



Ohio Legislative Service Commission

Mark Harris

Fiscal Note & Local Impact Statement

Bill: H.B. 1 of the 131st G.A. **Date:** April 20, 2015
Status: As Reported by H. Economic and Workforce Development **Sponsor:** Reps. Schuring and Manning

Local Impact Statement Procedure Required: Yes

Contents: Creates the Workforce Grant Program

State Fiscal Highlights

STATE FUND	FY 2016	FY 2017	FUTURE YEARS
General Revenue Fund			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Increase of \$35 million	Increase of \$35 million	- 0 -

Note: The state fiscal year is July 1 through June 30. For example, FY 2016 is July 1, 2015 – June 30, 2016.

- The bill creates the Workforce Grant Program and appropriates \$35 million in FY 2016 and FY 2017 for the program, which includes \$500,000 each fiscal year for the Chancellor of the Board of Regents to use for coordination of a statewide effort to promote workforce grant programs and the remainder for grant awards.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill creates the Workforce Grant Program to award grants to students in public or private institutions of higher education who are pursuing degrees or certifications for jobs determined to be the most "in demand" in the state of Ohio and in each of its regions. The bill appropriates \$35 million in both FY 2016 and FY 2017 for the program. Of this amount, \$500,000 is set aside in each year for the Chancellor of the Board of Regents to coordinate a statewide effort to promote workforce grant programs. The bill terminates the program on December 31, 2019.

The bill requires the Chancellor to perform a number of administrative duties related to the program. These include developing a system of metrics showing the number of awards made, the number of recipients who became employed in an in-demand job, a dynamic scoring of taxes generated, and a cost-benefit analysis. The Chancellor must also adopt rules for operating the program, adopt rules, in consultation with the State Board of Education, for distributing information about the program to high school students, and issue a request for proposals to coordinate and conduct the statewide promotion of the program. These duties will increase the Board of Regents' administrative costs.