

Executive

As Passed by the House

**School Funding**

**EDUCD79 Funding for Traditional School Districts**

R.C. *3306., (Repealed or renumbered), Section 267.30.50*

Repeals the current formula for funding traditional school districts, commonly called the Evidence-Based Model (EBM).  
 Establishes a method of allocating state funding for school districts in FY 2012 and FY 2013 as follows:  
 Recalculates average daily membership (ADM) for FY 2011 by basing it on the FY 2011 October count for all districts, instead of on the FY 2010 October count for most districts and the FY 2011 October count for districts with an ADM increase from FY 2010 to FY 2011 of more than 2%.  
 Calculates each district's FY 2011 state aid per pupil as the district's actual state aid allocation in FY 2011 divided by the district's recalculated FY 2011 ADM.  
 Calculates each district's FY 2011 charge-off valuation per pupil as the district's FY 2011 charge-off valuation divided by the district's recalculated FY 2011 ADM.  
 Calculates each district's charge-off valuation index as the district's FY 2011 charge-off valuation per pupil divided by the state median FY 2011 charge-off valuation per pupil.  
 Requires ODE to calculate a statewide per pupil adjustment in each fiscal year so that statewide funding does not exceed the appropriation for that year.  
 Calculates each district's adjustment amount for each fiscal year as the statewide per pupil adjustment for that fiscal year multiplied by the district's charge-off valuation index

R.C. *3306., (Repealed or renumbered), Sections 267.30.50, 267.30.53*

Same as the Executive.  
 Same as the Executive, but adds supplemental funding as described below.  
 Same as the Executive.  
 Same as the Executive.

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and the district's current year ADM.

Calculates each district's funding allocation in each fiscal year as the district's FY 2011 state aid per pupil multiplied by the district's current year ADM minus the district's current year adjustment amount.

No provision.

Same as the Executive.

Provides supplemental funding in FY 2012 to guarantee that no district's funding decreases more than 20% from the portion of its FY 2011 funding that was supported through state funds (versus with federal stimulus funds). Provides supplemental funding in FY 2013 to guarantee that none of the districts that received supplemental funding in FY 2012 receive less than their FY 2012 funding including the supplement.

Specifies that the amount of state funding allocated in each fiscal year for special education and related services and for career-technical education for each district be equal to the amounts allocated for those purposes in FY 2011.

No provision.

Same as the Executive.

Specifies that the amount of state funding allocated in each fiscal year for services to gifted students for each district be equal to the amounts allocated for gifted units and gifted identification in FY 2009.

Requires ODE to indicate each district's allocation for special education and related services and career-technical education on the form used to calculate each district's total funding allocation.

Same as the Executive, but adds the allocation for gifted services.

Requires each district to spend its allocation for career-technical education on career-technical education expenses and requires ODE to monitor this spending.

Same as the Executive, but requires ODE to "monitor and enforce" spending of the gifted allocation as well as the career-technical allocation.

No provision.

Permits ODE to reallocate the unexpended amount of a school district's state funding allocation for career-technical education, if the district informs ODE it is unable to spend

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**Fiscal effect: The bill appropriates approximately \$6.18 billion in FY 2012 and \$6.24 billion in FY 2013 for this funding. This amount is about \$336.8 million (approximately \$195 per pupil) lower in FY 2012 and \$273.8 million (approximately \$158 per pupil) lower in FY 2013 than the estimated funding in FY 2011. Application of the charge-off valuation index results in higher wealth districts receiving larger per pupil reductions compared to FY 2011 than lower wealth districts.**

the full allocation on approved expenses. Requires ODE to first allocate the funds to districts within the original district's career-technical planning district that have growth in career-technical enrollment and then to other districts based on their growth in career-technical enrollment.

**Fiscal effect: The bill appropriates approximately \$6.22 billion in FY 2012 and \$6.28 billion in FY 2013 for this funding. This amount is about \$296.8 million (approximately \$172 per pupil) lower in FY 2012 and \$233.8 million (approximately \$135 per pupil) lower in FY 2013 than the estimated funding in FY 2011. Application of the charge-off valuation index results in higher wealth districts receiving larger per pupil reductions compared to FY 2011 than lower wealth districts. The supplement limits the percentage reduction.**

EDUCD35 School Funding Advisory Council

R.C. 3306.29, 3306.291, 3306.292, *(All Repealed)*

Abolishes the School Funding Advisory Council, which is charged with making biennial recommendations with respect to the EBM.

**Fiscal effect: Reduction in expenditures for ODE for no longer providing staffing assistance to the Council.**

R.C. 3306.29, 3306.291, 3306.292, *(All Repealed)*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

EDUCD51 School Funding

R.C. 3317., *various other sections of law*

Retains the special education funding weights and categories used in the EBM, but does not use them for funding in FY 2012 or FY 2013

R.C. 3317., *various other sections of law*

Same as the Executive.

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Retains the current formula for transportation funding but suspends it for FY 2012 and FY 2013.

Same as the Executive.

Discontinues the practice of using the prior year's October student count unless the current year's October count is 2% greater and, instead requires use of the current-year count to derive a district's formula ADM, but continues to count each kindergarten student as one FTE.

Same as the Executive.

Sets the formula amount at \$5,653 for transfer payments for students attending community schools, STEM schools, and other districts through open enrollment, and colleges and universities through the Post-Secondary Enrollment Options Program.

Same as the Executive.

Retains the FY 2009 per pupil level of payments to community schools and STEM schools for special education, career-technical education, poverty-based assistance, and parity aid.

Same as the Executive.

No provision.

Requires ODE to pay community schools for serving children with disabilities regardless of whether a child enrolls in a community school after the federal reporting date of December 1.

Specifies that payments for excess special education cost from resident districts to other districts providing those services be computed using the FY 2009 formula amount (\$5,732) and special education weights.

Same as the Executive.

Specifies that state payments for catastrophic special education costs be computed using the FY 2009 special education weights and categories.

Same as the Executive.

Eliminates the requirement that ODE submit an annual report to OBM on the amount of local, state, and federal pass-through special education funds allocated for each school district.

Same as the Executive.

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Eliminates the requirement that ODE submit an annual report to the Governor and the General Assembly on the amount of weighted career-technical education funding spent by each school district.	Same as the Executive.
Reduces from three to one the number of school funding reports that ODE annually must submit to the Controlling Board and removes the requirement that no school funding payments be distributed without approval of the Controlling Board.	Same as the Executive, but reinstates the requirement that no school funding payments be distributed without approval of the Controlling Board.
Limits operating payments to an island district to the lesser of actual cost or the district's fiscal year 2011 amount multiplied by 93%. Specifies that if the district did not receive any funding in FY 2011, it may not receive funding in either FY 2012 or FY 2013.	Same as the Executive.
Reduces the amount deducted from school districts' state aid accounts for each Educational Choice scholarship from \$5,200 to the actual amount of the scholarship (which is the lesser of tuition actually charged or \$4,250 for grades K to 8 or \$5,000 for grades 9 to 12).	Same as the Executive.
<b>Fiscal effect: Transfers from school district state funding allocations to community schools, STEM schools, and other districts under open enrollment are \$50 less per pupil in FY 2012 and FY 2013 than in FY 2011. Deductions from school district state funding allocations for Ed Choice scholarships are at least \$950 less per scholarship student in grades K to 8 and \$200 less per scholarship student in grades 9 to 12.</b>	<b>Fiscal effect: Same as the Executive, but may increase transfers from school district state funding allocations to community schools if more community school special education students are counted.</b>

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EDUCD80 Utility Property Tax Replacement Payments

R.C. 5727.84, 5727.85, 5727.86, Section 757.20

Accelerates the phase-out of fixed-rate public utility property tax loss reimbursements for most school districts and JVSDs based on each district's reliance on the reimbursements as measured by the district's public utility direct reimbursement as a percentage of its total resources (total state and local operating revenue) as defined in the bill.

Specifies that beginning in FY 2012, reimbursements are to be phased out so that each district's reliance on the reimbursements falls by two percentage points per year.

Beginning in FY 2012, phases out reimbursements for nonoperating fixed rate levies by 25% per year.

Permits a school district or JVSD to file an appeal with the Tax Commissioner contesting a levy classification or any amount used in the calculation of their total resources. Prohibits changes to the classifications or calculations after June 30, 2013.

Requires reimbursement payments to be made on or before August 31 and February 28 instead of in late August and February as under current law.

States that, with respect to unvoted debt levies within the ten-mill limit, if the levy was no longer levied for debt purposes for tax year 2010 or for any tax year thereafter, payments for that levy are to be made under the new reimbursement mechanism beginning the earlier of tax year 2012 or the first tax year for which it is no longer levied for

R.C. 5727.84, 5727.85, 5727.86, Section 757.20

Same as the Executive for FY 2012 and FY 2013, but eliminates the phase-out in future years.

Same as the Executive for FY 2012 and FY 2013, but eliminates the phase-out in future years after 4% of total resources has been phased out in the FY 2012-FY 2013 biennium.

Same as the Executive for FY 2012 and FY 2013, but eliminates the phase-out in future years after 50% has been phased out in the FY 2012-FY 2013 biennium.

Same as the Executive.

Same as the Executive.

Same as the Executive.

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debt purposes.

Modifies the procedure to determine how fixed-rate levy reimbursements are calculated when a district merges with or transfers territory to another district in the same manner as for TPP reimbursements (see following).

**Fiscal effect: See LSC's Bill Analysis for H.B. 153 for a more extensive discussion of these proposed statutory changes. The bill appropriates \$34.0 million in FY 2012 and \$30.0 million in FY 2013 for public utility tax reimbursements. Reimbursements are estimated to be \$74.3 million in FY 2011.**

Same as the Executive.

**Fiscal effect: Same as the Executive for FY 2012 and FY 2013, but results in higher reimbursements in future years than under the Executive.**

**EDUCD81 Tangible Personal Property Tax Replacement Payments**

**R.C. 5751.20, 5751.21-5751.23, Section 757.20**

Accelerates the phase-out of fixed rate TPP tax loss reimbursements for most school districts, based on each district's reliance on the reimbursements as measured by the district's FY 2010 TPP direct reimbursement as a percentage of the district's total resources (total state and local operating revenue) as defined in the bill.

Specifies that beginning in FY 2012, reimbursements for operating levies are to be phased out so that each district's reliance on the reimbursements falls by two percentage points per year.

Beginning in FY 2012, phases out reimbursements for nonoperating levies by 25% per year.

Permits a school district or JVSD to file an appeal with the Tax Commissioner contesting a levy classification or any amount used in the calculation of its total resources.

Prohibits changes to the classifications or calculations after

**R.C. 5751.20, 5751.21-5751.23, Section 757.20**

Same as the Executive for FY 2012 and FY 2013, but eliminates the phase-out in future years.

Same as the Executive for FY 2012 and FY 2013, but eliminates the phase-out in future years after 4% of total resources has been phased out in the FY 2012-FY 2013 biennium.

Same as the Executive for FY 2012 and FY 2013, but eliminates the phase-out in future years after 50% has been phased out in the FY 2012-FY 2013 biennium.

Same as the Executive.

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June 30, 2013.

Specifies that reimbursement payments be made twice per year, in May and on or before November 20, beginning in FY 2012. (Current law requires three payments per year, in May, August, and October.)

Same as the Executive.

Modifies the procedure to determine how fixed-rate levy reimbursements are calculated when a district merges with or transfers territory to another district. Requires the recalculation of an affected district's reliance on the reimbursement in order to calculate the modified reimbursement amount.

Same as the Executive.

Specifies that the state education aid offsets (the increase in a district's state aid due to the decrease in its taxable property value) for FY 2012 and FY 2013 equal the offset for FY 2011. Beginning in FY 2014, eliminates the transfer from the School District Property Tax Replacement Fund to the GRF to help pay for state formula aid for schools.

Same as the Executive.

**Fiscal effect: See LSC's Bill Analysis for H.B. 153 for a more extensive discussion of these proposed statutory changes. The bill appropriates \$722.0 million in FY 2012 and \$475.0 million in FY 2013 for TPP reimbursements. Reimbursements are estimated to be \$1.04 billion in FY 2011.**

**Fiscal effect: Same as the Executive for FY 2012 and FY 2013, but results in higher reimbursements in future years than under the Executive.**

**EDUCD55 Funding for Joint Vocational School Districts**

**Section: 267.30.60**

**Section: 267.30.60**

Allocates funding to each joint vocational school district (JVSD) in FY 2012 and FY 2013 equal to the JVSD's total state funding allocation for the previous fiscal year.

Same as the Executive.

**Fiscal effect: Funding for JVSDs totals approximately \$263.0 million in each fiscal year.**

**Fiscal effect: Same as the Executive.**

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**EDUCD67 Educational Service Centers Funding**

**Section: 267.40.70**

Specifies that state funding for ESCs in FY 2012 is 90% of the funding provided in FY 2011 and that funding in FY 2013 is 70% of the funding provided in FY 2012.

No provision.

No provision.

**Fiscal effect: The bill earmarks \$41.8 million in FY 2012 and \$29.3 million in FY 2013 for this funding.**

**Section: 267.40.70**

Same as the Executive, but increases state funding for ESCs in FY 2013 to 85% of the funding provided in FY 2012.

Redistributes state funding for an ESC that ceases operation to remaining ESCs in proportion to each remaining ESC's average daily membership.

Provides that if two or more ESCs merge, the new ESC receives the sum of the payments calculated for the original ESCs.

