue the report prescribed under this section.
- (D) The chancellor shall submit the report prescribed under this section to the general assembly in accordance with section 101.68 of the Revised Code.
 - (E) The chancellor may adopt rules to implement this section.

Sec. 3333.073. The chancellor of higher education may require a state institution of higher education, as defined in section 3345.011 of the Revised Code, to conduct a viability analysis of any program offered at that institution and submit the findings of the analysis to the chancellor, if the chancellor determines that the program has a low completion rate, low enrollment rate, or meets other criteria determined relevant by the chancellor. The chancellor may adopt rules to implement this section.

134th G.A.

Sec. 3333.122. (A) The chancellor of higher education shall adopt rules to carry out this section and as authorized under section 3333.123 of the Revised Code. The rules shall include definitions of the terms "resident," "expected family contribution," "full-time student," "threequarters-time student," "half-time student," "one-quarter-time student," "state cost of attendance," and "accredited" for the purpose of those sections.

- (B) Only an Ohio resident who meets both of the following is eligible for a grant awarded under this section:
- (1) The resident has an expected family contribution of two thousand one hundred ninety or less:
 - (2) The resident enrolls in one of the following:
- (a) An undergraduate program, or a nursing diploma program approved by the board of nursing under section 4723.06 of the Revised Code, at a state-assisted state institution of higher education, as defined in section 3345.12 of the Revised Code, that meets the requirements of Title VI of the Civil Rights Act of 1964;
- (b) An undergraduate program, or a nursing diploma program approved by the board of nursing under section 4723.06 of the Revised Code, at a private, nonprofit institution in this state holding a certificate of authorization pursuant to Chapter 1713. of the Revised Code;
- (c) An undergraduate program, or a nursing diploma program approved by the board of nursing under section 4723.06 of the Revised Code, at a career college in this state that holds a certificate of registration from the state board of career colleges and schools under Chapter 3332. of the Revised Code or at a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, if the program has a certificate of authorization pursuant to Chapter 1713. of the Revised Code.
- (d) A comprehensive transition and postsecondary program that is certified by the United States department of education. For purposes of this section, a "comprehensive transition and postsecondary program" means a degree, certificate, or non-degree program that is designed to support persons with intellectual disabilities who are receiving academic, career, technical, and independent living instruction at an institution of higher education in order to prepare for gainful employment as defined in 20 U.S.C. 1140.
- (C)(1) The chancellor shall establish and administer a needs-based financial aid grants program based on the United States department of education's method of determining financial need. The program shall be known as the Ohio college opportunity grant program. The general assembly shall support the needs-based financial aid program by such sums and in such manner as it may provide, but the chancellor also may receive funds from other sources to support the program. If, for any academic year, the amounts available for support of the program are inadequate to provide grants to all eligible students, the chancellor shall do one of the following:
- (a) Give preference in the payment of grants based upon expected family contribution. beginning with the lowest expected family contribution category and proceeding upward by category to the highest expected family contribution category:
- (b) Proportionately reduce the amount of each grant to be awarded for the academic year under this section;
 - (c) Use an alternate formula for such grants that addresses the shortage of available funds and

has been submitted to and approved by the controlling board.

- (2) The needs-based financial aid grant shall be paid to the eligible student through the institution in which the student is enrolled, except that no needs-based financial aid grant shall be paid to any person serving a term of imprisonment. Applications for the grants shall be made as prescribed by the chancellor, and such applications may be made in conjunction with and upon the basis of information provided in conjunction with student assistance programs funded by agencies of the United States government or from financial resources of the institution of higher education. The institution shall certify that the student applicant meets the requirements set forth in division (B) of this section. Needs-based financial aid grants shall be provided to an eligible student only as long as the student is making appropriate progress toward a nursing diploma, an associate or bachelor's degree, or completion of a comprehensive transition and postsecondary program. No student shall be eligible to receive a grant for more than ten semesters, fifteen quarters, or the equivalent of five academic years. A grant made to an eligible student on the basis of less than full-time enrollment shall be based on the number of credit hours for which the student is enrolled and shall be computed in accordance with a formula adopted by rule issued by the chancellor. No student shall receive more than one grant on the basis of less than full-time enrollment.
- (D)(1) Except as provided in divisions (D)(4) and (5) of this section, no grant awarded under this section shall exceed the total state cost of attendance.
- (2) Subject to divisions (D)(1), (3), (4), and (5) of this section, the chancellor shall determine the maximum per student award amount for each institutional sector by subtracting the sum of the maximum Pell grant and maximum expected family contribution amounts, as determined by the chancellor, from the average instructional and general fees charged by the institutional sector. The department of higher education shall publish on its web site an annual Ohio college opportunity award table. In Except as provided for in section 3333.126 of the Revised Code, in no case, shall the grant amount for such a student exceed any maximum that the chancellor may set by rule.
- (3) For a student enrolled for a semester or quarter in addition to the portion of the academic year covered by a grant under this section, the maximum grant amount shall be a percentage of the maximum specified in any table established in rules adopted by the chancellor as provided in division (A) of this section. The maximum grant for a fourth quarter shall be one-third of the maximum amount so prescribed. The maximum grant for a third semester shall be one-half of the maximum amount so prescribed.
- (4) If a student is enrolled in a two-year institution of higher education and is eligible for an education and training voucher through the Ohio education and training voucher program that receives federal funding under the John H. Chafee foster care independence program, 42 U.S.C. 677, the amount of a grant awarded under this section may exceed the total state cost of attendance to additionally cover housing costs.
- (5) For a student who is receiving federal veterans' benefits under the "All-Volunteer Force Educational Assistance Program," 38 U.S.C. 3001 et seq., or "Post-9/11 Veterans Educational Assistance Program," 38 U.S.C. 3301 et seq., or any successor program, the amount of a grant awarded under this section shall be applied toward the total state cost of attendance and the student's housing costs and living expenses. Living expenses shall include reasonable costs for room and board.

