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H.B. 107
136th General Assembly

Bill Analysis

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Version: As Introduced

Primary Sponsor: Rep. Williams

Chris Edwards, Attorney

SUMMARY

- Creates the Institutional Platinum Provider Program (IPPP) under which a state institution of higher of education participating in the Individual Microcredential Assistance Program (IMAP) may receive one or more advance payments for training costs for individuals to earn a microcredential.
- Increases from \$500,000 to \$1 million the total advance payment or reimbursement amount a state institution participating in IMAP and IPPP may receive in a fiscal year.
- Creates the Platinum Provider Program under which an eligible IMAP participant other than a state institution may receive one or more advance payments for training costs for individuals to earn a microcredential.

DETAILED ANALYSIS

Individual Microcredential Assistance Programs

The bill enacts the Platinum Providers Act.¹ It modifies the existing Individual Microcredential Assistance Program (IMAP) and creates two platinum provider programs for certain IMAP participants: the Institutional Platinum Provider Program and the Platinum Provider Program. Under the platinum provider programs, certain IMAP participants may be eligible for one or more advance payments in addition to reimbursements for which the participants may be eligible under IMAP. Under continuing law, IMAP reimburses participating training providers for training costs for individuals to earn a microcredential. A “microcredential” is an industry-recognized credential or certificate that an individual may complete within one year and that is approved by the Chancellor of Higher Education.

¹ Section 3.

The bill requires the Director of Development (DEV Director), who administers IMAP, to do both of the following with respect to the platinum provider programs:

- Create applications to participate in and seek advance payments under the programs;
- Adopt rules to implement the programs.²

Institutional Platinum Provider Program

Under the bill, the DEV Director, in consultation with the Governor's Office of Workforce Transformation (OWT), must establish an Institutional Platinum Provider Program (IPPP) for state institutions of higher education. A state institution approved to participate in IMAP is eligible to participate in IPPP. The bill increases from \$500,000 to \$1 million the total advance payment or reimbursement amount a state institution participating in IMAP and IPPP may receive in a fiscal year. The total amount of advance payments a state institution may receive under IPPP in any fiscal year cannot exceed the total reimbursement amount the institution initially seeks under IMAP.³

Institutional duties

The bill requires each state institution to:

- Provide at least two in-person training programs and at least one online training program for individuals to earn a microcredential; and
- By December 31 immediately after IPPP is established, and by December 31 of each year after that, apply to participate in IMAP.⁴

Institutional platinum providers

If the DEV Director approves a state institution's application to participate in IMAP, all of the following apply:

- The DEV Director must designate the state institution as an institutional platinum provider.
- The state institution may participate in IPPP.
- The state institution is eligible to apply for one or more advance payments under IPPP to cover training costs for individuals to earn a microcredential.⁵

Initial advance payments

An institutional platinum provider may apply for an initial advance payment of not more than 20% of the total reimbursement amount the state institution seeks under IMAP. If a state

² R.C. 122.1710, 122.1712, and 122.1713, by reference to R.C. 122.178, not in the bill.

³ R.C. 122.1710(F) and 122.1713(B), (D), and (G).

⁴ R.C. 122.1713(C).

⁵ R.C. 122.1713(D).

institution applies for an advance payment, the DEV Director must provide it to the institution in the amount specified in the application.⁶

Subsequent advance payments

After each training program an institutional platinum provider administers during a fiscal year that results in at least one individual earning a microcredential, the state institution may apply for a subsequent advance payment. Each subsequent advance payment cannot exceed 20% of the total reimbursement amount the state institution seeks under IMAP. If at least 50% of the individuals who participated in the state institution's last training program earned a microcredential, the DEV Director must provide another payment to the state institution in the amount specified in the application. If, however, less than 50% of the individuals earned a microcredential, to be eligible for another payment, the state institution must refund a certain percent of the advance payment amount that was last provided to the institution during the fiscal year. The percent is the difference between 50% and the percent of individuals who earned a microcredential. If the state institution refunds that amount, the DEV Director must provide another payment to the state institution in the amount specified in the application. If the state institution does not refund that amount, the DEV Director cannot provide another payment.⁷

IMAP reimbursements

If the DEV Director approves an institutional platinum provider's reimbursement application under IMAP, the Director must reimburse the state institution for the total actual training cost less the total advance payment amount the state institution received under IPPP. The DEV Director cannot reimburse the state institution for any amounts the institution refunded under IPPP. If the total actual training cost is less than the total advance payment amount the state institution received under IPPP, the state institution must refund the difference between the total advance payment amount and the actual training cost.⁸

Platinum Provider Program

The bill requires the DEV Director, in consultation with OWT, to establish a separate Platinum Provider Program (PPP) for training providers other than state institutions participating in IMAP. A training provider for PPP purposes is an Ohio technical center or private business or institution that offers training to allow an individual to earn a microcredential. A training provider that is approved to participate in IMAP and that meets the bill's requirements is eligible to participate in PPP. A training provider approved to participate in PPP may receive one or more advance payments to cover the training costs for individuals to earn a microcredential. A training provider participating in PPP may receive a total advance payment under PPP, or reimbursement under IMAP, of up to \$500,000 in a fiscal year.⁹

⁶ R.C. 122.1713(E).