**Fiscal effect: Same as the Executive, but increases the earmark for FY 2013 to \$35.3 million.**

**EDUCD75 Foundation and Transitional Aid Funding Reimbursement**

**Section: 267.50.60**

Specifies that no school district for which a reduction was made in its reported formula ADM for FY 2005 based on community school enrollment reports and, accordingly, for which a reduction was made in its foundation or transitional aid funding for FY 2005, FY 2006, or FY 2007, has a legal right to reimbursement for that reduction in funding except as expressly provided in a final court judgment or a settlement agreement executed on or before June 1, 2009.

**Section: 267.50.60**

Same as the Executive.

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**EDUCD77 Family and Children First Flexible Funding Pool**

**Section: 267.50.80**

Permits school districts, community schools, STEM schools, JVSDs, ESCs, and county DD boards that receive state aid to transfer portions of their allocations to a flexible funding pool created by a county family and children first council to support the provision of services to families and children.

**Fiscal effect: May provide entities with flexibility in providing services to families and children.**

**Section: 267.50.80**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**Community Schools**

**EDUCD5 School District Property**

**R.C. 3313.411**

Requires a school district board to offer a right of first refusal to community schools located within the district whenever the board decides to lease out real property suitable for classroom use or other educational purposes; however, permits the board to renew any existing leases it has with other entities. Provides highest priority for leasing district property to conversion community schools sponsored by the district.

No provision.

**R.C. 3313.411, 3313.41**

Same as the Executive.

Revises the current law granting community schools a right of first refusal to purchase school district real property by (1) applying it to all school district real property, not just property suitable for classroom space, (2) requiring districts to offer the property for sale by public auction, instead of at a price not higher than the property's appraised value, (3) permitting all community schools, their operators, and

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No provision.

persons or entities in lease agreements with community schools to bid in the auction instead of giving just start-up schools located within the school district territory the right of first refusal.

In addition to the modifications described above, further modifies the current law requiring school districts to offer real property that has not been used for one full school year for sale to community schools by eliminating the provision that allows the district to keep the property if it adopts a resolution stating the property will be used within three years and specifying that after a year of not being used the property must be offered for sale as described above "immediately."

No provision.

Gives community schools located within a school district and their operators right of first refusal if the district decides to donate property with a value of \$2,500 or less.

No provision.

Gives community schools, their operators, and any persons or entities in lease agreements with community schools a right of action against a school district that fails to offer property as required under these provisions.

**Fiscal effect: May give community schools more opportunity to obtain space for operation.**

**Fiscal effect: Same as the Executive.**

EDUCD18

Joint Educational Programs

R.C. 3313.842

Permits a community school to enter into an agreement with one or more school districts or other community schools for the joint operation of an educational program, in the same manner as school districts may do under current law.

R.C. 3313.842

Same as the Executive.

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**As Passed by the House**

Prohibits community schools from charging tuition or fees for their students participating in the joint program (unlike school districts under current law).

Same as the Executive.

**Fiscal effect: None.**

**Fiscal effect: Same as the Executive.**

**EDUCD111 Permit For-Profit Community Schools**

No provision.

**R.C. 3314.01, 3314.03**

Permits "entities" and "groups of individuals" to form community schools.

No provision.

Permits a community school to be established as a for-profit corporation or a limited liability corporation.

**Fiscal effect: If the provision leads to an increase in the number of community school students, transfers of state funding from school districts will increase. Districts may also have a decrease in expenditures since the district will no longer be obligated to educate the student.**

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EDUCD10      Restrictions on New Community Schools

R.C.      3314.013, 3314.014, 3314.016, 3314.017,  
              (Repealed)

Repeals sections of the community school law that place a qualified moratorium on new start-up (brick and mortar) community schools. Repeals the outright moratorium on new Internet- or computer-based community schools (e-schools), which is in place until the General Assembly adopts standards for the operation of e-schools.

Specifies that if a community school is in academic watch or academic emergency on the provision's effective date, the school's sponsor may not sponsor any additional schools and the school's operator, if any, may not operate additional schools.

No provision.

No provision.

R.C.      3314.014, 3314.017, (Repealed), 3314.013,  
              3314.015, 3314.016, 3314.02

Same as the Executive, but reinstates the moratorium on new e-schools until the General Assembly adopts standards for their operation, and requires the Superintendent of Public Instruction, Chancellor of the Ohio Board of Regents, and the Director of the Governor's Office of 21st Century Education jointly to develop standards for the operation of e-schools and to submit them, by July 1, 2013, to the Speaker of the House and the President of the Senate for consideration of enactment by the General Assembly.

Replaces the Executive provision with a provision that permits an entity, regardless of whether that entity is subject to approval by ODE or not (includes "grandfathered" sponsors), to sponsor additional community schools only if the entity (1) is in compliance with all sponsor reporting requirements and (2) is not ranked in the lowest 10% on an annual ranking of sponsors by their composite performance index scores, which measure the academic performance of students enrolled in all community schools sponsored by the same entity.

Repeals the existing limits on the number of community schools an entity may sponsor, and allows a sponsor to sponsor up to 100 schools.

Eliminates the law that automatically reduces by one the maximum number of community schools an entity may sponsor for every one of the sponsor's schools that permanently closes.

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**Fiscal effect:** If the provision leads to an increase in the number of community school students, transfers of state funding from school districts will increase. Districts may also have a decrease in expenditures since the district will no longer be obligated to educate the student.

**Fiscal effect:** Same as the Executive, but may also increase administrative costs for development of the new standards.

EDUCD94 Sponsor Discrimination

No provision.

R.C. 3314.02

Prohibits an entity that is authorized to sponsor community schools from refusing to sponsor a community school based solely on the type of school that is proposed to be established, the composition of the members of the public benefit corporation that will comprise the school, or the involvement of any for-profit entity in the public benefit corporation.

**Fiscal effect:** May make it easier for certain community schools to find sponsors.

EDUCD101 Community School Operators

No provision.

R.C. 3314.02, 3314.50

Modifies the definition of an operator to include any organization or individual (in addition to any nonprofit corporation under continuing law) that provides programmatic oversight and support to a community school and retains the right to terminate its affiliation with the school for failure to meet quality standards, instead of only a nonprofit. (Under continuing law an operator may also be an organization or individual that manages the daily operations of a community school pursuant to a contract between the operator and the school's governing authority.)

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No provision.

Provides the following, if a community school contracts with an operator:

(1) No provision.

(1) Permits the school's governing authority to delegate any or all of its rights, duties, and responsibilities to the operator,

(2) No provision.

(2) Requires the school to offer the operator the chance to renew its contract before seeking another operator, and

(3) No provision.

(3) Specifies that the operator has standing to bring a court action concerning the school's operations or the renewal, nonrenewal, or termination of the school's contract with its sponsor.

**Fiscal effect: None.**

EDUCD108

Community Schools - Governing Authorities

**R.C. 3314.02, 3314.025 (Repealed), 3314.026**

No provision.

Sets a term limit of three years for members serving on a community school governing authority.

No provision.

Declares that no person may be deemed to have acquired a vested right in a position as a member of a community school governing authority.

No provision.

Prohibits a governing board member, or immediate relative, from being an owner, employee, or consultant of a community school sponsor for one year after the conclusion of the member's term.

No provision.

Repeals the statute that (1) limits the amount of compensation for governing authority members of start-up community schools to \$125 per meeting per month, (2) requires the compensation to be paid from state funds paid to the operator, if the school has an operator, and (3)

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	<p>provides for allocation of the compensation among community schools if a member serves on the governing authority of more than one community school and the different governing authorities meet at the same location on the same day. Instead, authorizes start-up school governing authorities to provide for compensation of their members, provided that an individual is compensated no more than a total of \$5,000 per year for all of the governing authorities on which the individual serves.</p>
<p>No provision.</p>	<p>Requires a governing authority to give 180 days notice to operators before terminating a contract. Specifies that failure to do so results in an irrevocable agreement to continue the contract for an additional year.</p>
<p>No provision.</p>	<p>Requires an operator to replace governing authority members as members' terms expire, until all members have been replaced or reappointed, when the operator appeals a contract termination by a governing authority and the sponsor or State Board determines that the school's progress and academic goals are satisfactorily met. (Under current law, the existing governing authority is immediately removed and the operator appoints an entirely new governing authority.)</p> <p><b>Fiscal effect: May increase the compensation paid to governing authority members as well as decrease expenditures for operators if they no longer use their portion of state funds to compensate governing authority members.</b></p>

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EDUCD92

Establishment of Community Schools Without Sponsors

R.C. 3314.029

No provision.

Allows (1) a person, group of individuals, or entity to apply to ODE for authorization to establish a community school to be operated without a sponsor or (2) the governing authority of an existing community school, upon expiration or termination of its contract with the school's sponsor, to apply for authorization to continue to operate the school without a sponsor.

No provision.

Requires ODE to approve each application, unless ODE determines, within 30 days after receiving the application, that it does not meet the application requirements, and specifies that if the applicant does not correct the problems with the application and ODE denies the application, the applicant may appeal the decision to the common pleas court under the Administrative Procedures Act.

No provision.

Requires ODE to enter into a contract with the governing authority of each community school authorized under these provisions, the initial term of which may be up to 15 years.

No provision.

Prohibits the contract from requiring the community school's governing authority to make any payments to ODE.

No provision.

Requires the community school to file with the Superintendent of Public Instruction either (1) a surety bond for \$1 million or (2) a guarantee of \$1 million issued by an entity with a certified net worth of at least \$5 million.

No provision.

Permits ODE to take any action that a sponsor may take under the Community School Law to enforce the school's compliance with the law and the terms of it's contract with ODE.

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No provision.		Permits a community school that has a sponsor to merge with a community school authorized to operate without a sponsor, and terminates the sponsored school's contract with its sponsor on the date of the merger.
No provision.		Specifies that the moratorium on the establishment of new e-schools (ORC 3314.013) applies to new community schools established under this provision. <b>Fiscal effect: If the provision leads to an increase in the number of community school students, transfers of state funding from school districts will increase. Districts may also have a decrease in expenditures since the district will no longer be obligated to educate the student.</b>
<b>EDUCD103</b>	<b>Renewal of Sponsorship Contract</b>	
No provision.		<b>R.C. 3314.03</b> Specifies that the renewal of the contract between a community school and its sponsor is subject to the approval of the school's operator. <b>Fiscal effect: None.</b>
<b>EDUCD109</b>	<b>E-school Student Immunization Requirement</b>	
No provision.		<b>R.C. 3314.03</b> Exempts e-schools from student immunization requirements for admission. <b>Fiscal effect: None.</b>

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EDUCD112 Community Schools - Exemption From State Laws

R.C. 3314.04, 3314.03

No provision.

Specifies that community schools cannot be required to comply with any law or rule that is not specified in Chapter 3314. of the Revised Code or in its contract or that does not otherwise apply to chartered nonpublic schools.

No provision.

Exempts community schools from student body mass index (BMI) screening requirements.

**Fiscal effect: May increase the flexibility of community schools.**

EDUCD97 Community School Facilities

R.C. 3314.05

No provision.

Expressly permits two or more community schools to be located in the same facility.

No provision.

Allows a community school to be located in multiple facilities under the same sponsorship contract and to assign students of the same grade level to multiple facilities, if (1) the facilities are all located in the same county and (2) the school enters into and maintains a contract with an operator to manage the school.

No provision.

Requires ODE, in the case of a community school with multiple facilities, to assign a separate internal retrieval number (IRN) to the school and to each facility. (An IRN is a unique number used by ODE to identify various education-related entities, including community schools.)

**Fiscal effect: Minimal increase in administrative burden for ODE.**

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EDUCD96

Termination of Sponsor Contract with School

R.C. 3314.07

No provision.

Requires a community school sponsor to give the school notice of its intent to terminate or not renew the school's contract no later than 180 days (rather than 90 days, as in current law) prior to the termination or nonrenewal.

No provision.

Repeals the prohibition in current law against a sponsor and community school entering into a successor contract if the sponsor terminates, or does not renew, the original contract.

**Fiscal effect: None.**

EDUCD126

Community School Enrollment

R.C. 3314.08

No provision.

Specifies that, for state funding purposes, a community school student is considered automatically re-enrolled the following school year until the student's enrollment is formally terminated.

**Fiscal effect: Minimal.**

EDUCD105

Use of State Funding to Pay Taxes

R.C. 3314.082, *(Repealed)*

No provision.

Repeals language stating the intent of the General Assembly that no state funds paid to a community school be used to pay taxes owed by the school.

**Fiscal effect: None.**

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EDUCD38 E-School Spending Requirement

R.C. 3314.085, (Repealed)

Eliminates the requirement that e-schools spend per pupil on instruction at least as much as the per pupil statewide classroom teacher amount specified under the former Building Blocks school funding model (\$2,931 in FY 2009)

**Fiscal effect: Gives e-schools more flexibility in the use of state funds.**

R.C. 3314.085, (Repealed)

Same as the Executive.

**Fiscal effect: Same as the Executive.**

EDUCD89 Collective Bargaining at Community Schools

No provision.

No provision.

R.C. 3314.10, 3319.17, 4117.01, 4117.03, 4417.06, Repealed: 3314.402

Prohibits employees of community school governing authorities from collectively bargaining, but allows collective bargaining agreements that cover these employees on the provision's effective date (immediate) to expire according to their own terms.

Allows reductions in force with respect to teachers returning after a leave of absence due to being employed at a conversion community school to occur only in accordance with the administrative personnel suspension policy specified in continuing law instead of the teacher restoration policy, which is amended by the bill.