- (E) No grant shall be made to any student in a course of study in theology, religion. or other field of preparation for a religious profession unless such course of study leads to an accredited bachelor of arts, bachelor of science, associate of arts, or associate of science degree.
- (F)(1) Except as provided in division (F)(2) of this section, no grant shall be made to any student for enrollment during a fiscal year in an institution with a cohort default rate determined by the United States secretary of education pursuant to the "Higher Education Amendments of 1986," 100 Stat. 1278, 1408, 20 U.S.C.A. 1085, as amended, as of the fifteenth day of June preceding the fiscal year, equal to or greater than thirty per cent for each of the preceding two fiscal years.
 - (2) Division (F)(1) of this section does not apply in the case of either of the following:
- (a) The institution pursuant to federal law appeals its loss of eligibility for federal financial aid and the United States secretary of education determines its cohort default rate after recalculation is lower than the rate specified in division (F)(1) of this section or the secretary determines due to mitigating circumstances that the institution may continue to participate in federal financial aid programs. The chancellor shall adopt rules requiring any such appellant to provide information to the chancellor regarding an appeal.
- (b) Any student who has previously received a grant pursuant to any provision of this section, including prior to the section's amendment by H.B. 1 of the 128th general assembly, effective July 17, 2009, and who meets all other eligibility requirements of this section.
- (3) The chancellor shall adopt rules for the notification of all institutions whose students will be ineligible to participate in the grant program pursuant to division (F)(1) of this section.
- (4) A student's attendance at any institution whose students are ineligible for grants due to division (F)(1) of this section shall not affect that student's eligibility to receive a grant when enrolled in another institution.
- (G) Institutions of higher education that enroll students receiving needs-based financial aid grants under this section shall report to the chancellor all students who have received such needs-based financial aid grants but are no longer eligible for all or part of those grants and shall refund any moneys due the state within thirty days after the beginning of the quarter or term immediately following the quarter or term in which the student was no longer eligible to receive all or part of the student's grant. There shall be an interest charge of one per cent per month on all moneys due and payable after such thirty-day period. The chancellor shall immediately notify the office of budget and management and the legislative service commission of all refunds so received.
- Sec. 3333.126. (A) As used in this section, "eligible student" means a student to whom all of the following apply:
- (1) The student receives an Ohio college opportunity grant under section 3333.122 of the Revised Code.
 - (2) The student has completed at least two years of a bachelor's degree program.
- (3) The student is making progress toward completing the student's bachelor's degree program.
- (B) In addition to the Ohio college opportunity grant a student is awarded under section 3333.122 of the Revised Code, the chancellor shall award an eligible student with a supplemental grant. Funding for this supplemental grant shall be paid for from funds appropriated for grants awarded under section 3333.122 of the Revised Code. Supplemental grants awarded under this

section shall be subject to the same requirements as a grant awarded under section 3333.122 of the Revised Code, including divisions (D)(1) and (E) of that section.

134th G.A.

The chancellor shall award supplemental grants under this section only if the chancellor determines that sufficient funds remain for that purpose after the chancellor awards grants under section 3333.122 of the Revised Code.

(C) The chancellor shall adopt rules to implement this section. The rules shall include a method to calculate supplemental grant amounts.

Sec. 3333.127. (A) As used in this section:

- (1) "Cost of attendance" has the same meaning as in 20 U.S.C. 1087II.
- (2) "Eligible student" means a student to whom all of the following apply:
- (a) The student is a resident of this state under rules adopted by the chancellor of higher education under section 3333.31 of the Revised Code.
- (b) The student has not attained a bachelor's degree from a qualifying institution or an institution of higher education in another state prior to applying for a grant under this section.
- (c) The student, while in good standing, disenrolled from a qualifying institution and did not transfer to a qualifying institution or an institution of higher education in another state in the two semesters immediately following the student's disenrollment. For the purposes of this division, "good standing" includes being in good academic standing and not having a record of disciplinary issues, including being suspended or expelled from the qualifying institution.
- (d) Subject to division (A)(2)(c) of this section, the student enrolls in a qualifying institution within five years of disenrolling from the qualifying institution.
- (e) The student is not enrolled in the college credit plus program established under Chapter 3365. of the Revised Code.
 - (f) The student meets any other eligibility criteria determined necessary by the chancellor.
 - (3) "Qualifying institution" means any of the following:
- (a) A state institution of higher education, as defined in section 3345.011 of the Revised Code;
- (b) A private nonprofit institution of higher education that holds a certificate of authorization pursuant to Chapter 1713. of the Revised Code;
- (c) An institution with a certificate of registration from the state board of career colleges and schools under Chapter 3332. of the Revised Code;
- (d) A private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code;
 - (e) An Ohio technical center, as defined in section 3333.94 of the Revised Code.
- (B) The chancellor shall establish the second chance grant program. Under the program, the chancellor shall award a one-time grant of not more than two thousand dollars to each eligible student approved to participate in the program.
- (C) Eligible students shall apply to participate in the program in a form and manner prescribed by the chancellor. The chancellor shall approve each applicant who is enrolled in a qualifying institution and who has a cost of attendance remaining for the academic year in which the application is approved after all other financial aid for which that applicant qualifies has been applied to the applicant's account at the institution. The chancellor shall approve applications in the order in

which they are received.

- (D) The chancellor shall pay grants to the qualifying institution in which a participant is enrolled in the academic year in which the participant's application is approved. The qualifying institution shall apply the grant to a participant's cost of attendance for that academic year. If any amount of the grant remains after it is applied to the participant's cost of attendance for that year, the qualifying institution shall apply that remaining amount to the participant's cost of attendance for any other academic year in which the student is enrolled in the institution. The qualifying institution shall return to the chancellor any grant amount remaining after a participant graduates or disenrolls from the institution.
- (E) In each academic year, the chancellor shall submit to the general assembly, in accordance with section 101.68 of the Revised Code, a report that contains all of the following:
- (1) The number of eligible students participating in the program who received a grant in that academic year:
- (2) The qualifying institutions from which the participants disensolled, as described in division (A)(2)(c) of this section;
- (3) The types of academic programs in which the participants were enrolled prior to disenrolling from qualifying institutions;
- (4) The types of academic programs in which participants were enrolled when they received grants under the program;
 - (5) Information regarding how the grants were used;
 - (6) If the participant completed a degree program with the grant.
- (F) The second chance grant program fund is hereby created in the state treasury, to consist of such amounts designated for the purposes of the fund by the general assembly. The fund shall be administered by the chancellor and shall be used to pay grants under the program established under this section. The fund also may be used by the chancellor to implement and administer the second chance grant program.
 - (G) The chancellor shall adopt rules to administer the program.
 - Sec. 3333.168. (A) As used in this section:
- (1) "Community college" means a community college established under Chapter 3354., a technical college established under Chapter 3357., or a state community college established under Chapter 3358. of the Revised Code.
- (2) "Dual enrollment" means concurrent enrollment by an individual at both a state university and a community college.
- (3) "Guaranteed pathway" means an articulation or transfer agreement included in the initiative established under this section that a state university and community college enter into in accordance with the policies and procedures adopted under section 3333.16 of the Revised Code.
- (4) "Joint academic programming" means a structured pathway curriculum agreement that permits an individual to attain a specific degree that has been jointly developed by at least one community college and at least one state university.
 - (5) "State university" has the same meaning as in section 3345.011 of the Revised Code.
- (B) Pursuant to section 3333.16 of the Revised Code, the chancellor of higher education shall establish the Ohio guaranteed transfer pathways initiative. Each state university shall participate in

the initiative. Under the initiative, a student shall be permitted to do both of the following:

