



## **Sub. H.B. 11**

126th General Assembly  
(As Passed by the General Assembly)

**Reps.** Schlichter, J. Stewart, Latta, Hartnett, C. Evans, S. Patton, Buehrer, Wolpert, Oelslager, Willamowski, Carano, Kearns, Setzer, Reidelbach, Combs, Hughes, Flowers, DeWine, Chandler, Brown, McGregor, Harwood, T. Patton, Calvert, Walcher, Taylor, Raga, Fessler, Seaver, Webster, Peterson, Wagner, Hood, Williams, Garrison, Barrett, Distel, Allen, Aslanides, Beatty, Blessing, Book, Bubp, Carmichael, Cassell, Coley, Collier, Core, Daniels, DeGeeter, Dolan, Domenick, Driehaus, D. Evans, Faber, Fende, Gibbs, Gilb, Hagan, Healy, Hoops, Key, Koziura, Law, Martin, Mason, Miller, Mitchell, Otterman, Perry, Redfern, Reinhard, Sayre, Schaffer, Skindell, G. Smith, D. Stewart, Strahorn, Sykes, Trakas, Uecker, Ujvagi, Wagoner, White, Widener, Widowfield

**Sens.** Fedor, Carey, Cates, Gardner, Jacobson, Padgett, Mumper, Fingerhut, Austria, Clancy, Hagan, Roberts, Schuring, Spada, Dann, Jordan, Armbruster, Zurz, Harris, Wachtmann

**Effective date:** \*

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### **ACT SUMMARY**

- Permits school districts and chartered nonpublic schools to issue high school diplomas to veterans of the Vietnam Conflict (in addition to veterans of World War II and the Korean Conflict, as under continuing law) who left school to serve in the armed forces or who left school due to family circumstances and subsequently joined the armed forces.
- Permits school districts, educational service centers, and county MR/DD boards in fiscal year 2006 to apply for waivers to purchase bus fuel using funds appropriated for school bus purchases.

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\* *The Legislative Service Commission had not received formal notification of the effective date at the time this analysis was prepared. Additionally, the analysis may not reflect action taken by the Governor.*

- Allows county MR/DD boards to apply for a refund of 6¢ per gallon of motor fuel taxes paid on fuel purchased for board operations on or after July 1, 2005.

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## CONTENT AND OPERATION

### *Diplomas for Vietnam veterans*

(R.C. 3313.616)

Continuing law allows the board of education of any city, exempted village, or local school district or the governing authority of any chartered nonpublic school to grant a high school diploma to certain veterans of World War II or the Korean Conflict who do not already have an Ohio high school diploma or a diploma of adult education. A veteran who is an Ohio resident or, if not currently a resident, was previously enrolled in any Ohio high school can qualify for a diploma if the veteran left a public or nonpublic school located in *any* state prior to graduation either (1) in order to serve in the armed forces or (2) because of family circumstances and subsequently entered the armed forces. In addition, the veteran must have been honorably discharged from the armed forces. In the case of a veteran who is deceased, the diploma may be awarded posthumously and presented to a living relative.<sup>1</sup>

The act extends these diploma provisions to veterans of the Vietnam Conflict.

### *Waivers to use funds appropriated for school bus purchases for payment of bus fuel costs*

(Section 3)

School districts, educational service centers (ESCs), and county MR/DD boards, in accordance with rules adopted by the State Board of Education, may receive state subsidies to aid in the purchase of school buses to provide pupil transportation. Continuing law appropriates \$8.6 million for fiscal year 2006 for the school bus purchase subsidy.<sup>2</sup> The act permits districts, ESCs, and county

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<sup>1</sup> *The Governor's Office of Veterans' Affairs is directed to adopt rules to implement these provisions, including rules establishing procedures for application and verification of eligible veterans for diplomas. See Ohio Administrative Code 5902-3-01.*

<sup>2</sup> *R.C. 3317.024(E) and 3317.07 and Section 206.09.21 of Am. Sub. H.B. 66 of the 126th General Assembly, none in the act.*

MR/DD boards to apply to the Superintendent of Public Instruction for a waiver, under which, during fiscal year 2006 only, they may use funds allocated to them for bus purchases to pay the cost of purchasing bus fuel.

To apply for the waiver, a district, ESC, or county MR/DD board must report to the Superintendent by December 31, 2005, its bus fuel expenditures for fiscal year 2005 and its estimated bus fuel expenditures for fiscal year 2006. The Superintendent may grant a waiver to a district, ESC, or county MR/DD board only if (1) it demonstrates to the Superintendent's satisfaction that it has a sufficient supply of buses or contracted bus service to meet its pupil transportation obligations for the fiscal year without spending all or part of its allocation for bus purchases and (2) its estimated expenditures for bus fuel in fiscal year 2006 are higher than its bus fuel expenditures for fiscal year 2005. The amount of funds that may be diverted from bus purchases to bus fuel must be prescribed in the waiver and cannot exceed the difference between the estimated costs for fiscal year 2006 and the actual expenditures for bus fuel in the preceding year.

By July 31, 2006, each district, ESC, and county MR/DD board that receives a waiver must report its actual expenditures for bus fuel in fiscal year 2006 to the Superintendent. If the Superintendent finds that the full amount of funds prescribed in the waiver was not spent for bus fuel, the recipient of the waiver must allocate the remaining funds to school bus purchases in fiscal year 2007.

The act permits the Department of Education's Office of Pupil Transportation to audit applicants for waivers to ensure the accuracy of their data regarding fuel expenditures. If the Office finds inaccuracies, the Department must apply a penalty in continuing law for reporting inaccurate data to the Department. Under that provision, the Department must make a report of the inaccurate data and provide a copy of the report to the superintendent or other chief officer of the district, ESC, or county MR/DD board. Following the first report in a fiscal year, the Department must withhold 10% of the state aid due to the entity that year. Upon a second report in a fiscal year, an additional 20% of the entity's state aid must be withheld. The Department may release the withheld funds if the entity takes corrective action within 45 days of the Department's report.<sup>3</sup>

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<sup>3</sup> R.C. 3301.0714(L), *not in the act.*

**Refund of motor fuel taxes for county MR/DD boards**

(R.C. 5735.142)

Continuing law permits school districts and educational service centers (ESCs) to apply to the Tax Commissioner for reimbursement of 6¢ per gallon of motor fuel taxes paid on fuel used for district or ESC operations. The application must be filed within one year of the fuel purchase, stating the quantity of fuel purchased and including evidence of payment. Refunds may not be paid for purchases of less than 100 gallons or for fuel sold by a district or ESC.

The act similarly allows county MR/DD boards to apply for a refund of 6¢ per gallon of motor fuel taxes paid on fuel purchased for board operations on or after July 1, 2005. County MR/DD boards are subject to the same application requirements as school districts and ESCs.

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**HISTORY**

ACTION	DATE
Introduced	01-25-05
Reported, H. Education	02-09-05
Passed House (94-1)	02-15-05
Reported, S. Education	10-19-05
Recommitted to S. Education	10-19-05
Re-reported, S. Education	10-26-05
Passed Senate (31-0)	10-26-05
House concurred in Senate amendments (92-1)	11-16-05

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