**Fiscal effect: Potential effect on employee salaries and benefits at community schools, depending on policies adopted by the schools.**

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EDUCD102 Community School Employees

No provision.

R.C. 3314.10

Permits a community school's teaching and nonteaching personnel to be employed by the school's operator.

Fiscal effect: None.

EDUCD104 Sponsor Assurances

No provision.

R.C. 3314.19

Extends the annual deadline in current law for the sponsor of a community school to provide assurances to ODE about the school's preparedness for operation, from ten business days prior to the school's opening to five calendar days prior to opening.

Fiscal effect: None.

EDUCD115 Special Education Personnel at Community Schools

No provision.

R.C. 3314.19

Specifies that, in the special education plan included in the annual report to a school's sponsor, the school's capacity to serve its student with disabilities be measured on an "instructional-period basis."

Fiscal effect: None.

Executive

As Passed by the House

EDUCD133      Computers Supplied by E-Schools

No provision.

R.C.      3314.22

Eliminates the provision of current law entitling each student enrolled in an e-school to a computer and, instead, entitles the household of a student enrolled in an e-school to at least one computer, and if at least three students enrolled in an e-school reside in the same household, entitles the household to at least one additional computer.

**Fiscal effect: May reduce the expenditures of e-schools if the number of computers purchased and provided by e-schools is reduced.**

EDUCD110      E-school Student Removal Deadline

No provision.

R.C.      3314.26

Specifies an end of the school year deadline for e-schools to withdraw students who have failed to participate in the spring administration of required assessments for two consecutive years.

**Fiscal effect: Minimal.**

Executive

As Passed by the House

EDUCD91

Automatic Closure of Community Schools

No provision.

R.C. 3314.35

Beginning July 1, 2011, revises the performance criteria that trigger automatic closure of a community school, by requiring schools that do not offer a grade higher than 3, and schools that offer any of grades 10 to 12, to close after being in academic emergency for two of the three most recent school years (rather than three of the four most recent school years, as in current law).

**Fiscal effect: Minimal.**

EDUCD113

Tuition Free Education for Individuals Aged 22 to 29 Enrolled in Community School Dropout Prevention and Recovery Programs

No provision.

R.C. 3314.38, 3323.25

Permits a person age 22 to 29, who does not have a high school diploma or a certificate of high school equivalence, to enroll free of tuition for two additional years of instruction at a community school in the school's dropout prevention and recovery program.

No provision.

Requires the State Board to adopt rules prescribing standards and requirements for services to students with disabilities ages 22 to 29 enrolled in a community school under this provision.

No provision.

Permits a community school to receive state funds attributable to students ages 22 to 29 who are eligible to attend school free of tuition under the amendment, from funds specifically appropriated for that purpose.

Executive

As Passed by the House

**Fiscal effect: The bill appropriates \$1.0 million in each fiscal year for payments to community schools under this provision.**

EDUCD99

School Property Tax Exemption

R.C. 5709.07

No provision.

Removes the prohibition of current law on property tax exemption for property used by a public school that is acquired by lease or otherwise with a view to profit.

**Fiscal effect: May reduce tax expenditures for some public schools and reduce property tax revenues for local governments.**

EDUCD70

Community School SBH Subsidy

Section: 267.50.10

Continues the payment in FY 2012 and FY 2013 of a subsidy for certain community schools with at least 50% of students enrolled receiving education and services for a severe behavior handicap (SBH). Specifies that the amount of the subsidy not be deducted from the students' resident school district.

**Fiscal effect: Provides for higher state payments to affected community schools.**

Section: 267.50.10

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**Executive**

**As Passed by the House**

**EDUCD72      Community School Operation from Residential Facilities**

**Section: 267.50.30**

Continues to prohibit a community school that was not open for operation as of May 1, 2005, from operating from certain residential facilities that receive and care for children.

**Fiscal effect: None.**

**Section: 267.50.30**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**EDUCD73      Early College Start Up Community School**

**Section: 267.50.40**

Continues to permit an early college high school that is currently run by a Big Eight school district in partnership with a private university to operate as a start-up community school if certain conditions are met.

**Fiscal effect: None.**

**Section: 267.50.40**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**EDUCD76      Unauditable Community Schools**

**Section: 267.50.70**

Prescribes procedures for the Auditor of State, community school sponsors, and ODE, with regard to community schools that are declared unauditable.

**Fiscal effect: None. Continues current law.**

**Section: 267.50.70**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

## Executive

## As Passed by the House

EDUCD140

New Conversion Schools

No provision.

**Section: 267.60.20**

Waives the deadlines for adoption (March 15) and signing (May 15) of contracts for new conversion community schools that open in the 2011-2012 school year, but requires that a copy of the adopted and signed contract be filed with the Superintendent of Public Instruction prior to the school's opening.

**Fiscal effect: None.****Educator Provisions**

EDUCD88

Chartered Nonpublic Schools Teacher Certification

No provision.

**R.C. 3301.071**

Permits the certification of foreign language, music, religion, computer technology, and fine arts teachers for chartered nonpublic schools if the person (1) shows specialized knowledge, skills, or expertise, (2) has three or more years of teaching experience, or (3) has completed a teacher training program. (Under current law, certification to teach in a chartered nonpublic school is limited to those with bachelor's degrees.)

**Fiscal effect: None.**

Executive

As Passed by the House

EDUCD131 Exemptions for Highly Performing School Districts

No provision.

R.C. 3302.05

Prohibits the State Board from exempting excellent and effective school districts from the bill's requirements regarding teacher employment contracts, evaluations, compensation, and reductions in force.

**Fiscal effect: These school districts will experience the fiscal effects of these provisions.**

EDUCD22 Teacher Incentive Payment Program

R.C. 3302.23, 3302.24, Section 512.40

Establishes a new program to pay \$50 per-student stipends to certain classroom teachers in school districts, community schools, and STEM schools for each student enrolled in classes that have achieved more than a standard year of value-added growth. Applies the program only to teachers who teach subject areas and grade levels for which data under the value-added progress dimension is available (English language arts and math teachers in grades 4 to 8). Requires teachers to divide the stipends in the case of team teaching or students who attain the requisite value-added growth in more than one subject area. Specifies that the first stipends be based on the district and school report cards issued in August of 2012 for the 2011-2012 school year.

Creates the Teacher Incentive Payment Program Fund, Fund 5KG0, to consist of moneys specifically appropriated for the new incentive payment program.

R.C. 3302.23, 3302.24, Section 512.40

Same as the Executive.

Same as the Executive.

Executive

As Passed by the House

**Fiscal effect: The bill directs the transfer of half the surplus GRF revenue that exists on June 30, 2011 to Fund 5KG0.**

**Fiscal effect: Same as the Executive, but the transfer is limited to \$25.0 million.**

EDUCD11 Teacher Compensation

R.C. 3317.14, *Repealed: R.C. 3317.13, 3317.14*

Repeals the minimum salary schedule based on training and years of service that applies to teachers employed by school districts, ESCs, and county DD boards.

Requires each school district, ESC, and county DD board to annually adopt a teachers' salary schedule that establishes a salary range for each of the four levels of teacher licensure. Requires each district, ESC, and county DD board to determine each teacher's salary within the appropriate range based on evaluations, whether the teacher is "highly qualified" under federal law, and any other factors considered relevant.

No provision.

No provision.

Prohibits ever increasing the salary of a teacher whose salary is already higher than the maximum salary for the teacher's license, unless the teacher's salary falls below the maximum in the future.

Specifies that these provisions prevail over collective bargaining agreements entered into on or after the provisions' (immediate) effective date.

R.C. 3317.14, 3317.13, 3317.141, 3314.03, 3326.11

Replaces the Executive provision with a provision that requires school districts, community schools, STEM schools, ESCs, and county DD boards, beginning in the 2013-2014 school year, to pay teachers according to a performance-based schedule.

Replaces the Executive provision with a provision that requires the schedule be based on a teacher's level of license, whether the teacher is "highly qualified" under federal law, and evaluation ratings.

Requires the schedule provide for annual adjustments based on evaluations.

Permits payment of additional compensation to teachers who agree to perform duties that the employer determines warrant additional compensation.

No provision.

No provision.

Executive

As Passed by the House

Fiscal effect: School districts, ESCs, and county DD boards may incur costs in the development and adoption of salary schedules, as well as in the process of determining each teacher's salary within the schedule.

Fiscal effect: Same as the Executive.

EDUCD128 Teacher Contracts

R.C. 3319.08, 3319.11, 3314.03, 3326.11

No provision.

Prohibits awarding a continuing contract (tenure) to a teacher who was initially licensed after January 1, 2011.

No provision.

Limits an employment contract with a classroom teacher entered into by a school district, community school, STEM school, or ESC on or after the provision's (90-day) effective date to a maximum of three years, and specifies that any subsequent contracts must be for terms of two to five years.  
**Fiscal effect: May give school's and ESCs more flexibility in terminating teacher employment.**

EDUCD129 Teacher and Principal Evaluations

R.C. 3319.11, 3319.111, 3319.112, 3319.02, 3314.03, 3326.11

No provision.

Repeals the requirement for the State Board, in consultation with the Chancellor of the Board of Regents, to establish guidelines for the evaluation of teachers and principals for optional use by school districts, and instead requires the state Superintendent, by December 31, 2011, to develop a framework for the evaluation of teachers.

No provision.

Requires the Superintendent (1) to develop standards and criteria for teacher and principal evaluations that distinguish between four levels of performance: "highly effective," "effective," "needs improvement," and "unsatisfactory" and

**Executive**

**As Passed by the House**

No provision.	(2) to designate a standard of student academic growth that must be met to achieve each of the ratings. Specifies that the framework require each evaluation to consider: (1) quality of instructional practice, (2) communication and professionalism, and (3) parent and student satisfaction.
No provision.	Directs each school district, community school, STEM school, and ESC, by July 1, 2012, to adopt a teacher evaluation policy that utilizes the framework and that specifies the relative weight of each factor in (1) to (3) above and how each of those factors will be assessed. Requires the policy be approved by the Superintendent.
No provision.	Requires at least 50% of each teacher evaluation be based on student academic growth for students assigned to the teacher during the three most recent school years, except that if less than three years of data is available, permits the portion of the evaluation based on student performance to be reduced to 40%.
No provision.	Requires student academic growth to be measured by value-added data derived from the state achievement assessments when applicable and by other assessments selected by the employer when not applicable.
No provision.	Requires the employer's teacher evaluation system to (1) use multiple measures of teacher's skills and students' progress, (2) be aligned with the Educator Standards Board's standards for teachers, (3) provide statements of expectation for professional performance, (4) require observation of the teacher on at least two occasions for at least 30 minutes each time, (5) assign ratings in accordance with the state Superintendent's standards and criteria, and (6) require the teacher to be given a written

**Executive**

**As Passed by the House**

No provision.	report of the evaluation results, including specific recommendations for improvements. Requires employers to evaluate each teacher annually.
No provision.	Requires employers to use teacher evaluations to inform decisions about compensation, nonrenewal, termination, reductions in force, and professional development.
No provision.	Specifies that if a teacher receives a rating of "unsatisfactory" for two consecutive years or two of three consecutive years, a rating of "needs improvement" for three consecutive years, or a combination of ratings of "needs improvement" and "unsatisfactory" for three consecutive years, the teacher loses a continuing contract if the teacher has one.
No provision.	Requires employers to submit aggregate teacher and principal evaluation results to ODE.
No provision.	Grants civil immunity to the board of education (or other governing body), its members, and evaluators for conducting evaluations in accordance with the adopted policy.
No provision.	Specifies that the requirements regarding the teacher evaluation policy override any conflicting provisions of a collective bargaining agreement entered into on or after the provision's (90-day) effective date.
No provision.	Requires each school district's and ESC's evaluation procedures for principals (required under current law) to be based on principles comparable to the teacher evaluation policy, but tailored to the duties and responsibilities of principals.

Executive

As Passed by the House

No provision.

Requires the district or ESC to consider a principal's evaluations in decisions about compensation, termination, reductions in force, and professional development.

**Fiscal effect: Potential increase in administrative costs for the state Superintendent to develop an evaluation framework. Potential increase in costs for public schools to adopt and implement evaluation policies.**

EDUCD130

Teacher Assignments

No provision.

R.C. 3319.113

Prohibits a school district superintendent from assigning a teacher to a school without the mutual consent of the teacher and the school principal, if the teacher received a rating of "needs improvement" or "unsatisfactory" on the teacher's most recent evaluation.

No provision.

Permits a school district to place the teacher on unpaid leave if the teacher is unable to secure a mutual consent assignment, and allows the district to terminate the teacher's contract after one year on unpaid leave without an assignment.

**Fiscal effect: May increase the administrative burden of school principals and superintendents during the teacher assignment process.**

Executive

As Passed by the House

EDUCD7

Teacher and Administrator Termination

R.C. 3319.16, 5126.23, Repealed: 3319.161

Eliminates the option for a teacher, administrator, treasurer, internal auditor, or superintendent employed by a school district or ESC to request that a hearing on the matter of the employee's termination be held before a referee, rather than the board of education or ESC governing board.

Eliminates the prohibition against holding a termination hearing during summer vacation without the teacher's consent.

Prohibits the employee from both appealing the board's termination decision to the common pleas court and invoking the grievance procedure in any collective bargaining agreement covering the employee. Instead, requires the employee to choose just one of those processes for an appeal.

No provision.

No provision.

R.C. 3319.16, 5126.23, Repealed: 3319.161

Same as the Executive.