- (1) Complete an associate's degree at a community college and transfer those credits to a state university to continue making progress toward a bachelor's degree;
- (2) Transfer credits from a community college to a state university, regardless of the geographic proximity between the college and university.
- (C) Each state university shall enter into agreements with multiple community colleges to establish both joint academic programming and dual enrollment opportunities to assist students in completing their degrees in a timely and cost-effective manner.
- (D) Each community college and state university annually shall report to the Ohio articulation and transfer network oversight board established by the chancellor the number of guaranteed pathways and joint academic programming or dual enrollment opportunities the college or university offers. The oversight board shall compile that reported information and provide a summary of it to the chancellor. That summary shall include both of the following:
- (1) Confirmation that each community college and state university is in compliance with the requirements prescribed under this section;
- (2) Any recommendations necessary to enhance and strengthen the guaranteed pathways and joint academic programming or dual enrollment opportunities offered by community colleges and state universities.
 - (E) The chancellor shall adopt rules to implement this section.
- Sec. 3345.024. (A) Beginning in the academic year that follows the effective date of this section, each state institution of higher education, as defined in section 3345.011 of the Revised Code, annually shall prepare and post on its publicly accessible web site a report that includes at least all of the following information, to the extent practicable:
- (1) An itemized list of the estimated or actual charges of the instructional fees, general fees, special purpose fees, service charges, fines, and other fees or surcharges applicable to enrolled students;
 - (2) The estimated or actual average cost of attendance;
 - (3) Student degree completion rates;
 - (4) Post-graduation student debt rates;
 - (5) Post-graduation student loan default rates;
 - (6) Post-graduation employment rates of students.
- (B) Each state institution of higher education annually shall submit to the chancellor of higher education, in a form and manner prescribed by the chancellor, the report prescribed under division (A) of this section. The chancellor shall post each report on the chancellor's web site.
 - (C) The chancellor may adopt rules to implement this section.
- Sec. 3345.028. No state institution of higher education, as defined in section 3345.011 of the Revised Code, shall charge an additional fee to a student for an employee of the university, or an entity contracting with the institution, to complete any academic activity associated with regular coursework, including grading student assignments.
- Sec. 3345.0212. (A) Except as permitted by this section and sections 3345.0213 and 3345.12 of the Revised Code, no state institution of higher education, or any of its administrators acting in their official capacity, shall prohibit any individual from engaging in noncommercial expressive

activity on campus, so long as the individual's conduct is lawful and does not materially and substantially disrupt the functioning of the institution.

- (B) No state institution of higher education shall charge security fees to a student or a student group based on the content of their expression, the content of the expression of their invited guest, or the anticipated reaction to an invited guest's expression.
 - (C) Each state institution of higher education shall do all of the following:
- (1) Adopt a policy on harassment that is consistent with and adheres strictly to its definition in section 3345.0211 of the Revised Code;
- (2) Make public in its handbook, on its web site, and in its orientation programs for students the policies, regulations, and expectations of students regarding free expression on campus, including the state institution's policy adopted under section 3345.0215 of the Revised Code;
- (3) Develop and distribute materials, programs, and procedures to individuals responsible for the education or discipline of students, such as administrators, campus police officers, residence life officials, and professors, to inform them of the policies, regulations, and duties of the institution regarding free expression on campus.
- (D)(1) Nothing in this section shall be interpreted as preventing state institutions of higher education from restricting expressive activities that the First Amendment to the United States Constitution or Article I, Sections 3 and 11 of the Ohio Constitution does not protect.
- (2) Nothing in this section shall enable individuals to engage in conduct that intentionally, materially, and substantially disrupts another individual's expressive activity if it occurs in a campus space reserved for exclusive use or control of a particular individual or group.

Sec. 3345.0215. (A) As used in this section:

Sub. S. B. No. 135

- (1) "Constitutional time, place, and manner restrictions" means restrictions on the time, place, and manner of free speech that do not violate the First Amendment to the United States Constitution or Article I, Sections 3 and 11 of the Ohio Constitution that are reasonable, content- and viewpoint-neutral, narrowly tailored to satisfy a significant institutional interest, and leave open ample alternative channels for the communication of the information or message to its intended audience.
- (2) "Faculty" or "faculty member" means any person, whether or not the person is compensated by a state institution of higher education, and regardless of political affiliation, who is tasked with providing scholarship, academic research, or teaching. For purposes of this part, the term "faculty" includes tenured and nontenured professors, adjunct professors, visiting professors, lecturers, graduate student instructors, and those in comparable positions, however titled. For purposes of this section, the term "faculty" does not include persons whose primary responsibilities are administrative or managerial.
- (3) "Free speech" means speech, expression, or assemblies protected by the First Amendment to the United States Constitution or Article I, Sections 3 and 11 of the Ohio Constitution, verbal or written, including, but not limited to, all forms of peaceful assembly, protests, demonstrations, rallies, vigils, marches, public speaking, distribution of printed materials, carrying signs, displays, or circulating petitions. "Free speech" does not include the promotion, sale, or distribution of any product or service.
- (4) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

134th G.A. Sub. S. B. No. 135 20

- (5) "Student" has the same meaning as in section 3345.0211 of the Revised Code, except that "student" also includes "student group."
 - (6) "Student group" has the same meaning as in section 3345.0211 of the Revised Code.
- (B) In addition to complying with sections 3345.0212 to 3345.0214 of the Revised Code, each state institution of higher education board of trustees shall adopt a policy that affirms the following principles, which are the public policy of this state:
 - (1) Students have a fundamental constitutional right to free speech.
- (2) A state institution of higher education shall be committed to giving students broad latitude to speak, write, listen, challenge, learn, and discuss any issue, subject to division (E) of this section.
- (3) A state institution of higher education shall be committed to maintaining a campus as a marketplace of ideas for all students and all faculty in which the free exchange of ideas is not to be suppressed because the ideas put forth are thought by some or even by most members of the institution's community to be offensive, unwise, immoral, indecent, disagreeable, conservative, liberal, traditional, radical, or wrong-headed.
- (4) It is for a state institution of higher education's individual students and faculty to make judgments about ideas for themselves, and to act on those judgments not by seeking to suppress free speech, but by openly and vigorously contesting the ideas that they oppose.
- (5) It is not the proper role of a state institution of higher education to attempt to shield individuals from free speech, including ideas and opinions they find offensive, unwise, immoral, indecent, disagreeable, conservative, liberal, traditional, radical, or wrong-headed.
- (6) Although a state institution of higher education should greatly value civility and mutual respect, concerns about civility and mutual respect shall never be used by an institution as a justification for closing off the discussion of ideas, however offensive, unwise, immoral, indecent, disagreeable, conservative, liberal, traditional, radical, or wrong-headed those ideas may be to some students or faculty.
- (7) Although all students and all faculty are free to state their own views about and contest the views expressed on campus, and to state their own views about and contest speakers who are invited to express their views on the campus of a state institution of higher education, they may not substantially obstruct or otherwise substantially interfere with the freedom of others to express views they reject or even loathe. To this end, a state institution of higher education has a responsibility to promote a lively and fearless freedom of debate and deliberation and protect that freedom.
- (8) A state institution of higher education shall be committed to providing an atmosphere that is most conducive to speculation, experimentation, and creation by all students and all faculty, who shall always remain free to inquire, to study and to evaluate, and to gain new understanding.
- (9) The primary responsibility of faculty is to engage an honest, courageous, and persistent effort to search out and communicate the truth that lies in the areas of their competence.
- (C) Each board of trustees shall establish a process under which a student, student group, or faculty member may submit a complaint about an alleged violation by an employee of the state institution of higher education of the policy established under this section, including any penalty imposed on a student's grade for an assignment or coursework that is unrelated to ordinary academic standards of substance and relevance, including any legitimate pedagogical concerns, and is instead based on the contents of student's free speech. The process shall comply with standards adopted by

the chancellor of higher education.

