



Ralph D. Clark

Bill Analysis
Legislative Service Commission

H.B. 438

126th General Assembly
(As Introduced)

Reps. Wolpert, Peterson, Fende, Yuko, Martin, D. Evans, Wagoner, Trakas, Hartnett, Miller, Reidelbach, Seaver, Wagner

BILL SUMMARY

- Establishes the School District Cost-of-Doing-Business Factor Study Council to examine the current cost-of-doing-business factor used in calculating funding for school districts and community schools and make recommendations whether and in what form the factor should be modified.

CONTENT AND OPERATION

School District Cost-of-Doing-Business Factor Study Council

Duties and report

The bill establishes the School District Cost-of-Doing-Business Factor Study Council to examine the current school funding formula cost-of-doing-business factor and make recommendations whether and in what form the factor should be modified.¹ The bill also requires the Council to report its recommendations to the General Assembly not later than December 31, 2006.

Membership and other Council particulars

The Council is to consist of eight members who represent the education and business communities. The Governor must appoint four members and the Speaker of the House of Representatives and the President of the Senate must appoint two members each. At least one member the Speaker appoints and one the President

¹ The "cost-of-doing-business factor" was used in the base-cost formula to determine a school district's funding for base-cost expenses. Am. Sub. H.B. 66 (Biennial Budget for FY 2006-2007) phases out the factor by reducing the range between lowest cost and highest cost counties.

appoints must represent the education community. At least one member the Governor appoints must be an economist. The appointing authorities must also consult with one another in making appointments so that at least one member representing the education community is appointed to represent school districts in high cost-of-doing-business areas of Ohio and at least one member representing the education community is appointed to represent school districts in low cost-of-doing-business areas of Ohio. The members must be appointed not later than 30 days after the bill's effective date. Vacancies on the Council are to be filled in the manner of the initial appointments.

The Superintendent of Public Instruction and the Director of Budget and Management, or their designees, are required to serve as ex officio, nonvoting members of the Council and must assist in its deliberations by providing data and other support services.

The Governor has the duty of selecting the chairperson of the Council. That person must be selected from among the members of the Council and not later than 30 days after the bill's effective date. The members of the Council are to receive no compensation for their services. The Council will also cease to exist upon the submission of its report as discussed above.

HISTORY

| ACTION | DATE |
|------------|----------|
| Introduced | 12-01-05 |

h0438-i-126.doc/kl