Same as the Executive.

Same as the Executive.

Requires the State Board to adopt rules defining "good and just cause" for purposes of teacher terminations.

Specifies that "good and just cause" includes, but is not limited to, (1) immorality, (2) a conviction or finding of guilt for an offense involving moral turpitude or for theft in office, having an unlawful interest in a public contract, soliciting or accepting improper compensation, or dereliction of duty, (3) incompetency, (4) gross insubordination, (5) willful neglect of duty, or (6) an evaluation rating of "unsatisfactory" for two consecutive years or two of three consecutive years, a rating of "needs improvement" for three consecutive years, or a combination of ratings of "needs improvement" and "unsatisfactory" for three consecutive years.

**Executive**

**As Passed by the House**

No provision.

Permits a school district or ESC to terminate a teacher without "good and just cause" if the teacher is in the first year of employment and has a one-year contract. Specifies that such a teacher is not entitled to the due process provisions of current law.

**Fiscal effect: May decrease district's administrative and litigation costs.**

**Fiscal effect: Same as the Executive, and may make it even less costly for a district to terminate a teacher.**

EDUCD6

Teacher Layoffs

R.C. 3319.17, 3319.18

R.C. 3319.17, 3319.18, 3314.03, 3326.11

Requires school districts and ESCs to consider quality of performance as the principal factor in determining the order of teacher layoffs.

Replaces the Executive provision with a provision that requires school districts, community schools, STEM schools, and ESCs to lay off teachers in order of their evaluation ratings, starting with teachers who receive "unsatisfactory" ratings first.

Requires a teacher's quality of performance to be measured by (1) the type of educator license held by the teacher, (2) whether the teacher is "highly qualified" under federal law, (3) evaluations of the teacher, and (4) any other criteria established by the district or ESC.

No provision.

Permits a district or ESC to consider seniority in determining the order of layoffs only after considering the factors listed above.

Replaces the Executive provision with a provision that prohibits giving preference in retention based on seniority.

Specifies that these provisions prevail over conflicting provisions of a collective bargaining agreement entered into on or after the provision's effective date.

Same as the Executive.

Eliminates the requirement that, in rehiring tenured teachers when positions become available, the order of rehiring be based on seniority.

Same as the Executive.

**Executive**

**As Passed by the House**

**Fiscal effect: Since, under current law, teachers with less seniority are paid less than those with more seniority, changing the order of teacher layoffs may result in districts laying off higher cost teachers, enabling them to obtain larger decreases in expenditures with fewer lay offs.**

**Fiscal effect: Same as the Executive.**

**EDUCD3 Out-of-State Teachers**

**R.C. 3319.227**

Requires the State Board of Education, by July 1, 2013, to approve a list of states with licensure standards that are inadequate to ensure that a person with five years of licensure and teaching experience in that state is qualified for a professional educator license in Ohio.

Prohibits the State Board or ODE from having reciprocity agreements with any state on the list of states with inadequate licensure standards.

Until the list is approved, requires the State Board to issue a one-year provisional educator license to an applicant who (1) has a bachelor's degree, (2) has been licensed and employed as a teacher in another state for the last 5 years, (3) was initially licensed in a state within the last 15 years, and (4) has never had a teacher's license suspended or revoked.

Once the list is approved, requires the State Board to automatically issue a professional educator license to any applicant who meets the above criteria and was most recently licensed in a state not on the list.

Once the list is approved, requires the State Board to issue, to a provisional license holder who was most recently licensed to teach in a state on the list, a professional educator license upon expiration of the

**R.C. 3319.227**

Same as the Executive.

**Executive**

**As Passed by the House**

provisional license, if the person (1) was employed under the provisional license by a school district, community school, STEM school, or an entity contracted by a district or school to provide online instruction and (2) the district or school certifies that the person's teaching was satisfactory.

**Fiscal effect: There are potential administrative costs in developing the list of states with inadequate licensure standards. Generally, the costs of ODE's licensing responsibilities are paid from licensing fees.**

**Fiscal effect: Same as the Executive.**

**EDUCD82 Alternative Resident Educator License**

**R.C. 3319.26**

Changes the qualifications for obtaining and holding an alternative resident educator license in the following ways:

- (1) Eliminates the requirement that applicants complete an intensive pedagogical training institute in the principles and practices of teaching;
- (2) Prohibits the State Board from requiring applicants to have a major in the teaching area; and
- (3) Allows license holders to satisfy continuing education requirements with professional development provided as part of a teacher preparation program that is operated by a nonprofit organization and approved by the Chancellor of the Board of Regents.

Requires the Chancellor to approve any teacher preparation program that requires participants to have a bachelor's degree, have a cumulative undergraduate GPA of 2.5 or higher, and complete a summer training institute.

**R.C. 3319.26**

Same as the Executive.

- (1) Same as the Executive.
- (2) Same as the Executive.
- (3) Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

**Fiscal effect: Decrease in expenditures for ODE and the Board of Regents for no longer being required to establish the intensive pedagogical training institute. Minimal increase in administrative costs for the Board of Regents in approving teacher preparation programs.**

**Fiscal effect: Same as the Executive.**

**EDUCD16 Criminal Records Check of Adult Education Instructors**

**R.C. 3319.39**

Prohibits a school district, community school, STEM school, ESC, or chartered nonpublic school from requiring an applicant for the position of adult education instructor to undergo a criminal records check, if the applicant had a records check within the previous two years as a condition of being hired for short-term employment with that district, school, or ESC.

**Fiscal effect: None.**

**R.C. 3319.39**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**EDUCD15 Retesting Teachers**

**R.C. 3319.58**

Requires ODE annually to rank order all city, exempted village, and local school districts into percentiles according to performance index score.

Requires each district in the lowest 10 percentiles to require its core subject area teachers to retake any written tests prescribed by the State Board for licensure in the teacher's subject area and grade level. ("Core subject areas" are: reading and English language arts, math, science, foreign language, government, economics, fine arts, history, and geography, as defined by state and federal law for determining "highly qualified teacher" status.)

**R.C. 3319.58**

Same as the Executive, but changes the rank order to school buildings, rather than districts, and expands the requirement to community schools and STEM schools.

Same as the Executive, but changes the requirement to buildings, rather than districts, in the lowest 10 percentiles and expands the requirement to community schools and STEM schools.

**Executive**

**As Passed by the House**

Permits a district board to use the results of the required retesting to develop or revise teachers' professional development plans or to decide whether or not to continue employing the teacher. Specifies that no decision to terminate or not to renew a teacher's employment contract may be made solely on the basis of the results of a teacher's examination until and unless the teacher has not attained a passing score on the same required examination for at least three consecutive administrations of that exam.

Same as the Executive, but additionally permits community school governing authorities and STEM school governing bodies to use the results of the required retesting to develop or revise professional development plans or to decide whether or not to continue employing the teacher.

**Fiscal effect: Minimal.**

**Fiscal effect: Same as the Executive.**

**EDUCD98      Gifted Education Coordinators**

No provision.

**R.C.      3324.08**

Allows a school principal or any other employee assigned to a school also to serve as a school district's gifted education coordinator if qualified to do so.

**Fiscal effect: May decrease a school district's gifted education coordinator associated expenses.**

**Early Childhood**

**EDUCD24      Early Childhood Education**

**Section:    267.10.10**

Continues the GRF-funded early childhood education program at school districts, JVSDs, and ESCs for children at least three years old but not yet eligible for kindergarten, and whose families earn not more than 200% of the federal poverty guidelines.

Specifies the following for participating programs: (1) prohibits development and administration costs from

**Section:    267.10.10**

Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

exceeding 15% of the cost of each program, (2) requires maintenance of fiscal records, (3) requires implementation of a corrective action plan, when needed, (4) requires certain qualifications for teachers, (5) requires alignment of curriculum to the early learning content standards, (6) requires documentation and reporting of child progress, (7) requires adherence to early learning program guidelines, (8) requires certain child or program assessments, (9) requires charging a fee, based on a sliding scale, to families who earn more than the 200% of the federal poverty guidelines.

Requires ODE to conduct an annual survey of each provider to determine whether the provider charges families tuition or fees, the amount the families are charged relative to family income levels, and the number of families and students charged.

Specifies that per-pupil funding must be sufficient to provide eligible children with services for a standard early childhood schedule, defined as a minimum of 12.5 hours per week, for the minimum school year.

Requires ODE to provide an annual report regarding early childhood education programs and the early learning program guidelines.

Requires eligible expenditures to be claimed each fiscal year to help meet the state's TANF maintenance of effort requirement and requires the Superintendent of Public Instruction and the Director of Job and Family Services to enter into an interagency agreement to fulfill this requirement including developing reporting guidelines for these expenditures.

Same as the Executive.

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

**Fiscal effect: The bill appropriates \$23.3 million in each fiscal year for the program, including an earmark of 2% for ODE's administrative costs.**

**Fiscal effect: Same as the Executive.**

**Scholarship Programs**

**EDUCD9 Educational Choice Scholarships**

**R.C. 3310.02, 3310.03, Section 733.10**

Increases the number of Educational Choice scholarships from 14,000 to 30,000 for the 2011-2012 school year and 60,000 for the 2012-2013 school year and thereafter.

Adds, as a new eligibility category for Ed Choice Scholarships, students who attend a district-operated school that, for at least two of the three preceding years, ranked in the lowest 10% of all school buildings by performance index score (and was not rated excellent or effective in the third year). Qualifies kindergartners and community school students who otherwise would be assigned to such a building, and students attending a nonqualifying district school who would move to such a school in the next year.

Assigns lower priority to students in the new category than students qualifying under the existing Ed Choice criteria, if the number of applications exceeds the number of available scholarships.

Requires ODE to hold a second, 60-day application period for the 2011-2012 school year to award the newly authorized scholarships.

**R.C. 3310.02, 3310.03, Section 733.10**

Same as the Executive.

Same as the Executive.

Same as the Executive.

Same as the Executive.

Executive

As Passed by the House

Fiscal effect: ODE may realize an increase in administrative costs related to the additional 60-day application period. School districts may realize a decrease in revenues as cost of the scholarship is deducted from the districts' state aid allocations. District may also realize a decrease in expenditures related to no longer being obligated to educate the scholarship students.

Fiscal effect: Same as the Executive.

EDUCD37 Autism Scholarship Program

R.C. 3310.41

Specifies that the services provided under the Autism Scholarship program must include an educational component.

Fiscal effect: None.

R.C. 3310.41

Same as the Executive.

Fiscal effect: Same as the Executive.

EDUCD119 Cleveland Scholarship Pilot Program

No provision.

R.C. 3313.975, 3313.978

Removes the requirement that, in order to receive a Cleveland Scholarship for high school, the student must previously have received a scholarship at some time during grades K to 8.

Fiscal effect: May increase the number of scholarships awarded subject to the appropriation for the program.

EDUCD118 Cleveland Scholarship Program Amounts

No provision.

R.C. 3313.978

Increases the scholarship amounts under the Cleveland Scholarship Program as follows:

**Executive**

**As Passed by the House**

(1) No provision.

(1) For K-8 students, \$4,250 in fiscal year 2012 and thereafter, up from \$3,450 as under current law;

(2) No provision.

(2) For 9-12 students, \$5,000 in fiscal year 2012 and thereafter, up from \$3,450 as under current law.

**Fiscal effect: The total cost of the program is restricted by the amount of the appropriation. The bill provides \$24.4 million for the program in each fiscal year. This is an increase of \$5.0 million over the Executive appropriation.**

**Other Education Provisions**

**EDUCD19**      Educational Service Center Contracts with Local Entities

**R.C.**      *307.86, 505.101, 3313.846*

Permits ESCs to enter into service contracts with other political subdivisions. Specifies that contracts with counties and townships are not subject to competitive bidding.

**Fiscal effect: Provides ESCs with an additional source of revenue and expense.**

**R.C.**      *307.86, 505.101, 3313.846*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

Executive

As Passed by the House

**EDUCD39 School District Operating Standards**

R.C. 3301.07, 3306.33 (*Repealed*)

Makes permissive, rather than mandatory, the State Board's adoption of the following additional operating standards for school districts: (1) effective and efficient organization, administration, and supervision of each district and building; (2) establishment of business advisory councils and family and civic engagement teams; (3) job-embedded professional development and professional mentoring and coaching, release time for professional development, and reasonable access to classrooms for administrators for observation and professional development experiences; and (4) creation of a school leadership team for each building.

Eliminates the State Board's explicit authority to revoke the charter of a school district that fails to comply with the standards.

**Fiscal effect: May reduce the administrative burden of the State Board.**

R.C. 3301.07, 3301.16

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**EDUCD132 Testing of Students with Disabilities**

No provision.

R.C. 3301.0711

Requires the individualized education program developed for a disabled student to specify the manner in which the student will participate in the state achievement assessments.

**Fiscal effect: None.**

Executive

As Passed by the House

EDUCD121 Statewide Academic Standards and Assessments

R.C. 3301.079, 3301.0710, 3301.0712

No provision.

Removes the requirement that the State Board of Education's statewide academic standards specify the development of skill sets as they relate to creativity and innovation, critical thinking and problem solving, communication and collaboration, and skill sets that promote personal management, productivity and accountability, and leadership and responsibility.

No provision.

Removes "other skills necessary in the twenty-first century" as an area to be measured by the statewide assessment program.

No provision.

Removes the senior project from the high school graduation requirements as a component of the college and work ready assessments.

No provision.

Eliminates the development of a composite score system for the college and work ready assessments system.