Under the process, the state institution of higher education shall investigate the alleged violation and conduct a fair and impartial hearing regarding the alleged violation. If the hearing determines the state institution of higher education's policy was violated, the board of trustees shall determine a resolution to address the violation and prevent any further violation of the state institution of higher education's policy.

- (D) Each state institution of higher education annually shall report to the chancellor, in a form and manner prescribed by the chancellor, both of the following regarding complaints submitted in the academic year under the process prescribed under division (C) of this section:
 - (1) The total number of submitted complaints;
 - (2) For each submitted complaint, a description of all of the following:
 - (a) The state institution's investigation regarding the complaint;
 - (b) The outcome of the hearing conducted by the state institution regarding the complaint;
- (c) If the hearing determines the state institution's policy was violated, the resolution determined by the board of trustees to address that violation.
- (E) Nothing contained in this section shall be construed as prohibiting a state institution of higher education from imposing measures that do not violate the First Amendment to the United States Constitution or Article I, Sections 3 and 11 of the Ohio Constitution such as:
 - (1) Constitutional time, place, and manner restrictions;
 - (2) Reasonable and viewpoint-neutral restrictions in nonpublic forums;
- (3) Restricting the use of the state institution's property to protect the free speech rights of students and teachers and preserve the use of the property for the advancement of the institution's mission;
- (4) Prohibiting or limiting speech, expression, or assemblies that are not protected by the First Amendment to the United States Constitution or Article I, Sections 3 and 11 of the Ohio Constitution;
- (5) Content restrictions on speech that are reasonably related to a legitimate pedagogical purpose, such as classroom rules enacted by teachers.
- (F) Nothing in this section shall be construed to grant students the right to disrupt previously scheduled or reserved activities occurring in a traditional public forum.

Sec. 3345.064. (A) As used in this section:

- (1) "Ohio resident" means a resident of this state under rules adopted by the chancellor of higher education under section 3333.31 of the Revised Code.
 - (2) "State university" has the same meaning as in section 3345.011 of the Revised Code.
- (B) Each state university shall endeavor to avoid prioritizing the admission of an applicant who is not an Ohio resident over an applicant who is an Ohio resident if both applicants apply in the same general timeframe, as determined by the university, and have substantially similar qualifications that satisfy the university's admissions criteria. To the extent practicable, a state university shall ensure that Ohio resident applicants are given ample and sufficient opportunity to be admitted, as compared to applicants who are not Ohio residents, if the Ohio resident applicants satisfy the university's admissions criteria.

Sec. 3345.21. The board of trustees of any college or university which receives any state

funds in support thereof, shall regulate the use of the grounds. buildings, equipment, and facilities of such college or university and the conduct of the students, staff, faculty, and visitors to the campus so that law and order are maintained and the college or university may pursue its educational objectives and programs in an orderly manner.

The board of trustees of each such college or university shall adopt rules for the conduct of the students, faculty, visitors, and staff, and may provide for the ejection from college or university property, suspension or expulsion of a person who violates such regulations. All such rules shall be published in a manner reasonably designed to come to the attention of, and be available to, all faculty, staff, visitors, and students.

The board of trustees shall provide for the administration and enforcement of its rules and may authorize the use of state university law enforcement officers provided for in section 3345.04 of the Revised Code to assist in enforcing the rules and the law on the campus of the college or university. The board of trustees, or appropriate officials of such college or university when the authority to do so has been delegated by the board of trustees, may seek the assistance of other appropriate law enforcement officers to enforce the rules and to enforce laws for the preservation of good order on the campus, and to prevent the disruption of the educational functions of the college or university.

In accordance with <u>section sections</u> 3345.0213 <u>and 3345.0215</u> of the Revised Code, the rules of the board of trustees shall not restrict freedom of speech nor the right of persons on the campus to assemble peacefully.

Sec. 3345.241. Except as provided in sections 3345.22 to 3345.24 of the Revised Code, a state university, as defined in section 3345.011 of the Revised Code, shall provide a student who is subject to a disciplinary action by the university with a notice of the disciplinary action, the reasons for that disciplinary action, and the student's right to appeal the disciplinary action under this section. If the student elects to appeal the disciplinary action, the state university shall afford the student with a fair and impartial hearing within a reasonable time thereafter under regular procedures of the state university.

Sec. 3345.35. Not later than December 31, 2017 September 1, 2022, and by the first day of September of every fifth-third year thereafter, the board of trustees of each state institution of higher education, as defined in section 3345.011 of the Revised Code, shall evaluate all courses and programs the institution offers based on enrollment and duplication of its courses and programs with those of other state institutions of higher education within a geographic region, as determined by the chancellor of higher education. For courses and programs with low enrollment, as defined by the chancellor, the board of trustees shall provide a summary of recommended actions, including consideration of collaboration with other state institutions of higher education. For duplicative programs, as defined by the chancellor, the board of trustees shall evaluate the benefits of collaboration with other institutions of higher education to deliver the program.

Each board of trustees shall submit its findings under this section to the chancellor not later than thirty days after the completion of the evaluations or as part of submitting the annual efficiency report required pursuant to section 3333.95 of the Revised Code. For the findings required to be submitted by December 31, 2017, a board of trustees may submit the additional information required under this section as amended by this act, as an addendum to the findings the board submitted prior

to January 1, 2016, under former law.

Sec. 3345.381. A state institution of higher education, as defined in section 3345.011 of the Revised Code, shall accept and provide credit for coursework in the same manner across all instructional models, except in the case of courses that require in-person observations and experiences, such as laboratories and clinicals, which may necessitate instruction through an inperson component rather than online instruction.

Sec. 3345.461. A state institution of higher education, as defined in section 3345.011 of the Revised Code, shall not charge more in general and instructional fees for an online course than for a course taught in an in-person, classroom setting. Special fees charged for an online course at a state institution of higher education, if applicable, shall be based on the actual demonstrated cost incurred by the institution to provide those courses.

Sec. 3345.481. (A) As used in this section:

- (1) "Eligible student" means an undergraduate student enrolled in a bachelor's degree program at a state institution of higher education.
- (2) "Final-year" two academic years" means the last two academic year-years of full-time study that a bachelor's degree program is typically designed to require, as determined by the chancellor of higher education.
- (3) "Requisite course" means a course that is necessary to complete an eligible student's bachelor's degree program, but that is not a general elective.
- (3) (4) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.
- (B) The board of trustees of a state institution of higher education shall waive an eligible student's general and instructional fees for a course necessary to complete the student's bachelor's degree program if provide an eligible student with an accommodation prescribed under division (C) of this section if that student was unable to register for a requisite course in one of the student's final two academic years and all of the following apply:
- (1) The necessary course is not a general elective eligible student has not completed the requisite course prior to that academic year.
- (2) The eligible student was enrolled full time, as defined by the chancellor, in the student's final yearthat academic year.
- (3) The eligible student was unable to register for the necessary requisite course in the student's final that academic year because of either of the following:
- (a) The course was not offered by the state institution of higher education—in the eligible student's final year.
- (b) Circumstances beyond the eligible student's control made registration for the necessary course unfeasible, as determined by the chancellor.
- (4) The eligible student successfully paid all general and instructional fees and did not receive a refund for the courses for which the student registered in the student's final that academic year at the start of that year.
- (5) The eligible student successfully registers for the necessary course in the next academic year in which the course is offered.
 - (6) The eligible student did not enroll in the maximum amount of credit hours in the student's

134th G.A.

final that academic year, as determined by the state institution of higher education.

