



Ohio Legislative Service Commission

Bill Analysis

William Schwartz

H.B. 242

130th General Assembly
(As Introduced)

Reps. R. Hagan and Foley, Sheehy, Stinziano, Phillips, Patterson, Cera, Antonio, Rogers, Ashford, Williams

BILL SUMMARY

- Requires the Chancellor of the Board of Regents, in consultation with the Board, to consider the creation of a "Pay Forward, Pay Back" pilot program permitting a resident student to enroll in a state institution of higher education without paying tuition or fees, but requiring that student to sign a binding contract to pay to the state or the institution a certain percentage of the student's annual adjusted gross income upon graduation for a specified number of years.
- Requires the Chancellor, if the creation of such pilot program is determined to be warranted, to submit a proposal to the General Assembly that identifies one or more state institutions for participation in the program, specified the income percentage to be charged to a student and the duration of such payments, and identifies a funding source for the program.
- Declares an emergency.

CONTENT AND OPERATION

"Pay Forward, Pay Back" pilot program

The bill requires the Chancellor of the Board of Regents, in consultation with the Board of Regents, to consider the creation of a "Pay Forward, Pay Back" pilot program. That program would replace the current system of charging students up front for tuition and fees for enrollment at participating state institutions of higher education. Instead, it would allow a resident student who qualifies for admission to enroll without paying tuition or fees by signing a binding contract to pay to the state or to the student's institution a certain percentage of the student's annual adjusted gross income upon graduation from the institution for a specified number of years. If the Chancellor

determines that such a pilot program is warranted, the Chancellor must submit a proposal for the pilot program to the General Assembly on the first day of the first regular session of the 131st General Assembly. The proposal, also developed in consultation with the Board of Regents, must identify one or more state institutions of higher education to participate in the pilot program. The proposal also must specify the number of years and the percentage of annual adjusted gross income for contracts at participating institutions, which may vary by institution depending on the total cost of education at the institution and the portion of that cost that is paid by the state. The bill expressly requires that those specifications be based on current research. Finally, it must identify an immediate funding source for the first 15 to 20 years of the pilot program and a method for collecting payments for the program.

HISTORY

ACTION	DATE
Introduced	08-12-13

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