**Fiscal effect: Potential decrease in ODE administrative costs.**

EDUCD14 Governor's School Recognition Program

R.C. 3301.31

Creates the Governor's Effective and Efficient School program to annually recognize the top 10% of all public (school district, community, JVSD, and STEM schools) and chartered nonpublic schools based on student performance and cost effectiveness. Directs ODE to establish criteria for the program.

R.C. 3301.31

Same as the Executive.

Executive

As Passed by the House

**Fiscal effect: Likely increase in administrative costs for ODE for the development of the program.**

**Fiscal effect: Same as the Executive.**

EDUCD4 Parent Petitions for School Reforms

R.C. 3302.042

R.C. 3302.042

Requires ODE annually to rank all district-operated schools in order according to their performance index scores.

Same as the Executive.

Specifies that when a school has been ranked in the lowest 5% for three or more consecutive years and the parents of at least 50% of the school's students petition to implement one of the following reforms, the district must implement that reform in the next school year:

Same as the Executive, but designates the provision as a pilot project limited to schools operated by the Columbus City School District.

(1) reopen the school as a community school,

(1) Same as the Executive.

(2) replace at least 70% of the school's personnel who are related to the poor academic performance, or retain up to but no more than 30% of the staff,

(2) Same as the Executive.

(3) contract with a regular public school district, or a nonprofit or for-profit entity to operate the school,

(3) Same as the Executive.

(4) turn operation of the school over to ODE, or

(4) Same as the Executive.

(5) any other restructuring of the school that makes fundamental reforms in staffing or governance.

(5) Same as the Executive.

Prohibits the school district from implementing the requested reform if:

Same as the Executive.

**Executive**

**As Passed by the House**

(1) The district board of education determines that the request is for reasons other than improving student academic achievement or student safety,  
 (2) The Superintendent of Public Instruction determines that the request does not comply with ODE's Model of Differentiated Accountability,  
 (3) The petitioners have requested ODE to take over the school's operation and ODE has not agreed, or  
 (4) The district has held a public hearing on the matter and issued a statement explaining why it cannot implement the requested reform and agreeing to implement another of the reforms, and both the Superintendent and State Board of Education have approved the alternative reforms.  
 No provision.

(1) Same as the Executive.  
 (2) Same as the Executive.  
 (3) Same as the Executive.  
 (4) Same as the Executive.  
 Directs ODE to annually evaluate the pilot program and submit a report to the General Assembly beginning not later than six months after the first parent petition has been resolved.

**Fiscal effect: Implementation of one of the reform plans would likely increase administrative costs for the affected school district.**

**Fiscal effect: Same as the Executive, but may also increase ODE administrative expenses to evaluate the program and report annually to the General Assembly.**

**EDUCD12 Innovation Schools and Innovation Zones**

**R.C. 3302.06, 3302.061-3302.068**  
 Allows a school district to designate a single school as an innovation school, or a group of schools as an innovation school zone, for the purpose of implementing an innovation plan designed to improve student academic performance.  
 Requires a majority of the teachers and a majority of the administrators in each participating school to consent to apply for the designation.

**R.C. 3302.06, 3302.061-3302.068**  
 Same as the Executive.  
 Same as the Executive.

**Executive**

**As Passed by the House**

Requires school districts to give preference to applications that propose innovations in the areas of (1) curriculum, (2) student assessments, (3) class scheduling, (4) accountability measures, (5) provision of student services, (6) provision of social services, (7) preparation of students for transition to higher education or the workforce, (8) teacher recruitment, employment, and evaluation, (9) compensation for school personnel, (10) professional development, (11) school governance and the role of the principal, or (12) use of resources.

Same as the Executive.

Requires the State Board to designate a district that approves an application for an innovation school or innovation school zone as a school district of innovation, which authorizes the district to implement the innovation plan, unless the State Board finds that the plan is financially unfeasible or will likely result in decreased student achievement.

Same as the Executive.

Requires the State Board to waive any education laws or administrative rules that prevent implementation of an innovation plan, except for laws and rules related to (1) school district funding, (2) services for disabled or gifted students, (3) provision of career-technical education, (4) state achievement assessments, (5) district and building report cards, (6) sanctions under the federal No Child Left Behind Act, (7) education data reporting, (8) criminal records checks, and (9) contributions to state retirement systems.

Same as the Executive.

Allows any provisions of a collective bargaining agreement to be waived to implement an innovation plan, if at least 60% of the members of the bargaining unit working in each participating school approve the waiver.

Same as the Executive.

**Executive**

**As Passed by the House**

Requires a school district to review the performance of each innovation school or innovation school zone every three years, and permits the district to revoke the designation if the participating schools are not making sufficient improvements in student academic achievement.

Same as the Executive.

Authorizes a school district or a participating school to accept funds from any public or private entity to support implementation of an innovation plan.

Same as the Executive.

Requires ODE to issue an annual report on school districts of innovation.

Same as the Executive.

**Fiscal effect: Minimal increase in administrative costs for ODE to issue annual report and for the State Board in approving school innovation plans. Schools and districts applying for school innovation status may incur administrative costs in the application process. These schools may also experience increased flexibility.**

**Fiscal effect: Same as the Executive.**

**EDUCD17      Restructuring of District-Operated Schools**

R.C.      *3302.12*

R.C.      *3302.12*

Requires the Superintendent of Public Instruction to rank all district-operated schools annually according to their performance index scores. In the case of schools to which the performance index score does not apply, requires the Superintendent to develop another measure of student performance to enable inclusion in the rankings.

Same as the Executive.

Specifies that if a school is ranked in the lowest 5% statewide for three consecutive years and is in academic watch or academic emergency, the district board of education must either:

Same as the Executive.

**Executive**

**As Passed by the House**

- (1) Close the school and reassign the students to other buildings;
- (2) Contract with a regular public school district, or nonprofit or for-profit entity with a demonstrated record of effectiveness to operate the school;
- (3) Replace the school's principal and teaching staff, exempt the school from board rules regarding curriculum and instruction upon request of the new principal, and provide funding for each student in the school at least equal to the per pupil amount of all district revenues; or
- (4) Reopen the school as a conversion community school.

- (1) Same as the Executive.
- (2) Same as the Executive.
- (3) Same as the Executive.
- (4) Same as the Executive.

**Fiscal effect: Increase in administrative costs for ODE to develop another measure of student performance for schools to which the performance index score does not apply. Potential increase in expenditures for school districts to adopt one of the specified actions.**

**Fiscal effect: Same as the Executive.**

EDUCD8

Classroom Expenditure and Student Performance Data

R.C. 3302.20

Requires ODE to develop, by January 1, 2012, and the State Board of Education to adopt, by July 1, 2012, standards for determining the amount of school district, community school, and STEM school annual operating expenditures for classroom instruction and the amount for nonclassroom purposes.

Requires ODE to use those standards and existing data to:

R.C. 3302.20, 3302.25

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

**Executive**

**As Passed by the House**

(1) determine the percentage of each district's, community school's, or STEM school's total operating budget that is spent for classroom instruction for each fiscal year, beginning with FY 2008,

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

(2) categorize districts and schools primarily by size,

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

(3) rank districts and schools within each category according to percentage of operating expenditures for classroom instruction, and

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

(4) report on ODE's website and on district and school report cards the percentages and ranking for each district or school, for each category, and for all districts and schools combined.

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

Requires ODE to denote, within the classroom expenditure rankings, districts and schools that are among the lowest 20% statewide in total operating expenditures per pupil or among the highest 20% statewide on the academic performance index.

Same as the Executive, but requires ODE to distinguish between brick-and-mortar community schools and e-schools.

No provision.

Requires ODE to report annually to each school district its ratio of instructional operating expenditures to administrative operating expenditures, per pupil amount of instructional operating expenditures, per pupil amount of administrative operating expenditures, percentage of operating expenditures attributable to school district funds, and the statewide average for each of these items.

No provision.

Requires each school district to publish the report from ODE on its web site and in another fashion.

**Fiscal effect: Likely increase in ODE's administrative costs for development of standards and for reporting.**

**Fiscal effect: Same as the Executive.**

**Executive**

**As Passed by the House**

**EDUCD13 Performance and Expenditure Reports**

**R.C. 3302.21**

Requires ODE, annually, to rank order each school district, community school, and STEM school according to:

- (1) performance index score,
- (2) student performance growth from year to year (as measured by either the value-added progress dimension where available or, for grades or subjects for which it is not available, some other indicator designated by the Superintendent of Public Instruction),
- (3) career-technical performance measures as required under federal law,
- (4) current operating expenditures per pupil, and
- (5) percentage of total current operating expenditures spent for classroom instruction.

Requires ODE to issue an annual report for each school district, community school, and STEM school indicating its ranking on each of those five measures.

Requires that, if a school district is a vocational education planning district or lead (vocational education) district, its ranking and report under (3) above include the performance of all of the career technical students served by the district (including those from other districts).

**R.C. 3302.21**

Same as the Executive.

(1) Same as the Executive.

(2) Same as the Executive.

(3) Same as the Executive.

(4) Same as the Executive.

(5) Same as the Executive.

Same as the Executive.

Same as the Executive.

Executive

As Passed by the House

Fiscal effect: Potential increase in ODE's administrative costs for development of a yearly progress measure and production of the report.

Fiscal effect: Same as the Executive.

EDUCD122      Multiple-Track Curriculum Pilot Project

R.C.      3302.30

No provision.

Requires the Superintendent of Public Instruction to establish a pilot project in Columbiana County under which one or more school districts offer a multiple-track high school curriculum, with at least three distinct career tracks, including a college preparatory track and a career-technical track. Prohibits any district from being required to participate.

No provision.

Allows the different career tracks to be offered at different campuses.

No provision.

Directs ODE to provide technical assistance in developing the curriculum tracks.

No provision.

Directs the Superintendent to apply for private and other non-state funds, and allows the use of other available state funds, to support the pilot project.

No provision.

Requires participating school districts to report data and results to the Superintendent. Directs the Superintendent to submit a report to the General Assembly not later than December 31st of the third school year in which the pilot project is operating.

**Fiscal effect: Increase in administrative costs for ODE for technical assistance and reporting.**

Executive

As Passed by the House

EDUCD106 Harmon Commission

No provision.

R.C. 3306.51, 3306.52 - 3306.59 (All Repealed)

Repeals the Harmon Commission, which was tasked with the approval of applications designating and awarding grants to classrooms as "creative learning environments."

**Fiscal effect: None. The Commission was never funded.**

EDUCD20 School District Agreements with Educational Service Centers

R.C. 3311.05, 3313.843, 3311.845, 3319.19, 3311.059 (Repealed)

Requires every school district with an average daily membership of 16,000 or less to enter into an agreement with an ESC for services.

Permits, but does not require, every school district with an average daily membership greater than 16,000 to enter into an agreement with an ESC for services.

Permits a district to terminate its agreement with its current ESC by notifying the ESC governing board by January 1 of the year of the termination. Specifies that the termination is effective on June 30.

If the aggregate student count of the districts that plan to terminate agreements with their current ESC makes up at least 30% of the ESC's "service center ADM" for funding purposes, requires the district or districts to notify all other districts that receive services from the ESC. Permits any of the other districts to notify the ESC governing board, by May 31, that the district is terminating its agreement effective June 30.

R.C. 3311.05, 3313.843, 3311.845, 3319.19, 3311.059 (Repealed)

Same as the Executive, but changes the basis for determining whether a school district is required to enter into an agreement with an ESC from its "average daily membership" to its "total student count".

Same as the Executive, but changes "average daily membership" to "total student count".

Same as the Executive, but permits a district to terminate its agreement with its current ESC by notifying the ESC governing board by January 1, 2012, or by January 1 of any odd-numbered year thereafter.

No provision.

**Executive**

**As Passed by the House**

Repeals the current authority of a "local" school district to leave the territory of its current ESC subject to both approval of the State Board and referendum by petition of the district's voters, and limited to no more frequently than once every five years.

Same as the Executive.

Requires the governing boards of ESCs affected by the termination of a service center agreement or the making of a new agreement by a "local" school district to take the necessary steps for the election of new members and for re-organization of the governing boards to reflect the change of the territories of those ESCs caused by the termination or new agreement. (Under current law, not affected here, the territory of an ESC from which its governing board is elected is the territory of the "local" school districts that it serves.)

No provision.

**Fiscal effect: Permitting school districts to terminate agreements annually may increase administrative costs related to elections and re-organization of ESC governing boards.**

**Fiscal effect: Same as the Executive, but limits school districts to terminating agreements biennially.**

EDUCD123

Educational Service Center Dissolution

R.C. 3311.0510

No provision.

Provides the following if all of the local school districts that make up the territory of an ESC sever from that ESC:

(1) No provision.

(1) Specifies that the ESC governing board is abolished and the ESC is dissolved,

(2) No provision.

(2) Requires the Superintendent of Public Instruction to provide for the equitable distribution of the assets, property, debts, and obligations of the ESC among the school districts that made up the territory of, or contracted with,

**Executive**

**As Passed by the House**

(3) No provision.

the ESC, and to appoint an individual to administer the dissolution of the ESC,

(3) Permits the costs incurred by ODE in dissolving the ESC to be charged against the assets of the ESC and any amount in excess of the assets to be charged equitably to the school districts that made up the territory of, or contracted with, the ESC,

(4) No provision.

(4) Requires the Auditor of State to perform a final audit of the ESC, and

(5) No provision.

(5) Requires the public records of the ESC be transferred to the school districts that received services from the ESC or, for those not relating to a particular school district, to the Ohio Historical Society.