- (C) Qualifying for A board of trustees shall offer an eligible student described in division (B) of this section one of the following accommodations:
- (1) The board of trustees shall waive the eligible student's general and instructional fees for the requisite course if the student successfully registers for that course in the next academic year in which the course is offered. However, a waiver of fees under division (B) of this section shall not grant an eligible student guaranteed or priority registration for the necessary that course described in that division.
- (2) The board of trustees shall reimburse the eligible student for any general and instructional fees the student paid in order to register for a course equivalent to the requisite course that is offered by an institution of higher education with a similar accreditation. To qualify for a reimbursement, the student must have registered for the equivalent course in the academic year in which the student was unable to register for the requisite course.
- (3) The board of trustees shall permit the eligible student to complete an independent study that meets specified guidelines in lieu of the requisite course in order to meet the requirements of the student's bachelor's degree program.
 - (D) The chancellor shall establish rules to implement this section.
 - Sec. 5727.75. (A) For purposes of this section:
- (1) "Qualified energy project" means an energy project certified by the director of development pursuant to this section.
- (2) "Energy project" means a project to provide electric power through the construction, installation, and use of an energy facility.
- (3) "Alternative energy zone" means a county declared as such by the board of county commissioners under division (E)(1)(b) or (c) of this section.
- (4) "Full-time equivalent employee" means the total number of employee-hours for which compensation was paid to individuals employed at a qualified energy project for services performed at the project during the calendar year divided by two thousand eighty hours.
- (5) "Solar energy project" means an energy project composed of an energy facility using solar panels to generate electricity.
- (6) "Internet identifier of record" has the same meaning as in section 9.312 of the Revised Code.
- (B)(1) Tangible personal property of a qualified energy project using renewable energy resources is exempt from taxation for tax years 2011 through 2025 if all of the following conditions are satisfied:
- (a) On or before December 31, 2024, the owner or a lessee pursuant to a sale and leaseback transaction of the project submits an application to the power siting board for a certificate under section 4906.20 of the Revised Code, or if that section does not apply, submits an application for any approval, consent, permit, or certificate or satisfies any condition required by a public agency or political subdivision of this state for the construction or initial operation of an energy project.
- (b) Construction or installation of the energy facility begins on or after January 1, 2009, and before January 1, 2025. For the purposes of this division, construction begins on the earlier of the date of application for a certificate or other approval or permit described in division (B)(1)(a) of this

section, or the date the contract for the construction or installation of the energy facility is entered into.

- (c) For a qualified energy project with a nameplate capacity of twenty megawatts or greater, a board of county commissioners of a county in which property of the project is located has adopted a resolution under division (E)(1)(b) or (c) of this section to approve the application submitted under division (E) of this section to exempt the property located in that county from taxation. A board's adoption of a resolution rejecting an application or its failure to adopt a resolution approving the application does not affect the tax-exempt status of the qualified energy project's property that is located in another county.
- (2) If tangible personal property of a qualified energy project using renewable energy resources was exempt from taxation under this section beginning in any of tax years 2011 through 2025, and the certification under division (E)(2) of this section has not been revoked, the tangible personal property of the qualified energy project is exempt from taxation for tax year 2026 and all ensuing tax years if the property was placed into service before January 1, 2026, as certified in the construction progress report required under division (F)(2) of this section. Tangible personal property that has not been placed into service before that date is taxable property subject to taxation. An energy project for which certification has been revoked is ineligible for further exemption under this section. Revocation does not affect the tax-exempt status of the project's tangible personal property for the tax year in which revocation occurs or any prior tax year.
- (C) Tangible personal property of a qualified energy project using clean coal technology, advanced nuclear technology, or cogeneration technology is exempt from taxation for the first tax year that the property would be listed for taxation and all subsequent years if all of the following circumstances are met:
- (1) The property was placed into service before January 1, 2021. Tangible personal property that has not been placed into service before that date is taxable property subject to taxation.
- (2) For such a qualified energy project with a nameplate capacity of twenty megawatts or greater, a board of county commissioners of a county in which property of the qualified energy project is located has adopted a resolution under division (E)(1)(b) or (c) of this section to approve the application submitted under division (E) of this section to exempt the property located in that county from taxation. A board's adoption of a resolution rejecting the application or its failure to adopt a resolution approving the application does not affect the tax-exempt status of the qualified energy project's property that is located in another county.
- (3) The certification for the qualified energy project issued under division (E)(2) of this section has not been revoked. An energy project for which certification has been revoked is ineligible for exemption under this section. Revocation does not affect the tax-exempt status of the project's tangible personal property for the tax year in which revocation occurs or any prior tax year.
- (D) Except as otherwise provided in this section, real property of a qualified energy project is exempt from taxation for any tax year for which the tangible personal property of the qualified energy project is exempted under this section.
- (E)(1)(a) A person may apply to the director of development for certification of an energy project as a qualified energy project on or before the following dates:
 - (i) December 31, 2024, for an energy project using renewable energy resources;

Sub. S. B. No. 135 134th G.A. 26

(ii) December 31, 2017, for an energy project using clean coal technology, advanced nuclear technology, or cogeneration technology.

(b) The director shall forward a copy of each application for certification of an energy project with a nameplate capacity of twenty megawatts or greater to the board of county commissioners of each county in which the project is located and to each taxing unit with territory located in each of the affected counties. Any board that receives from the director a copy of an application submitted under this division shall adopt a resolution approving or rejecting the application unless it has adopted a resolution under division (E)(1)(c) of this section. A resolution adopted under division (E) (1)(b) or (c) of this section may require an annual service payment to be made in addition to the service payment required under division (G) of this section. The sum of the service payment required in the resolution and the service payment required under division (G) of this section shall not exceed nine thousand dollars per megawatt of nameplate capacity located in the county. The resolution shall specify the time and manner in which the payments required by the resolution shall be paid to the county treasurer. The county treasurer shall deposit the payment to the credit of the county's general fund to be used for any purpose for which money credited to that fund may be used.

The board shall send copies of the resolution to the owner of the facility and the director by certified mail or, if the board has record of an internet identifier of record associated with the owner or director, by ordinary mail and by that internet identifier of record. The board shall send such notice within thirty days after receipt of the application, or a longer period of time if authorized by the director.

(c) A board of county commissioners may adopt a resolution declaring the county to be an alternative energy zone and declaring all applications submitted to the director of development under this division after the adoption of the resolution, and prior to its repeal, to be approved by the board.

All tangible personal property and real property of an energy project with a nameplate capacity of twenty megawatts or greater is taxable if it is located in a county in which the board of county commissioners adopted a resolution rejecting the application submitted under this division or failed to adopt a resolution approving the application under division (E)(1)(b) or (c) of this section.