⁷ R.C. 122.1713(F).

⁸ R.C. 122.1713(H).

⁹ R.C. 122.1710(F) and 122.1712(A) and (B).

Application

After being approved to participate in IMAP, a training provider seeking to participate in PPP must apply to the DEV Director on a form prescribed by the Director. The training provider must include in the application all of the following information:

- The initial advance payment amount the training provider is seeking, not to exceed 20% of the total reimbursement amount the training provider seeks under IMAP;
- Evidence that at least 80% of individuals who participated in training programs offered by the training provider in the previous fiscal year earned a microcredential under IMAP;
- The number of microcredentials for which the training provider is seeking an advance payment and the names of the microcredentials;
- The training cost for each microcredential for which the training provider is seeking an advance payment;
- Proof that the training provider has obtained a surety bond that meets the bill's requirements.

The DEV Director must notify a training provider in writing of the Director's decision to approve or deny a training provider's application.¹⁰

Initial advance payment

If the DEV Director approves a training provider's application to participate in PPP, the Director must do both of the following:

- Designate the training provider as a platinum provider;
- Provide an initial advance payment to the platinum provider in the amount specified in the application but not exceeding the least of the following amounts:
 - \$100,000;
 - 20% of the total amount of reimbursement the provider seeks under IMAP;
 - The amount of the surety bond that the provider must maintain to participate in PPP, less any previous advance payment the provider must refund to the DEV Director.¹¹

Subsequent advance payments

After each training program that a platinum provider administers during a fiscal year that results in at least one individual earning a microcredential, the provider may apply for a subsequent advance payment. Each subsequent advance payment cannot be more than the least of the amounts listed above. The provider must include in the application the same information required in the initial application to participate in PPP. If at least 80% of the individuals who participated in the provider's last training program earned a microcredential, the DEV Director

¹⁰ R.C. 122.1712(C) and (D).

¹¹ R.C. 122.1712(D) and (F).

must provide a subsequent advance payment to the provider in the amount specified in the application. If, however, less than 80% of the individuals earned a microcredential, to be eligible for a subsequent advance payment, the provider must refund a certain percent of the advance payment amount that was last provided to the provider during the fiscal year. The percent is the difference between 80% and the percent of individuals who earned a microcredential. If the provider refunds that amount, the DEV Director must provide a subsequent advance payment to the provider in the amount specified in the application. If the provider does not refund that amount, the DEV Director cannot provide a subsequent advance payment.¹²

IMAP reimbursements and refunds

If the DEV Director approves a reimbursement application a platinum provider submits under IMAP, the Director must reimburse the provider for the total actual training cost under IMAP less the total advance payment to the provider under PPP. The DEV Director cannot reimburse the provider for any amounts the provider refunded under PPP. If the total actual training cost is less than the total advance payment amount the provider received under PPP, the provider must refund the difference between the advance payment amount and the actual training cost. If a provider fails to apply for reimbursement under IMAP, the DEV Director must require the provider to refund the total advance payment amount the provider received under PPP.¹³

Revocation of platinum provider status

If, at the time a platinum provider seeks reimbursement under IMAP, the DEV Director determines that less than 80% of individuals who participated in the provider's training programs in the fiscal year earned a microcredential, or that the provider has failed to maintain the required bond, both of the following apply:

- The DEV Director must revoke the provider's status as a platinum provider.
- The provider is ineligible to participate in PPP for the following fiscal year.

A training provider whose platinum status is revoked may reapply to participate in PPP in the fiscal year that follows the fiscal year in which the provider is ineligible to participate in PPP.¹⁴

Surety bond

A training provider that is designated as a platinum provider or that seeks to participate in PPP must maintain a surety bond issued by a bonding or insurance company licensed to do business in Ohio. The bond must be in favor of the DEV Director. It also must be in an amount not less than the sum of the total advance payments the provider received for the fiscal year plus any advance payments for any previous fiscal year that the provider must refund. The provider

¹² R.C. 122.1712(E).

¹³ R.C. 122.1712(G).

¹⁴ R.C. 122.1712(H) and (I).

must maintain the bond while participating in PPP and cannot allow it to expire or terminate until the provider applies for reimbursement under IMAP or refunds any applicable amounts.¹⁵

IMAP application period

The bill establishes the application period under IMAP to address the interaction between it and the platinum provider programs created by the bill. Current law does not specify the application period. Under continuing law, a training provider seeking reimbursement for training costs under IMAP must submit an initial application to participate in IMAP. After being approved to participate and administering a training program, the training provider must submit a separate reimbursement application. The bill ties the application period under IMAP to the state fiscal year. It requires the DEV Director to administer IMAP so that the total reimbursement to each IMAP participant occurs at least once per fiscal year. Each training provider seeking to participate in IMAP under the bill must apply at the beginning or before the beginning of the fiscal year, but not later than the date established by the DEV Director. The training provider must submit the reimbursement application during the fiscal year in which the training provider applied to participate in IMAP, but not later than the date established by the DEV Director.¹⁶

HISTORY

Action	Date
Introduced	02-18-25

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¹⁵ R.C. 122.1712(J).

¹⁶ R.C. 122.1710.