**Fiscal effect: Increase in administrative costs for ODE, however such costs are to be covered by the assets of the dissolving ESC.**

EDUCD135

School District Lease of Space to Higher Education Institutions

No provision.

R.C. 3313.75

Specifically states that school districts may rent or lease facilities to public or nonpublic institutions of higher education to be used to provide evening and summer classes. (Current law permits districts to authorize other groups and entities to use their facilities, for a reasonable fee, as long as that use does not interfere with the districts' operation of schools.)

**Fiscal effect: None.**

Executive

As Passed by the House

EDUCD120 Calamity Days - Make-up via Internet and Blizzard Bags

R.C. 3313.88, 3326.11

No provision.

Authorizes school districts, chartered nonpublic schools, community schools, and STEM schools to submit to ODE prior to August 1 of each school year a plan to make up a maximum of three calamity days (or the equivalent of three days for community schools) through lessons posted online on the school's web site or web portal.

No provision.

Requires ODE to permit a school to implement the plan provided the plan meets certain requirements.

No provision.

Requires a school district to obtain the written consent of its teachers' union to implement the plan.

No provision.

Authorizes schools to include in the plan distribution of "blizzard bags," which are paper lesson plans distributed to students that correspond with lessons posted on the school's web portal or web site.

**Fiscal effect: ODE may incur minimal administrative costs to review school plans for making up excess calamity days online. Schools will have more flexibility in determining how to make up excess calamity days.**

Executive

As Passed by the House

EDUCD137      Fiscal Emergency School Districts

R.C.      3316.21

No provision.

Requires the Auditor of State to notify the Superintendent of Public Instruction if the Auditor determines that the financial recovery plan of a school district declared to be in fiscal emergency cannot be expected to correct and eliminate fiscal emergency conditions within five fiscal years.

No provision.

Requires the Superintendent to develop an operations plan for the district and submit the plan to the State Board for approval within 90 days of the notification by the Auditor.

No provision.

Directs the State Board to suspend the charter of the district and take over its operation upon approval of the operations plan until such time as an acceptable financial recovery plan has been submitted.

**Fiscal effect: May increase administrative costs for ODE to create operations plans and operate districts.**

EDUCD139      Auxiliary Services for Chartered Nonpublic Schools

R.C.      3317.06

No provision.

Makes the following changes to the list of items that school districts may purchase or lease with auxiliary services funds (GRF appropriation item 200511, Auxiliary Services) for loan to chartered nonpublic schools:

No provision.

(1) Specifies that an electronic textbook is a book or book substitute accessed through a computer or other electronic medium or through an Internet-based provider of course content, or any other material that contributes to learning through electronic means.

**Executive**

**As Passed by the House**

No provision.

(2) Adds computer application software designed to assist students in performing single or multiple related tasks, device management software, and learning management software.

No provision.

(3) Specifies that computer hardware and related equipment includes desktop computers and workstations; laptops, tablets, and other mobile devices; and related operating systems and accessories.

No provision.

(4) Removes prerecorded video laserdiscs, compact discs, and video cassette cartridges.

**Fiscal effect: Potentially allows school districts to purchase a wider array of items for loan to chartered nonpublic schools.**

EDUCD83

Approval to Take GED

**R.C. 3317.617**

No provision.

Requires a person age 16 to 18 who is applying to take the General Educational Development (GED) tests to obtain approval from the superintendent of the school district in which the person was last enrolled or, if the person was last enrolled in a community school or STEM school, from the school principal.

No provision.

Specifies that, for the purpose of calculating graduation rates for the school district report cards, a person who obtains approval to take the GED must be counted as a dropout from the district in which the person was last enrolled.

No provision.

Permits ODE to require a person under 18 to also obtain approval to take the GED from the person's parent or a court official, as in current State Board rules.

Executive

As Passed by the House

Fiscal effect: None.

EDUCD136 Board of Education Employee Sick Leave

R.C. 3319.141

No provision.

Exempts from the current law requiring 15 days of sick leave be provided to each person employed by any board of education the following: (1) substitutes, (2) adult education instructors who work the full-time equivalent of less than 120 days per school year, and (3) persons employed on an as-needed, seasonal, or intermittent basis.

No provision.

Requires that sick leave for employees who render regular part-time, per diem, or hourly service be granted at a rate of 4.6 hours of sick leave for 80 hours of service.

**Fiscal effect: May decrease costs for boards of education.**

EDUCD86 Superintendent for the State School for the Blind and State School for the Deaf

R.C. 3325.01

No provision.

Permits the State Board of Education to appoint one person to serve as the Superintendent of both the State School for the Deaf and the State School for the Blind.

**Fiscal effect: May reduce personnel costs if only one Superintendent is appointed to serve both schools.**

Executive

As Passed by the House

EDUCD114 College-Preparatory Boarding Schools

R.C. 3328.01, 3318.60, 3328.02 - 3328.04,  
 3328.11 - 3328.15, 3328.17  
 - 3328.19, 3328.191, 3328.192, 3328.193,  
 3328.20 - 3328.26,  
 3328.41, 3328.45, 3328.50, 3328.99

No provision.

Authorizes the establishment of college-preparatory boarding schools, which are classified as public schools, operated by an approved private nonprofit corporation, and open to certain qualifying students.

No provision.

Provides that a student qualifies to attend a college-preparatory boarding school if the student resides in a participating school district, is at risk of academic failure, is from a family whose income is at or below 200% of the federal poverty guidelines, and meets at least two other criteria involving the student's academic performance, behavior history, disability status, or family status.

No provision.

Provides that a college-preparatory boarding school may only admit up to 80 students and offer grade 5 or 6 in its first year of operation. Permits a school to offer other grades in later years, but restricts the total amount of students attending the school to no more than 400.

No provision.

Requires the State Board to issue a request for proposals from private nonprofit corporations interested in operating a college-preparatory boarding school and to enter into a contract with each approved operator.

No provision.

Requires that a college-preparatory boarding school be governed by a board of trustees consisting of up to 25 members, with five members appointed by the Governor,

Executive

As Passed by the House

No provision.

with the advice and consent of the Senate, and the rest appointed through the school's bylaws.

Requires ODE to issue an annual report card for each college-preparatory boarding school that includes data regarding the academic performance of the school's students. Requires, for each student enrolled in the school, ODE to combine data regarding the academic performance of that student with comparable data from the student's resident school district for the purpose of calculating the performance of the district as a whole on the report card.

No provision.

Allows the State Board to close a college-preparatory boarding school if the school violates a provision of the authorizing law or a provision of the contract between the school and the State Board.

No provision.

Establishes a College-Preparatory Boarding School Facilities Program, through which SFC may assist a college-preparatory boarding school in the acquisition of classroom facilities. Requires that the "lease payments" made by the boards of trustees be deposited into the Common Schools Capital Facilities Bond Service Fund. Requires the school to secure at least \$20.0 million in private funds toward the acquisition of the facilities to participate in the program. States that only private funds may be used for the acquisition of residential and other non-classroom facilities.

**Fiscal effect: Although the bill specifies that these schools are to be public, it does not provide a funding mechanism for the operation of the schools, so it is unclear what the fiscal effect will be.**

Executive

As Passed by the House

**EDUCD21 Educational Service Centers**

R.C. 3329.08, 3331.01

Removes the requirement that local school districts adopt their textbooks or electronic textbooks from lists provided by ESCs.

Removes permissive language that allows the superintendent of an ESC to be the designee of a superintendent of a local school district within the ESC's service territory in issuing age and schooling certificates.

No provision.

**Fiscal effect: Minimal.**

R.C. 3329.08, 3331.01, 3317.031

Same as the Executive.

Same as the Executive.

Eliminates the requirement that ESCs maintain membership records of pupils attending local school districts.

**Fiscal effect: May decrease ESC administrative costs.**

**EDUCD134 School District Expenditure Certification**

No provision.

R.C. 5705.412

Authorizes a school district to enter into a contract exceeding the lesser of \$500,000 or 1% of total revenue for the current fiscal year without certification indicating adequate revenue to cover the contract, as required under current law, if an alternative certification is made indicating that the contract (1) is a multi-year contract for materials, equipment, or nonpayroll services essential to the education program of the district, and (2) provides savings compared to a single year contract, allowing the district to reduce the deficit it is currently facing in future years.

**Fiscal effect: May decrease costs for school districts with the ability to enter multi-year contracts.**

Executive

As Passed by the House

EDUCD68 Private Treatment Facility Project

Section: 267.40.80

Establishes procedures by which Ohio youth who have been assigned to a participating residential treatment centers are enrolled in an approved educational program in or near the facility.

Lists the participating residential treatment centers as (1) private residential treatment facilities that have contracted with the Department of Youth Services to provide services and which are paid through appropriation item 470401, RECLAIM Ohio, (2) Abraxas, in Shelby, (3) Paint Creek, in Bainbridge, (4) Act One, in Rogers, and (5) F.I.R.S.T., in Mansfield.

Requires that the school district responsible for tuition for a residential child pay the tuition to the provider for the educational programs. Prohibits a district from including the youth in the district's average daily membership (ADM). Requires that ODE track the utilization of funds and monitor the program for educational accountability.

**Fiscal effect: In addition to the tuition payment, the bill earmarks \$1.0 million in each fiscal year for the Private Treatment Facility Project.**

Section: 267.40.80

Same as the Executive.

Same as the Executive, but removes Act One from the list of participating centers.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

Executive

As Passed by the House

EDUCD69 National Assessment of Education Progress

Section: 267.40.90

Expresses the General Assembly's intention that Ohio school districts participate in the administration of the National Assessment of Education Progress (NAEP). Requires each school and school district selected to participate.

**Fiscal effect: Minimal cost for districts chosen to participate. Federal funding is provided for coordination of the state's participation in NAEP.**

Section: 267.40.90

Same as the Executive.

**Fiscal effect: Same as the Executive.**

EDUCD74 Use of Volunteers

Section: 267.50.50

Authorizes ODE to use the services of volunteers to accomplish any of the purposes of ODE.

Authorizes the Superintendent of Public Instruction to reimburse volunteers for necessary expenses in accordance with state guidelines and to designate volunteers as state employees for the purposes of motor vehicle accident liability insurance and for indemnification from liability incurred in the performance of their duties.

**Fiscal effect: Potential cost savings for ODE if they can utilize volunteers for purposes which they would otherwise need to hire additional employees.**

Section: 267.50.50

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

Executive

As Passed by the House

EDUCD78 Educational Shared Services Model

Section: 267.50.90

Requires that the Governor's Director of 21st Century Education develop a plan for the integration and consolidation of the publicly supported regional shared services organizations serving Ohio's public and chartered nonpublic schools. Specifies that the plan include recommendations for implementation beginning July 1, 2012.

Requires that the Director, by January 1, 2012, submit recommendations for implementation of the plan to the Governor and the General Assembly.

No provision.

**Fiscal effect: Increased administrative costs for the Governor's office for preparation of the plan.**

Section: 267.50.90

Same as the Executive.

Same as the Executive.

Requires that the Director conduct a shared services survey of Ohio's school districts, community schools, STEM schools, chartered nonpublic schools, joint vocational school districts, and other educational service providers and local political subdivisions.

**Fiscal effect: Same as the Executive, but with additional costs to conduct the shared services survey.**

EDUCD95 Textbook Set-Aside Moneys

No provision.

Section: 267.60.10

Permits a school district board of education to transfer any unencumbered moneys remaining in the district's textbook and instructional materials fund on July 1, 2011 to the district's general fund.

**Fiscal effect: Gives school districts greater flexibility for the use of funds previously set aside for textbooks and instructional materials.**

Executive

As Passed by the House

**Appropriation Language**

**EDUCD23      Early Childhood Education**

**Section: 267.10.10**

Earmarks up to 2% of GRF appropriation item 200408, Early Childhood Education, in each fiscal year to be used by ODE for support and technical assistance of early childhood education programs.

Directs that remaining funds first be distributed to those who received funds for early childhood programs in the previous fiscal year, and the balance be distributed to new providers of early childhood education programs, existing providers to serve more eligible children, or for purposes of program expansion, improvement, or projects to promote quality and innovation.

**Section: 267.10.10**

Same as the Executive.

Same as the Executive.

**EDUCD25      Career-Technical Education Match**

**Section: 267.10.20**

Specifies that GRF appropriation item 200416, Career-Technical Education Match, be used to provide vocational administration matching funds.

**Section: 267.10.20**

Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD26 Computer/Application/Network Development**

**Section: 267.10.20**

Specifies that GRF appropriation item 200420, Computer/Application/Network Development, be used to support the development and implementation of information technology solutions designed to improve the performance and services provided by ODE. Permits this appropriation to also be used to support data-driven decision-making and differentiated instruction and to communicate academic content standards and curriculum models through the Internet.

**Section: 267.10.20**

Same as the Executive.

**EDUCD27 Alternative Education Programs**

**Section: 267.10.30**

Specifies that GRF appropriation item 200421, Alternative Education Programs, be used for the renewal of successful implementation grants and for competitive matching grants to school districts for alternative education programs for at-risk and delinquent youth. Specifies that grants be awarded according to the criteria established by the Alternative Education Advisory Council in 1999.

Permits ODE to waive minimum education standards for the alternative schools funded by the grants.

Permits a portion of the appropriation to be used for program administration, monitoring, technical assistance, support, research, and evaluation.