- (2) The director shall certify an energy project if all of the following circumstances exist:
- (a) The application was timely submitted.
- (b) For an energy project with a nameplate capacity of twenty megawatts or greater, a board of county commissioners of at least one county in which the project is located has adopted a resolution approving the application under division (E)(1)(b) or (c) of this section.
- (c) No portion of the project's facility was used to supply electricity before December 31, 2009.
- (3) The director shall deny a certification application if the director determines the person has failed to comply with any requirement under this section. The director may revoke a certification if the director determines the person, or subsequent owner or lessee pursuant to a sale and leaseback transaction of the qualified energy project, has failed to comply with any requirement under this section. Upon certification or revocation, the director shall notify the person, owner, or lessee, the tax commissioner, and the county auditor of a county in which the project is located of the certification or revocation. Notice shall be provided in a manner convenient to the director.
 - (F) The owner or a lessee pursuant to a sale and leaseback transaction of a qualified energy

project shall do each of the following:

- (1) Comply with all applicable regulations;
- (2) File with the director of development a certified construction progress report before the first day of March of each year during the energy facility's construction or installation indicating the percentage of the project completed, and the project's nameplate capacity, as of the preceding thirty-first day of December. Unless otherwise instructed by the director of development, the owner or lessee of an energy project shall file a report with the director on or before the first day of March each year after completion of the energy facility's construction or installation indicating the project's nameplate capacity as of the preceding thirty-first day of December. Not later than sixty days after June 17, 2010, the owner or lessee of an energy project, the construction of which was completed before June 17, 2010, shall file a certificate indicating the project's nameplate capacity.
- (3) File with the director of development, in a manner prescribed by the director, a report of the total number of full-time equivalent employees, and the total number of full-time equivalent employees domiciled in Ohio, who are employed in the construction or installation of the energy facility;
- (4) For energy projects with a nameplate capacity of twenty megawatts or greater, repair all roads, bridges, and culverts affected by construction as reasonably required to restore them to their preconstruction condition, as determined by the county engineer in consultation with the local jurisdiction responsible for the roads, bridges, and culverts. In the event that the county engineer deems any road, bridge, or culvert to be inadequate to support the construction or decommissioning of the energy facility, the road, bridge, or culvert shall be rebuilt or reinforced to the specifications established by the county engineer prior to the construction or decommissioning of the facility. The owner or lessee of the facility shall post a bond in an amount established by the county engineer and to be held by the board of county commissioners to ensure funding for repairs of roads, bridges, and culverts affected during the construction. The bond shall be released by the board not later than one year after the date the repairs are completed. The energy facility owner or lessee pursuant to a sale and leaseback transaction shall post a bond, as may be required by the Ohio power siting board in the certificate authorizing commencement of construction issued pursuant to section 4906.10 of the Revised Code, to ensure funding for repairs to roads, bridges, and culverts resulting from decommissioning of the facility. The energy facility owner or lessee and the county engineer may enter into an agreement regarding specific transportation plans, reinforcements, modifications, use and repair of roads, financial security to be provided, and any other relevant issue.
- (5) Provide or facilitate training for fire and emergency responders for response to emergency situations related to the energy project and, for energy projects with a nameplate capacity of twenty megawatts or greater, at the person's expense, equip the fire and emergency responders with proper equipment as reasonably required to enable them to respond to such emergency situations;
- (6) Maintain a ratio of Ohio-domiciled full-time equivalent employees employed in the construction or installation of the energy project to total full-time equivalent employees employed in the construction or installation of the energy project of not less than eighty per cent in the case of a solar energy project, and not less than fifty per cent in the case of any other energy project. In the case of an energy project for which certification from the power siting board is required under section 4906.20 of the Revised Code, the number of full-time equivalent employees employed in the

construction or installation of the energy project equals the number actually employed or the number projected to be employed in the certificate application, if such projection is required under regulations adopted pursuant to section 4906.03 of the Revised Code, whichever is greater. For all other energy projects, the number of full-time equivalent employees employed in the construction or installation of the energy project equals the number actually employed or the number projected to be employed by the director of development, whichever is greater. To estimate the number of employees to be employed in the construction or installation of an energy project, the director shall use a generally accepted job-estimating model in use for renewable energy projects, including but not limited to the job and economic development impact model. The director may adjust an estimate produced by a model to account for variables not accounted for by the model.

134th G.A.

- (7) For energy projects with a nameplate capacity in excess of twenty megawatts, establish a relationship with a member of the university system of Ohio as defined in section 3345.011 of the Revised Code or with a person offering an apprenticeship program registered with the employment and training administration within the United States department of labor or with the apprenticeship council created by section 4139.02 of the Revised Code, any of the following to educate and train individuals for careers in the wind or solar energy industry. The:
- (a) A member of the university system of Ohio as defined in section 3345.011 of the Revised Code;
- (b) A person offering an apprenticeship program registered with the employment and training administration within the United States department of labor or with the apprenticeship council created by section 4139.02 of the Revised Code;
- (c) A career-technical center, joint vocational school district, comprehensive career-technical center, or compact career-technical center;
- (d) A training center operated by a labor organization, or with a training center operated by a for-profit or nonprofit organization.

<u>The</u> relationship may include endowments, cooperative programs, internships, apprenticeships, research and development projects, and curriculum development.

- (8) Offer to sell power or renewable energy credits from the energy project to electric distribution utilities or electric service companies subject to renewable energy resource requirements under section 4928.64 of the Revised Code that have issued requests for proposal for such power or renewable energy credits. If no electric distribution utility or electric service company issues a request for proposal on or before December 31, 2010, or accepts an offer for power or renewable energy credits within forty-five days after the offer is submitted, power or renewable energy credits from the energy project may be sold to other persons. Division (F)(8) of this section does not apply if:
- (a) The owner or lessee is a rural electric company or a municipal power agency as defined in section 3734.058 of the Revised Code.
- (b) The owner or lessee is a person that, before completion of the energy project. contracted for the sale of power or renewable energy credits with a rural electric company or a municipal power agency.
- (c) The owner or lessee contracts for the sale of power or renewable energy credits from the energy project before June 17, 2010.

- (9) Make annual service payments as required by division (G) of this section and as may be required in a resolution adopted by a board of county commissioners under division (E) of this section.
- (G) The owner or a lessee pursuant to a sale and leaseback transaction of a qualified energy project shall make annual service payments in lieu of taxes to the county treasurer on or before the final dates for payments of taxes on public utility personal property on the real and public utility personal property tax list for each tax year for which property of the energy project is exempt from taxation under this section. The county treasurer shall allocate the payment on the basis of the project's physical location. Upon receipt of a payment, or if timely payment has not been received, the county treasurer shall certify such receipt or non-receipt to the director of development and tax commissioner in a form determined by the director and commissioner, respectively. Each payment shall be in the following amount:
- (1) In the case of a solar energy project, seven thousand dollars per megawatt of nameplate capacity located in the county as of the thirty-first-day of December of the preceding tax year;
 - (2) In the case of any other energy project using renewable energy resources, the following:
- (a) If the project maintains during the construction or installation of the energy facility a ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees of not less than seventy-five per cent, six thousand dollars per megawatt of nameplate capacity located in the county as of the thirty-first day of December of the preceding tax year;
- (b) If the project maintains during the construction or installation of the energy facility a ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees of less than seventy-five per cent but not less than sixty per cent, seven thousand dollars per megawatt of nameplate capacity located in the county as of the thirty-first day of December of the preceding tax year;
- (c) If the project maintains during the construction or installation of the energy facility a ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees of less than sixty per cent but not less than fifty per cent, eight thousand dollars per megawatt of nameplate capacity located in the county as of the thirty-first day of December of the preceding tax year.
- (3) In the case of an energy project using clean coal technology, advanced nuclear technology, or cogeneration technology, the following:
- (a) If the project maintains during the construction or installation of the energy facility a ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees of not less than seventy-five per cent, six thousand dollars per megawatt of nameplate capacity located in the county as of the thirty-first day of December of the preceding tax year;
- (b) If the project maintains during the construction or installation of the energy facility a ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees of less than seventy-five per cent but not less than sixty per cent, seven thousand dollars per megawatt of nameplate capacity located in the county as of the thirty-first day of December of the preceding tax year;
- (c) If the project maintains during the construction or installation of the energy facility a ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees of less than sixty per cent but not less than fifty per cent, eight thousand dollars per megawatt of nameplate

capacity located in the county as of the thirty-first day of December of the preceding tax year.

