

County Council of Cuyahoga County, Ohio

Ordinance No. O2015-0008

Sponsored by: Councilmember Greenspan Co-sponsored by: Councilmembers Simon and Schron	An Ordinance amending Section 804.02 of the Cuyahoga County Code to repeal the Cuyahoga County College Savings Account Program and to provide an orderly winding down for program participants; repealing Section 207.03 of the Cuyahoga County Code; and declaring the necessity that this Ordinance become immediately effective.
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WHEREAS, Ordinance No. O2012-0036 was enacted on April 23, 2013 to establish the Cuyahoga County College Savings Account Program and create the College Savings Account Program Committee; and,

WHEREAS, County Council desires to repeal the Cuyahoga County College Savings Account Program and provide an orderly winding down for program participants; and,

WHEREAS, County Council desires to encourage greater use of existing program infrastructure utilized throughout the State of Ohio to enable and incentivize saving for higher education expenses; and,

WHEREAS, it is necessary that this Ordinance become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of a County entity.

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. Section 804.02 of the Cuyahoga County Code is hereby amended to read as follows (deletions struck through and additions bolded and underlined):

Section 804.02: Cuyahoga County College Savings Account Program

A. ~~There is hereby created the Cuyahoga County College Savings Account Program that shall include the following:~~

- ~~1. An agreement with the qualified entity to administer the County College Savings Account Program, which administration may be subsidized by the County;~~

- ~~2. College savings accounts automatically established for each eligible student upon entering kindergarten, where the County is the custodial owner of the account and the student is the beneficiary, to be used for qualifying post-secondary education expenses;~~
- ~~3. An initial deposit of one hundred dollars (\$100.00) of County funds into each college savings account;~~
- ~~4. An opportunity for families who do not wish to participate to opt out of the Program;~~
- ~~5. Growth of the accounts through family, student, and other outside private or public contributions;~~
- ~~6. "Benchmark" incentives to promote educational success and sound savings habits, such as savings matches and donor deposits from other sources;~~
- ~~7. Opportunities for families and students to increase financial literacy; and~~
- ~~8. Opportunities for families and students to establish banking relationships.~~

A. An "eligible student," as used in Section 804.02 of the Cuyahoga County Code, is a resident of Cuyahoga County who **was enrolled as a kindergarten student in Cuyahoga County as of the censuses occurring on October 31, 2013 or October 31, 2014, and who has not opted-out of the College Savings Account Program enacted pursuant to Ordinance No. O2012-0036.** ~~is a new kindergarten student as of a census occurring on October 31st of each year. Students in other grades, students that repeat kindergarten after the start of the Program, and kindergarten students who move into the County after the cutoff date each year, are not eligible. For any year a student does not live in the County, the student account will remain active and open for use by the student and his/her parent or guardian but will not be eligible for match or incentive deposits from the Program.~~

B. **All accounts opened for eligible students shall be closed and the funds deposited by the County shall be returned to the County's General Fund no later than July 31, 2016, except as otherwise provided herein:**

- 1. A parent or guardian of an eligible student may request, on or before December 31, 2015, that the County transfer all funds deposited, or scheduled to be deposited in a college savings account maintained by the County to an eligible college savings account created consistent with Chapter 3334 of the Ohio Revised Code and Section 529 of the Internal Revenue Code.**
- 2. Any non-County funds deposited into existing college savings accounts maintained by the County as of the close of business on**

December 31, 2015 shall be returned to the parent or guardian of the eligible students for which each account was created.

C. Section 804.02 of this Code shall be repealed in its entirety effective December 31, 2016.

- C. ~~“Post-secondary education,” as used in this section, includes a college, university, vocational school, and any two or four-year degree program from an accredited educational institution.~~
- D. ~~“Qualifying post-secondary education expenses,” as used in this section, include but are not limited to tuition, mandatory fees, books, supplies, and equipment required for enrollment or attendance, or for any other necessary cost of attending school, including travel to and from school. If a student has special needs, distributions can be used to pay for any accommodations that are required to make it possible for the student to attend school. To assist students in gaining access to post-secondary education, funds may be used for post-secondary school application fees and fees for the ACT, SAT and AP college entrance and placement exams prior to high school graduation.~~
- E. ~~Withdrawals from a student account must be made prior to the student attaining the age of twenty five. For students who serve in a national service program (such as the United States Military or Peace Corps), each year of service may increase the maturity date by one year.~~
- F. ~~If a student does not use all funds in a student account for a qualified expense, any non-Program funds contributed to the student account will be returned to their source. Any funds contributed by the County or donated to the County for the benefit of the Program will remain in the sole possession of the County.~~
- G. ~~In the case of an emergency or unforeseen circumstance, the student and/or parent/guardian may submit a non-qualified use withdrawal request to the County administration team for review. If approved, only non-Program funds may be withdrawn.~~
- H. ~~“Non-Program funds,” as used in this section, include any funds deposited directly into a student account by a student, parent, guardian or other private source for the benefit of a particular student.~~
- D. ~~The Program will be administered by staff in the Executive’s Office, who will accept, review, and make recommendations for approval of eligible students and qualified use of funds.~~
- E. ~~County administration will provide a policy and procedures manual to the County Council prior to the implementation of the program.~~
- F. ~~County Council shall be notified of all future changes, additions or subtractions to the aforementioned policy and procedures manual.~~

- ~~G. A College Savings Account Program Committee shall provide advice and fundraising support to the Administration and rule on appeals from Administration decisions on eligibility and qualified use of funds.~~
- ~~H. The Administration shall perform annual performance monitoring of the Program. At any time after the Program is initiated, however no later than five years thereafter, the Program shall be evaluated by Council to measure its success in achieving its intended outcomes and for the purpose of making any modifications, amendments, or changes to the Program, including but not limited to, its expansion or termination.~~

SECTION 2. Section 207.03 of the Cuyahoga County Code is hereby repealed and the College Savings Account Program Committee is hereby disbanded.

SECTION 3. It is necessary that this Ordinance become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Ordinance receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 4. It is found and determined that all formal actions of this Council relating to the adoption of this Ordinance were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Schron, seconded by Ms. Simon, the foregoing Ordinance was duly enacted.

Yeas: Conwell, Jones, Brown, Hairston, Simon, Greenspan, Miller, Germana
Gallagher, Schron and Brady

Nays: None

County Council President

Date

County Executive

Date

Deputy Clerk of Council

Date

First Reading/Referred to Committee: March 24, 2015

Committee(s) Assigned: Education, Environment & Sustainability

Additional Sponsorship Requested: May 20, 2015

Committee Report/Second Reading: May 26, 2015

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June 9, 2015