



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. [H.B. 107 of the 130th G.A.](#) **Date:** November 5, 2013
Status: As Re-referred to House Finance and Appropriations **Sponsor:** Rep. Baker

Local Impact Statement Procedure Required: No

Contents: Authorizes grants for businesses that employ high school students in career exploration internships, and makes an appropriation

State Fiscal Highlights

- The bill authorizes business grants for employing interns meeting specified criteria, generally high school students.
- The grants may total up to \$1 million. They would be made from a new fund, the Career Exploration Internship Fund (Fund 5NS0), which would receive a portion of upfront license fees paid for casino facilities.
- Grants must be approved by the Development Services Agency, and may only be approved during a three-year period starting on the effective date of the bill.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill authorizes grants for businesses that employ interns meeting specified criteria, generally high school students.¹ These career exploration internships are paid employment relationships providing interns with education, instruction, and experience relevant to their career aspirations. Each internship must last at least 20 weeks and include at least 200 hours of paid work and instruction. Businesses may be awarded a grant for half of the wages paid to the student intern for the first 12 months following approval of the application for the grant, up to \$5,000. Each business is limited to three interns under this program in any calendar year.

To qualify for the grant, the business must apply to the Development Services Agency prior to the start of the internship. The business must report on the internship within 30 days after the end of the internship or within 13 months following approval of this application, whichever comes first. Applications received by the Development Services Agency for participation in the program more than three years after the effective date of the bill shall not be approved.

The bill appropriates \$1 million in FY 2015 and reappropriates any unexpended and unencumbered portion for FY 2016. It creates a new fund, the Career Exploration Internship Fund, to be used by the Agency to provide the career exploration internship grants. The new fund is to receive revenue from a portion of the proceeds from the upfront license fees paid for the state's four casinos.

The Development Services Agency would incur administrative costs from processing applications, and from publishing a required annual report about the program. Any such costs are likely to be minimal. The bill does not specify whether the Agency may charge an application fee to defray such costs.

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¹ The bill provides that an intern under this program must be entitled to attend school in this state, be 16 to 18 years of age or enrolled in grade 11 or 12, and have a cumulative grade point average of at least 2.5 (4.0 scale) or its equivalent in State Board of Education rules.