- (H) The director of development in consultation with the tax commissioner shall adopt rules pursuant to Chapter 119. of the Revised Code to implement and enforce this section.
- Section 2. That existing sections 9.76, 123.01, 3313.6020, 3333.04, 3333.122, 3345.0212, 3345.21, 3345.35, 3345.481, and 5727.75 of the Revised Code are hereby repealed.
- Section 3. (A) As used in this section, "qualifying apprenticeship" means either of the following:
- (1) Any apprenticeship program that is certified or registered by the United States Department of Labor;
 - (2) Any pre-apprenticeship aligned with section 3313.904 of the Revised Code.
- (B) The Superintendent of Public Instruction, in consultation with the Chancellor of Higher Education and the Director of Job and Family Services, shall develop a proposal to implement a statewide apprenticeship program for high school students on a pathway to either employment upon graduation or enrollment in a postsecondary educational institution.

The state Superintendent, in consultation with the Chancellor and the Director, shall include appropriate stakeholders in the development of the proposal.

- (C) The state Superintendent, the Chancellor, the Director, and any other participating stakeholders shall consider at least all of the following in developing the proposal:
- (1) Eligibility requirements for a student to participate in an apprenticeship, including a minimum grade point average or its equivalent;
 - (2) A process by which a student may secure an apprenticeship;
- (3) A process for approval of each student's apprenticeship, including a method for evaluating the educational benefits of an apprenticeship, and giving consideration to qualifying apprenticeships offered in this state;
 - (4) A limitation on the number of hours per week a student may work in an apprenticeship;
- (5) A method for determining actual costs to a business participating in an apprenticeship, including workers' compensation and other insurance costs and training costs;
- (6) A funding formula for students enrolled in a public high school, including a maximum amount, to pay businesses for costs associated with employing students under an apprenticeship:
- (7) A funding formula for students enrolled in a chartered nonpublic high school, including a maximum amount, to pay businesses for costs associated with employing students under an apprenticeship:
 - (8) A method for making payments to participating businesses;
- (9) A method by which any college credit for a certificate or certificates earned in an apprenticeship may transfer to an institution of higher education. Under the method, each institution shall determine whether to accept work after completing an apprenticeship as eligible college credit for admission purposes.
- (D) Not later than June 1, 2023, the state Superintendent, the Chancellor, and the Director shall submit the proposal to the Governor and the General Assembly, in accordance with section

101.68 of the Revised Code, for consideration.

Section 4. That Sections 381.10 and 381.480 of H.B. 110 of the 134th General Assembly be amended to read as follows:

Sec. 381.10.

	1	2	3	4	5
Α			BOR DEPARTMENT OF H	IGHER EDUCATION	
В	GENE	ERAL RE	VENUE FUND		
С	GRF	235321	Operating Expenses	\$5,742,147	\$5,914,411
D	GRF	235402	Sea Grants	\$299,250	\$299,250
Е	GRF	235406	Articulation and Transfer	\$1,818,947	\$1,873,515
F	GRF	235408	Midwest Higher Education Compact	\$116,725	\$118,476
G	GRF	235414	Grants and Scholarship Administration	\$850,729	\$876,251
Н	GRF	235417	Technology Maintenance and Operations	\$3,530,641	\$3,636,561
I	GRF	235428	Appalachian New Economy Workforce Partnership	\$4,041,600	\$4,041,600
J	GRF	235438	Choose Ohio First Scholarship	\$25,000,000	\$28,000,000
K	GRF	235443	Adult Basic and Literacy Education - State	\$7,083,344	\$7,083.344
L	GRF	235444	Ohio Technical Centers	\$21,310,120	\$21,810.120
М	GRF	235474	Area Health Education Centers Program Support	\$873,000	\$873.000

Sub. S. B. No. 135		No. 135	32		134th G.A.	
N	GRF	235492	Campus Safety and Training	\$612,000	\$630,360	
О	GRF	235495	Northeast Ohio Medical University Dental School	\$0	\$1,000,000	
P	GRF	235501	State Share of Instruction	\$2,056,678,116	\$2,075,761,402	
Q	GRF	235504	War Orphans and Severely Disabled Veterans' Children Scholarships	\$14,000,000	\$15,500,000	
R	GRF	235507	OhioLINK	\$5,654,164	\$5,752,427	
S	GRF	235508	Air Force Institute of Technology	\$1,824,219	\$1,863,387	
T	GRF	235510	Ohio Supercomputer Center	\$4,294,160	\$4,422,984	
U	GRF	235511	The Ohio State University Extension Service	\$24,563,453	\$24,761,619	
V	GRF	235514	Central State Supplement	\$11,551,202	\$11,685,515	
W	GRF	235515	Case Western Reserve University School of Medicine	\$2,038,940	\$2,038,940	
X	GRF	235519	Family Practice	\$3,007,876	\$3,007,876	
Y	GRF	235520	Shawnee State Supplement	\$4,636,500	\$5,409,250	
Z	GRF	235525	Geriatric Medicine	\$496,043	\$496,043	
AA	GRF	235526	Primary Care Residencies	\$1,425,000	\$1,425,000	
AB	GRF	235533	Program and Project Support	\$1,540,925	\$853,000	
AC	GRF	235535	Ohio Agricultural Research and Development Center	\$35,785,072	\$36,086,454	
AD	GRF	235536	The Ohio State University Clinical Teaching	\$9,185,494	\$9,185,494	
AE	GRF	235537	University of Cincinnati Clinical	\$8,334,944	\$8,334,944	

