



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

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Am. H.B. 108

132nd General Assembly

(As Reported by H. Education and Career Readiness)

Reps. Hagan and McColley, Antani, Young, O'Brien, Brenner, Vitale, Goodman, Gavarone

BILL SUMMARY

- Requires the Chancellor of Higher Education to prepare an "informed student document" for each institution of higher education that receives state assistance, which must include information on academics, cost of attendance, student success rates, and admission data.
- Requires an individual applying for admission, or the individual's parent or guardian, to verify that the individual, or parent or guardian, has read an institution's informed student document prior to applying to that institution.
- Requires one-half unit of instruction in economics and financial literacy in either the high school social studies curriculum or as part of the specified elective subject areas.
- Specifies that an individual who has a valid educator's license to teach social studies, business education, or consumer and family sciences may teach the study of financial literacy.
- Requires the State Board of Education's standards and model curricula for financial literacy and entrepreneurship to include instruction on the informed student document.
- Allows each district board of education to adopt a policy that encourages its students to submit their own Free Application for Federal Student Aid.
- Entitles the bill the "Informed Student Document Act."

CONTENT AND OPERATION

Higher education informed student document

The bill requires the Chancellor of Higher Education to prepare an annual "informed student document" for each institution of higher education that receives state assistance, including any student financial assistance supported by state funds, for use by prospective students and their parents. The document must be posted on the websites of the Department of Higher Education and the institution for which it is prepared.¹ Each institution must provide the Chancellor with the available information necessary to prepare the document, upon request from the Chancellor.²

The document must inform students and parents on the financial and academic aspects of attending the specific institution of higher education and certain data from comparable institutions. It must include instruction on how to access state and national sources to find data on in-demand jobs. In addition, the document must include a list of institutions of higher education and contain a listing of, or an Internet link to a website listing of, all majors offered by the institutions.³ Further, the document must include the most recent available interest rates for federal student loans and information on federal student aid forms, such as the Free Application for Federal Student Aid (FAFSA).⁴

Finally, the document must include the information described below for the institution for which it was prepared and the other institutions of higher education. The information must cover each of the five preceding academic years, to the extent that information is available, and be divided among the prescribed corresponding categories:

(1) "COSTS."

(a) The annual total academic costs for a full-time resident undergraduate student. Under the bill, "total academic costs" include tuition, instructional fees, and general fees charged by the institution;⁵

(b) The net annual total academic costs for a full-time resident undergraduate student after grants and scholarships;

¹ R.C. 3333.89(B)(1) and (C).

² R.C. 3333.89(B)(5).

³ R.C. 3333.89(B)(2)(a).

⁴ R.C. 3333.89(B)(3).

⁵ R.C. 3333.89(A)(2).



(c) The average student debt incurred per academic year and the average total debt incurred by a student upon graduation;

(d) Loan repayment rates. For this purpose, the Chancellor must develop a measure to determine loan repayment rates and list the types of loans and methods of repayment included in that measure.⁶

(2) "STUDENT SUCCESS."

(a) The four-, five-, and six-year graduation rates of full-time bachelor's degree students and the average amount of debt a student accrues within each of those rates;

(b) The average number of fall and spring semesters of enrollment attempted by students in order to obtain a bachelor's degree;

(c) The number of first-time, full-time undergraduate students seeking a degree who are enrolled in the institution after one academic year and separately the number of those same students enrolled after two academic years. In other words, the document must include the institution's retention rate as measured from enrollment of first-time, full-time undergraduate students from the first year to the second year.

(d) The number of first-time, full-time undergraduate students seeking a degree who are enrolled in the institution after two academic years, or, in other words, the institution's retention rate as measured from enrollment of first-time, full-time undergraduate students after two years.⁷

However, for institutions in which at least 50% of enrolled students are not first-time, full-time students, the Chancellor must develop an alternative measure for "STUDENT SUCCESS." For these institutions' informed student documents, the Chancellor must instead list the information included in the alternative measure, rather than the information listed under (2) above.

(3) "ADMISSIONS."

(a) The 25th and 75th percentile scores of first-time undergraduate students at the institution on the SAT and ACT tests;

(b) The institution's admission rate for first-time undergraduate students;

⁶ R.C. 3333.89(B)(2)(b)(i) through (iv) and (B)(4)(a).

⁷ R.C. 3333.89(B)(2)(b)(v) and (vi), (B)(2)(c)(i), (B)(2)(d), and (B)(4)(b).

(c) The percentage of in-state students admitted by the institution who were in the top 10% of their high school class.⁸

Each individual applying for admission, or the individual's parent or guardian, must verify reading the institution's informed student document prior to applying to that institution.⁹

The bill allows each district board of education to adopt a policy that encourages its students to submit a FAFSA application.¹⁰

High school financial literacy education

Beginning with students who enter ninth grade for the first time on or after July 1, 2018, the bill requires at least one-half unit of instruction (60 hours) in the study of financial literacy, as part of the two units of social studies instruction or as a part of the five units of specified elective subject areas required for high school graduation, as selected by the school district or school. This instruction must include a review of information contained in the higher education informed student documents, as described above, and emphasize personal finance, the concepts of credit, debt, and investments, and sound money management. The lessons also must include instruction on calculating interest and compound interest on loans, exposure to federal financial aid forms, such as the FAFSA, financial aid and average costs associated with tuition and fees at higher education institutions, information on student loan debt, and variable returns on investment depending on chosen degree path.¹¹

The bill specifies that an individual who has a valid educator's license to teach social studies, business education, or consumer and family sciences may teach the study of financial literacy.¹²

Finally, the bill requires the State Board of Education to include information and instruction on the informed student document (see above) in the standards and model curricula it adopts for financial literacy and entrepreneurship education.¹³

⁸ R.C. 3333.89(B)(2)(c)(ii) through (iv) and (B)(4)(c).

⁹ R.C. 3333.89(D).

¹⁰ R.C. 3313.607(C).

¹¹ R.C. 3313.603(C)(7) through (9).

¹² R.C. 3313.603(C)(9).

¹³ R.C. 3301.079(A)(2).



Background

Current law generally requires the completion of a minimum of 20 units of study to graduate from a public or nonpublic high school. (School districts may, and many do, require more than 20 units to graduate.) The 20 units include a specified number of units in each of English language arts, health, math, physical education, science, social studies, and American history and government. Students must complete two units of social studies, which includes one-half unit in the study of world history and world civilizations. The 20 units also must include five (elective) units chosen from one or more of the following: foreign language, fine arts, business, career-technical education, family and consumer sciences, technology, agricultural education, a Junior ROTC program, or other English language arts, mathematics, science, or social studies courses. A unit is a minimum of 120 hours of instruction, except for a laboratory course, which is a minimum of 150 hours of instruction.

Under current law, the study of economics and financial literacy must be integrated into one or more existing social studies credits or "into the content of another class." The bill eliminates this provision in favor of its half-unit financial literacy requirement.

HISTORY

ACTION	DATE
Introduced	03-07-17
Reported, H. Education and Career Readiness	05-23-18

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