**Section: 267.10.30**

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD28 School Management Assistance**

**Section: 267.10.40**

Earmarks \$1,000,000 in FY 2012 and \$1,300,000 in FY 2013 of GRF appropriation item 200422, School Management Assistance, to be used by the Auditor of State, in consultation with ODE, for expenses incurred in the Auditor's role relating to fiscal caution, fiscal watch, and fiscal emergency activities. Authorizes these funds to also be used by the Auditor to conduct performance audits of districts in fiscal distress, including those that the Auditor, in consultation with ODE, determines are employing fiscal practices or experiencing budgetary conditions that could produce a state of fiscal watch or emergency.

Specifies that the remainder be used by ODE to provide fiscal technical assistance and in-service education for school district management personnel and to administer, monitor, and implement the fiscal caution, fiscal watch and fiscal emergency provisions of the Revised Code.

**Section: 267.10.40**

Same as the Executive.

Same as the Executive.

**EDUCD30 Policy Analysis**

**Section: 267.10.50**

Specifies that GRF appropriation item 200424, Policy Analysis, be used to support a system of administrative, statistical, and legislative education information to be used for policy analysis. Allows ODE to use funding from this appropriation item to purchase or contract for the development of software systems or contract for policy studies that will assist in the provision and analysis of policy-related information.

**Section: 267.10.50**

Same as the Executive.

**Executive**

**As Passed by the House**

Allows a portion of this appropriation item to be used in conjunction with GRF appropriation item 200439, Accountability/Report Cards, to support a fiscal reporting dimension that contains fiscal data reported for the prior fiscal year.

Same as the Executive.

**EDUCD31      Tech Prep Consortia Support**

**Section: 267.10.50**

Specifies that GRF appropriation item 200425, Tech Prep Consortia Support, be used to support state-level activities in support of tech prep programs.

**Section: 267.10.50**

Same as the Executive.

**EDUCD32      Ohio Educational Computer Network**

**Section: 267.10.60**

Specifies that GRF appropriation item 200426, Ohio Educational Computer Network, be used to maintain a system of information technology throughout Ohio and to provide technical assistance in support of the P-16 State Education Technology Plan. Makes the following earmarks:

- (1) Up to \$10,705,569 in each fiscal year to support connection of all public school buildings and participating chartered nonpublic schools to the state's education network, to each other, and to the Internet.
- (2) Up to \$1,440,000 in each fiscal year for the Union Catalog and InfOhio Network.
- (3) Up to \$5,220,000 in each fiscal year to subsidize the activities of designated information technology centers.

**Section: 267.10.60**

Same as the Executive, but makes the following changes in the earmarks:

- (1) Same as the Executive.
- (2) Same as the Executive.
- (3) Same as the Executive.

**Executive**

**As Passed by the House**

Specifies that the remainder of the appropriation be used to support a network of uniform and compatible computer-based information and instructional systems.

Replaces the Executive provision with a provision that specifies that the remainder of the appropriation be used to support the College of Education and Human Ecology at the Ohio State University in its work reviewing course content for the distance learning clearinghouse.

**EDUCD33**

**Academic Standards**

**Section: 267.10.70**

Specifies that GRF appropriation item 200427, Academic Standards, be used by ODE for the development and dissemination of academic content standards and curriculum models.

**Section: 267.10.70**

Same as the Executive.

**EDUCD36**

**Student Assessment**

**Sections: 267.10.80, 267.10.90, 267.20.10**

Earmarks up to \$95,000 of GRF appropriation item 200437, Student Assessment, in each fiscal year for costs associated with the state's required diagnostic assessments.

**Sections: 267.10.80, 267.10.90, 267.20.10**

Same as the Executive.

Specifies that the remainder of the appropriation be used to develop, field test, print, distribute, score, and report results of assessments, including the English language arts, mathematics, and science assessments and the Ohio Graduation Test. Permits ODE to use any remaining appropriation to develop end-of-course exams.

Same as the Executive.

Authorizes, with Controlling Board approval, the transfer in each fiscal year of unexpended and unencumbered GRF appropriations within ODE to GRF appropriation item 200437, Student Assessment.

Same as the Executive.

**Executive**

**As Passed by the House**

Authorizes, with Controlling Board approval, the transfer of up to \$9,000,000 cash from the Lottery Profits Education Reserve Fund (Fund 7018) to the GRF and appropriates the transferred funds for student assessments.

Same as the Executive.

Delays until a date set by the State Board of Education (1) the administration of elementary English language arts assessments as a replacement for separate reading and writing assessments, and (2) the requirement for three score ranges on all of the elementary assessments.

Same as the Executive.

Prohibits the administration of the elementary writing and social studies achievement assessments during the 2011-2012 and 2012-2013 school years, unless the Superintendent of Public Instruction determines that ODE has sufficient funds to pay the costs of furnishing and scoring the assessments.

Same as the Executive.

**EDUCD41**

**Accountability/Report Cards**

**Section: 267.20.20**

**Section: 267.20.20**

Permits a portion of GRF appropriation item 200439, Accountability/Report Cards, in each fiscal year to be used to train district and regional specialists and district educators in the use of the value-added progress dimension and data as it relates to improving student achievement. Allows a portion of this appropriation to be provided to a credible nonprofit organization with expertise in value-added progress dimensions.

Same as the Executive.

Specifies that the remainder of the appropriation be used to incorporate a statewide value-added progress dimension into performance ratings for school districts and develop an accountability system that includes the preparation and distribution of school report cards and funding and

Same as the Executive.

**Executive**

**As Passed by the House**

expenditure accountability reports.

**EDUCD42 Child Care Licensing**

**Section: 267.20.20**

Specifies that GRF appropriation item 200442, Child Care Licensing, be used by ODE to license and to inspect preschool and school-age child care programs.

**Section: 267.20.20**

Same as the Executive.

**EDUCD43 Education Management Information System**

**Section: 267.20.30**

Specifies that GRF appropriation item 200446, Education Management Information System, be used to improve the education management information system (EMIS) and makes the following earmarks:

Up to \$729,000 in each fiscal year to be distributed to information technology centers for costs related to processing, storing, and transferring data for the effective operation of EMIS.

Specifies that the remainder of the appropriation be used to develop and support a common core of data definitions and standards as adopted by the Education Data Advisory Board. Specifies that any provider of software meeting the standards approved by the Board be designated as an approved vendor and be permitted to enter into contracts with educational entities for the purpose of collecting and managing data required under Ohio's EMIS law. Prohibits school districts, STEM schools, and community schools that are not implementing a common and uniform set of data definitions and data format standards from receiving funding until they are in compliance.

**Section: 267.20.30**

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD44      GED Testing**

**Section: 267.20.40**

Specifies that GRF appropriation item 200447, GED Testing, be used to provide General Educational Development (GED) testing under rules adopted by the State Board of Education.

**Section: 267.20.40**

Same as the Executive.

**EDUCD45      Educator Preparation**

**Section: 267.20.40**

Specifies the following for GRF appropriation item 200448, Educator Preparation:

- (1) No provision.
- (2) Permits the appropriation to be used by ODE to support the Educator Standards Board as it develops standards for educator training and standards for teacher and other school leadership positions.
- (3) Permits the appropriation to be used by ODE to develop alternative preparation programs for school leaders and to coordinate a career ladder for teachers.
- (4) No provision.

**Section: 267.20.40**

Same as the Executive, but makes the following changes:

- (1) Earmarks up to \$150,000 in each fiscal year for ODE to monitor and support Ohio's State System of Support under federal law.
- (2) Same as the Executive, but removes the reference to developing standards.
- (3) No provision.
- (4) Permits the appropriation to be used for the implementation of education reforms.

**Executive**

**As Passed by the House**

**EDUCD46            Community Schools and Choice Programs**

**Section: 267.20.60**

Permits GRF appropriation item 200455, Community Schools and Choice Programs, to be used by ODE to support the State Office of Community Schools and to operate school choice programs.

Permits a portion of the appropriation in each fiscal year to be used by ODE for developing and conducting training sessions for sponsors and prospective sponsors of community schools and other schools participating in school choice programs.

**Section: 267.20.60**

Same as the Executive.

Same as the Executive.

**EDUCD47            Pupil Transportation**

**Section: 267.20.70**

Makes the following earmarks to GRF appropriation item 200502, Pupil Transportation:

- (1) Up to \$838,930 in each fiscal year for training school bus drivers.
- (2) Up to \$60,469,220 in each fiscal year for special education transportation reimbursements to school districts and county DD boards.
- (3) Up to \$650,000 in each fiscal year to partially reimburse school districts for costs of providing transportation services to nontraditional schools when those schools are open on a day the school district is not scheduled to be open.

**Section: 267.20.70**

Same as the Executive, but makes the following changes to the earmarks:

- (1) Same as the Executive.
- (2) Same as the Executive.
- (3) Same as the Executive.

Executive		As Passed by the House
(4) No provision.		(4) Up to \$5,000,000 in each fiscal year to reimburse school districts for students transported by means other than school bus service.
(5) Specifies that the remainder of the appropriation be used for foundation funding.		(5) Same as the Executive.
<b>EDUCD48</b>	<b>School Lunch Match</b>	
<b>Section: 267.20.80</b>	Specifies that GRF appropriation item 200505, School Lunch Match, be used to provide matching funds to obtain federal funds for the school lunch program. Permits any remaining appropriation to be used to partially reimburse school buildings required to have a school breakfast program.	<b>Section: 267.20.80</b> Same as the Executive. Same as the Executive.
<b>EDUCD50</b>	<b>Auxiliary Services</b>	
<b>Section: 267.20.90</b>	Specifies that GRF appropriation item 200511, Auxiliary Services, be used for providing services and materials to certain students enrolled in nonpublic schools. Earmarks up to \$1,789,943 in each fiscal year for nonpublic school student participation in the Post-Secondary Enrollment Options Program and requires ODE to adopt rules for the distribution of these funds.	<b>Section: 267.20.90</b> Same as the Executive. Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD49 Nonpublic Administrative Cost Reimbursement**

**Section: 267.30.10**

Specifies that GRF appropriation 200532, Nonpublic Administrative Cost Reimbursement, be used to reimburse chartered nonpublic schools for their administrative costs associated with maintaining their state charter.

**Section: 267.30.10**

Same as the Executive.

**EDUCD52 Special Education Enhancements**

**Section: 267.30.20**

Makes the following earmarks to GRF appropriation item 200540, Special Education Enhancements:

- (1) Up to \$2,206,875 in each fiscal year for home instruction for children with disabilities.
- (2) Up to \$45,282,959 in each fiscal year to fund special education and related services at county DD boards and institutions. Notwithstanding the distribution formulas for those students and specifies the per pupil amount received by each DD board and institution in the prior fiscal year is the per pupil amount for each student served in the current fiscal year.
- (3) Up to \$1,333,468 in each fiscal year for parent mentoring programs.
- (4) Up to \$2,537,824 in each fiscal year for school psychology interns.

Specifies that the remainder of the appropriation be used to fund preschool special education and preschool

**Section: 267.30.20**

Same as the Executive.

- (1) Same as the Executive.
- (2) Same as the Executive.
- (3) Same as the Executive.
- (4) Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

supervisory units at county DD boards, educational service centers, and school districts. Requires funded entities to adhere to Ohio's Early Learning Program Guidelines, to document child progress using research-based indicators, and to report results annually.

**EDUCD53 Career-Technical Education Enhancements**

**Section: 267.30.30**

Makes the following earmarks to GRF appropriation item 200545, Career-Technical Education Enhancements:

- (1) Up to \$2,563,568 in each fiscal year to fund secondary career-technical education at institutions.
- (2) Up to \$2,838,281 in each fiscal year to fund competitive expansion grants to tech prep consortia.
- (3) Up to \$3,100,850 in each fiscal year to support existing High Schools That Work (HSTW) sites, develop and support new sites, fund technical assistance, and support regional centers and middle school programs.
- (4) Up to \$300,000 in each fiscal year to fund the Agriculture 5th Quarter Project.

**Section: 267.30.30**

Same as the Executive.

- (1) Same as the Executive.
- (2) Same as the Executive.
- (3) Same as the Executive.
- (4) Same as the Executive.

**EDUCD54 Foundation Funding**

**Section: 267.30.40**

Makes the following earmarks to GRF appropriation item 200550, Foundation Funding:

**Section: 267.30.40**

Same as the Executive, but makes the following changes in the earmarks:

## Executive

## As Passed by the House

(1) Up to \$425,000 in each fiscal year to help defray the cost of educating children who are placed in a private institution, school, or residential treatment center by the order of an Ohio court.

(1) Same as the Executive.

(2) Up to \$8,100,000 in each fiscal year to fund gifted education units at educational service centers (ESCs). Specifies that each ESC that received gifted education funding for the prior fiscal year receive the same amount for the current fiscal year, unless the ESC notifies ODE in writing that it will no longer be providing services or will be providing fewer services than it provided in the prior fiscal year. Requires, for these cases, ODE to deduct the funding received by the ESC for the prior fiscal year from the ESC's allocation for the current fiscal year and redistribute the deducted funds to other ESCs through the unit-based funding methodology in place prior to FY 2010.

(2) Same as the Executive, but changes the way funding is distributed. Specifies that funding be distributed to ESCs through the unit-based methodology in place in FY 2009. Also, requires any remaining funds be distributed to school districts for identification of gifted students.

(3) Up to \$10,000,000 in each fiscal year to provide additional state aid to school districts, joint vocational school districts, and community schools for the special education catastrophic cost supplement. Permits the Controlling Board to increase the amount if requested.

(3) Same as the Executive.