Sub. S. B. No. 135		134th G.A.
	33	

			33		
			Teaching		
AF	GRF	235538	University of Toledo Clinical Teaching	\$5,888,670	\$5,888,670
AG	GRF	235539	Wright State University Clinical Teaching	\$2,860,830	\$2,860,830
АН	GRF	235540	Ohio University Clinical Teaching	\$2,765,651	\$2,765,651
Al	GRF	235541	Northeast Ohio Medical University Clinical Teaching	\$2,844,469	\$2,844,469
AJ	GRF	235543	Kent State University College of Podiatric Medicine Clinic Subsidy	\$450,000	\$500,000
AK	GRF	235546	Central State Agricultural Research and Development	\$4,883,340	\$4,883,340
AL	GRF	235548	Central State Cooperative Extension Services	\$5,084,568	\$5,084,568
AM	GRF	235552	Capital Component	\$1,584,491	\$1,584,491
AN	GRF	235555	Library Depositories	\$1,310,702	\$1,326,762
AO	GRF	235556	Ohio Academic Resources Network	\$2,915,605	\$2,978,512
AP	GRF	235558	Long-term Care Research	\$309,035	\$309,035
AQ	GRF	235563	Ohio College Opportunity Grant	\$106,756,352	\$112,500,000
AR	GRF	235569	The Ohio State University College of Veterinary Medicine Supplement	\$4,000,000	\$5,000,000
AS	GRF	235572	The Ohio State University Clinic Support	\$728,206	\$728,206
AT	GRF	235578	Federal Research Network	\$4,950,000	\$4,950,000

Sub. S. B. No. 135	34		134th G.A.	
AU GRF 235591	Co-Op Internship Program	\$890,000	\$890,000	
AV GRF 235595	Commercial Truck Driver Student Aid Program	\$2,500,000	\$2,500,000	
AW GRF 235598	Rural University Program	\$400,000	\$400,000	
AX GRF 235599	National Guard Scholarship Program	\$19,000,000	\$19,000,000	
AY GRF 235909	Higher Education General Obligation Bond Debt Service	\$331,000,000	\$301,000,000	
AZ TOTAL GRF G	eneral Revenue Fund	\$2,757,416,530	\$2,760,735,757	
BA Dedicated Purpo	ose Fund Group			
BB 2200 235614	Program Approval and Reauthorization	\$800,485	\$825,000	
BC 4560 · 235603	Sales and Services	\$199,250	\$199,250	
BD 4E80 235602	Higher Educational Facility Commission Administration	\$63,000	\$65,000	
BE 5D40 235675	Conference/Special Purposes	\$1,000,000	\$1,000,000	
BF 5FR0 235650	State and Non-Federal Grants and Award	\$1,402,150	\$1,402,150	
BG 5JC0 235649	MAGNET Apprenticeship Program	\$200,000	\$200,000	
BH 5NH0 235517	Short-Term Certificates	\$3,500,000	\$3,500,000	
BI 5P30 235663	Variable Savings Plan	\$8,049,501	\$8,159,165	
BJ 5RA0 235616	Workforce and Higher Education Programs	\$1,000,000	\$1,000,000	
BK 5UK0 235594	OhioCorps Program	\$150,000	\$0	

Sub. S. B. No. 135	35		134th G.A.
BL 5YD0 235494	Second Chance Grant Pilot Program	\$3,000,000	\$0
BM 6450 235664	Guaranteed Savings Plan	\$1,035,116	\$1,047,209
BN 6820 235606	Nursing Loan Program	\$1,116,842	\$1,116,842
BO TOTAL DPF De	edicated Purpose Fund Group	\$21,516,344	\$18,514,616
BP Bond Research	and Development Fund Group		
BQ 7011 235634	Research Incentive Third Frontier	\$5,000,000	\$5,000,000
BR 7014 235639	Research Incentive Third Frontier - Tax	\$3,000,000	\$3,000,000
BS TOTAL BRD B Fund Group	ond Research and Development	\$8,000,000	\$8,000,000
BT Federal Fund Gr	roup		
BU 3120 235577	Education, Research, Development, and Dissemination	\$25,691	\$25,691
BV 3120 235611	Gear-up Grant	\$2,000,000	\$2,000,000
BW 3120 235612	Carl D. Perkins Grant/Plan Administration	\$1,350,000	\$1,350,000
BX 3120 235641	Adult Basic and Literacy Education - Federal	\$17,600,000	\$17,600,000
BY 3BG0 235651	Gear Up Grant Scholarships	\$1,750,000	\$1,750,000
BZ 3N60 235658	John R. Justice Student Loan Repayment Program	\$70,000	\$70,000
CA TOTAL FED Fe	deral Fund Group	\$22,795,691	\$22,795,691
Sec. 381.480.	UDGET FUND GROUPS SECOND CHANCE GRANT PILOT g appropriation item 235494, Second		\$2,810,046,064 -Program, shall be

distributed by the Chancellor of Higher Education to qualifying institutions of higher education and Ohio Technical Centers to provide grants to eligible students under the Second Chance Grant Pilot Program established in section 3333.127 of the Revised Code.

On July 1, 2022, or as soon as possible thereafter, the Chancellor of Higher Education shall certify to the Director of Budget and Management an amount up to the unexpended, unencumbered balance of the foregoing appropriation item 235494. Second Chance Grant Program, at the end of fiscal year 2022 to be reappropriated to fiscal year 2023. The amount certified is hereby reappropriated to the same appropriation item for fiscal year 2023.

NURSING LOAN PROGRAM

The foregoing appropriation item 235606, Nursing Loan Program, shall be used to administer the nurse education assistance program.

Section 5. That existing Sections 381.10 and 381.480 of H.B. 110 of the 134th General Assembly are hereby repealed.

Polit	72.	Cope	2	
Speaker		_ of the House	e of Representati	ives.
Mull	V.C.	He M	<u></u>	
/-	President	W JU	of the Ser	iate.
Passed	April 6	, 20 <u>11</u>		
Approved APRIC	20,	, 20 22		
mile"	Del) in	2	



Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the <u>ZIST</u> day of <u>APRIL</u>, A. D. 20 ZZ.

Secretary of State.

File No. <u>99</u>

Effective Date Jucy 21, 2022 EXCEPT AS

EXCEPT AS OTHERWISE PROUIDED BY LAW

(134th General Assembly) (Substitute Senate Bill Number 135)

AN ACT

To amend sections 9.76, 123.01, 3313.6020, 3333.04, 3333.122, 3345.0212, 3345.21, 3345.35, 3345.481, and 5727.75 and to enact sections 3333.0418, 3333.073, 3333.126, 3333.127, 3333.168, 3345.024, 3345.028, 3345.0215, 3345.064, 3345.241, 3345.381, and 3345.461 of the Revised Code and to amend Sections 381.10 and 381.480 of H.B. 110 of the 134th General Assembly with regard to the operation of state institutions of higher education, free speech in public universities and colleges, the Second Chance Grant Program, high school career advising, apprenticeships, and energy project education relationships, and to make an appropriation.

Introduced by

Senator Cirino

Cosponsors: Senators Antani, Blessing, Brenner, Hoagland, Huffman, M., Huffman, S., Johnson, McColley, Roegner, Romanchuk, Schaffer, Thomas, Yuko Representatives Hall, Abrams, Bird, Callender, Carruthers, Cross, Fraizer, Gross, Holmes, Hoops, John, Jones, Jordan, Kick, Lanese, Lightbody, Loychik, McClain, Merrin, Miller, K., Plummer, Ray, Richardson, Riedel, Sheehy, Stephens, Stevens, White, Wiggam, Young, T.

Passed by the Senate,	
June 16	_, 20 <u>21</u>
Passed by the House of Representative	?S,
April 6	_, 20 <u>ll</u>

Filed in the office of the Secretary of State at Columbus, Ohio, on the

Secretary of State.

concurred in House amendments on April 6, 2022