(4) Up to \$2,000,000 in each fiscal year for Youth Services tuition payments.

(4) Same as the Executive.

(5) Up to \$41,760,000 in FY 2012 and up to \$29,323,000 in FY 2013 to fund the state reimbursement of ESCs.

(5) Same as the Executive, but increases to \$35,323,000 in FY 2013.

(6) Up to \$3,545,752 in each fiscal year to be distributed to ESCs for School Improvement Initiatives.

(6) Same as the Executive.

(7) Up to \$1,000,000 in each fiscal year for the private treatment facility project.

(7) Same as the Executive.

**Executive**

**As Passed by the House**

(8) Up to \$7,522,860 in each fiscal year to support the Cleveland school choice program.

(8) Same as the Executive, but increases to \$12,522,860 in each fiscal year.

(9) An amount to fund joint vocational school districts (JVSDs).

(9) Same as the Executive

(10) No provision.

(10) An amount for supplemental school district funding in each fiscal year.

Earmarks up to \$11,901,887 in each fiscal year of the foundation program funds credited to the Cleveland Municipal School District for the Cleveland school choice program. Earmarks of that amount, up to \$1,000,000 in each fiscal year for the district to provide tutorial assistance.

Same as the Executive

Specifies that GRF appropriation items 200502, Pupil Transportation, 200540, Special Education Enhancements, and 200550, Foundation Funding, other than specific set-asides, are to fund state formula aid obligations. Provides that ODE seek Controlling Board approval to transfer funds among these items, or other GRF appropriation items in which there are excess appropriation, in order to meet these obligations.

Same as the Executive.

**EDUCD56 Property Tax Allocation - Education**

**Section: 267.30.70**

**Section: 267.30.70**

Prohibits the Superintendent of Public Instruction from requesting, and the Controlling Board from approving, the transfer of funds from GRF appropriation item 200901, Property Tax Allocation - Education, to any other appropriation item.

Same as the Executive.

**Executive**

**As Passed by the House**

Specifies that GRF appropriation item 200901, Property Tax Allocation - Education, be used to pay for the state's costs incurred for school districts and JVSDs because of the homestead exemption, the property tax rollback, and reimbursements associated with conversion levies. Appropriates any additional amount needed to fully fund these costs.

Same as the Executive.

**EDUCD57      Teacher Certification and Licensure**

**Section: 267.30.80**

**Section: 267.30.80**

Specifies that GSF Fund 4L20 appropriation item 200681, Teacher Certification and Licensure, be used in each fiscal year to administer and support teacher certification and licensure activities.

Same as the Executive.

**EDUCD58      School District Solvency Assistance**

**Section: 267.30.80**

**Section: 267.30.80**

Specifies that funds in GSF Fund 5H30 appropriation item 200687, School District Solvency Assistance, be used to provide assistance and grants to school districts to enable them to remain solvent. Requires that assistance and grants be subject to the approval of the Controlling Board. Earmarks \$20,000,000 in each fiscal year for the School District Shared Resource Account to make advances to districts that must be repaid. Earmarks \$5,000,000 in each fiscal year for the Catastrophic Expenditures Account to make grants to school districts that need be repaid only if the district receives third party reimbursement funding.

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

Permits the Director of Budget and Management to make cash transfers into the School District Solvency Assistance Fund (Fund 5H30) in each fiscal year from the GRF or any funds used by ODE to maintain sufficient cash balances in the fund. Appropriates any funds so transferred. Requires the Director to notify the Controlling Board of any such transfers.

Same as the Executive.

Permits, if the cash balance of Fund 5H30 is insufficient to pay solvency assistance, and with approval of the Controlling Board, the transfer of cash from the Lottery Profits Education Reserve Fund (Fund 7018) to Fund 5H30 to provide assistance and grants. Appropriates any funds so transferred to Fund 5H30 appropriation item 200670, School District Solvency Assistance - Lottery.

Same as the Executive.

**EDUCD59 Schools Medicaid Administrative Claims**

**Section: 267.30.90**

**Section: 267.30.90**

Authorizes the Director of Budget and Management, at the request of the Superintendent of Public Instruction, to transfer up to \$639,000 in each fiscal year from the GRF to the Schools Medicaid Administrative Claims Fund (Fund 3AF0) used by ODE. Specifies that these funds be used to pay expenses incurred in administering the Medicaid School Component of the Medicaid program.

Same as the Executive.

Requires the Director of Budget and Management on June 1 of each fiscal year, or as soon as possible thereafter, to transfer cash from Fund 3AF0 back to the GRF in an amount equal to that transferred to Fund 3AF0 in that fiscal year.

Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD60      Half-Mill Maintenance Equalization**

**Section: 267.40.10**

Specifies that SSR Fund 5BJ0 appropriation item 200626, Half-Mill Maintenance Equalization, be used to make payments to eligible school districts to equalize districts' half-mill maintenance levies required under the Classroom Facilities Assistance program of the School Facilities Commission to the statewide average wealth level.

**Section: 267.40.10**

Same as the Executive.

**EDUCD61      Auxiliary Services Reimbursement**

**Section: 267.40.20**

Requires that the Treasurer of State transfer, if the unobligated cash balance is sufficient, \$1,500,000 in each fiscal year from the Auxiliary Services Personnel Unemployment Compensation Fund to the Auxiliary Services Reimbursement Fund (Fund 5980) used by ODE.

**Section: 267.40.20**

Same as the Executive.

**EDUCD127      Community School Dropout Programs**

No provision.

**Section: 267.40.20**

Requires the transfer of \$1.0 million in each fiscal year from the Economic Development Programs Fund (5JC0) used by the Board of Regents to the Community School Dropout Programs Fund (Fund 5KK0) to be used to provide funds to community school dropout prevention and recovery programs attributable to enrolled students aged 22 to 29.

**Executive**

**As Passed by the House**

**EDUCD62 Lottery Profits Education Fund**

**Section: 267.40.30**

Specifies that LPE Fund 7017 appropriation item 200612, Foundation Funding, be used in conjunction with GRF appropriation item 200550, Foundation Funding, to provide formula aid payments to school districts.

Requires ODE, with the approval of the Director of Budget and Management, to determine the monthly distribution schedules of items 200550 and 200612.

**Section: 267.40.30**

Same as the Executive.

Same as the Executive.

**EDUCD63 Lottery Profits Education Reserve Fund**

**Section: 267.40.40**

Creates the Lottery Profits Education Reserve Fund (Fund 7018) in the State Treasury. Authorizes the Director of Budget and Management to transfer cash from Fund 7018 to the Lottery Profits Education Fund (Fund 7017) in each fiscal year. Appropriates the transferred amounts.

Requires that the Director of Budget and Management, on July 15 or as soon as possible thereafter following the respective fiscal year, certify the amount by which the lottery profit transfers received by Fund 7017 for FY 2011 exceed \$711,000,000 and for FY 2012 exceed \$717,500,000. Allows the Director to transfer the certified amount, plus the cash balance in Fund 7017 to Fund 7018.

**Section: 267.40.40**

Same as the Executive.

Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD64 School District Property Tax Replacement - Business**

**Sections:** 267.40.50, 267.40.60

Permits the Director of Budget and Management to make temporary transfers between the GRF and the School District Property Tax Replacement - Business Fund (Fund 7047) used by ODE to ensure sufficient balances in Fund 7047 and to replenish the GRF for such transfers.

Specifies that RDF Fund 7047 appropriation item 200909, School District Property Tax Replacement - Business, be used to make direct reimbursement payments to school districts and joint vocational school districts for losses due to the phase-out of tangible personal property taxes.

Appropriates any additional funds determined to be necessary by the Director of Budget and Management.

**Sections:** 267.40.50, 267.40.60

Same as the Executive.

Same as the Executive.

**EDUCD65 School District Property Tax Replacement - Utility**

**Section:** 267.40.60

Specifies that RDF Fund 7053 appropriation item 200900, School District Property Tax Replacement - Utility, be used to make direct reimbursements to school districts and joint vocational school districts for losses incurred due to the reduction of assessment rates on public utility tangible personal property. Appropriates any additional appropriations determined to be necessary by the Director of Budget and Management.

**Section:** 267.40.60

Same as the Executive.

**Executive**

**As Passed by the House**

**EDUCD66**

**Distribution Formulas**

**Section: 267.40.60**

Requires that ODE report to the Director of Budget and Management and the Legislative Service Commission the following changes: (a) changes in formulas for distributing state appropriations; (b) discretionary changes in formulas for distributing federal appropriations; and (c) federally mandated changes in formulas for distributing federal appropriations. Requires these changes be reported two weeks prior to their effective date.

**Section: 267.40.60**

Same as the Executive.

**EDUCD71**

**Earmark Accountability**

**Section: 267.50.20**

Authorizes the Superintendent of Public Instruction to request accountability reports from any entity that receives a budget earmark under ODE's budget.

**Section: 267.50.20**

Same as the Executive.

Executive

As Passed by the House

DASCD35 Health Care Pooling Program/School Employees Health Care Board

R.C. 9.883, 9.90, 9.901, 305.171, 505.60, 505.601, 505.603, 1545.071, 3313.202, Section 701.20

(1) Eliminates the School Employees Health Care Board and transfers the majority of the Board's duties to DAS. Renames the School Employees Health Care Fund the Public Employees Health Care Fund.

(2) Requires DAS to design health insurance plans for political subdivisions, school districts (including educational service centers), and institutions of higher education. Permits any or all of the plans designed by DAS to be self-insured. Requires these plans to incorporate the best practices adopted by DAS. Requires DAS to set employee and employer health care premiums for these plans. Permits health benefits to be provided by those entities until DAS implements these new plans. Requires that any such interim plan for school district employees must contain those best practices established by the School Employees Health Care Board or by DAS.

(3) Requires DAS to determine geographic regions for the availability of providers, networks, costs, and other factors relating to providing health care benefits.

R.C. 9.883, 9.90, 9.901, 305.171, 505.60, 505.601, 505.603, 1545.071, 3313.202, Section 701.20

(1) Replaces the Executive provisions with provisions that (a) completely eliminate the School Employees Health Care Board and the School Employees Health Care Fund; (b) eliminate the requirement that all health care benefits provided to persons employed by public school districts be provided by health care plans that contain best practices established by the Board; and (c) eliminate the provision that allow any board of education member of a school district and his or her dependent children and spouse to be covered under any medical plan designed by the Board.

(2) No provision.

(3) No provision.

Executive	As Passed by the House
(4) Requires DAS to examine those plans currently offered through a consortium of public entities, including the benefits and the strategies of these plans to manage health care costs.	(4) No provision.
(5) Permits such consortiums that are composed of at least 2,500 employees to continue offering health benefit plans to seek permission from DAS to continue offering such plans.	(5) No provision.
(6) Eliminates the Public Schools Health Care Advisory Committee.	(6) Same as the Executive.
(7) Requires DAS to contract with an independent consultant to analyze costs related to employee health care benefits provided by existing entities. Requires the consultant to submit certain written recommendations to DAS for the development of a successful program for pooling purchasing power for the acquisition of employee health care plans.	(7) No provision.
(8) Requires any health care provider that has provided coverage for these entities within the last two years to provide DAS with nonidentifiable aggregate claims data within 30 days of receiving such a request for information from DAS.	(8) No provision.
(9) Requires DAS to develop a request for proposals and to solicit bids for the provision of those plans that it develops. Requires DAS, in consultation with the Superintendent of Insurance and using competitive selection, to contract with one or more insurance companies for the issuance of these plans. Permits all health care benefits for these entities to be provided through these plans.	(9) No provision.

**Executive**

**As Passed by the House**

(10) Prohibits these entities, once the plans developed by DAS are in their final form and are fully implemented, from receiving state aid while being in violation of these provisions.

(10) No provision.

(11) Permits these entities to offer health care benefits to their employees that the entity is currently authorized to offer and that are not covered by DAS's plan.

(11) No provision.

(12) Requires DAS, not later than 12 months after the section's effective date, to submit a report to the General Assembly on the feasibility of providing care plans that cover persons employed by these entities.

(12) Same as the Executive, but requires the report to be submitted by July 1, 2012, instead of 12 month's after the provision's effective date. Specifies that the report applies to public school districts, as well as political subdivisions and institutions of higher education. Requires that (a) DAS consider voluntary and mandatory participation, and (b) the impacts of changes to the existing purchasing structure on existing health care pooling and consortiums.

(13) No provision.

(13) Specifies that no action can be taken regarding health care coverage for employees of political subdivisions, public school districts, and state institutions of higher education without the enactment of a bill by the General Assembly.

**Fiscal effect: Providing pooled health insurance to local governments, school districts, and institutions of higher education may decrease personnel costs for these agencies, if discounts can be achieved through the program. DAS could incur some costs for preparing the report required under the bill.**

**Fiscal effect: DAS could incur some costs for preparing the report required under the bill.**

**Executive**

**As Passed by the House**

**OBMCD1            FY 2011 GRF Ending Balance**

**Section: 512.40**

Requires the OBM Director to transfer cash into the Disaster Services Fund (Fund 5E20) and the Teacher Incentive Program Fund (Fund 5KG0) from the FY 2011 surplus GRF revenue that would otherwise be transferred to the Budget Stabilization Fund (Fund 7013) or the Income Tax Reduction Fund (Fund 4R80). Specifies that half the amount of the FY 2011 surplus GRF revenue be transferred to Fund 5E20 and the other half to Fund 5KG0.

**Section: 512.40**

Same as the Executive, except caps the amount of the transfer to each of Funds 5E20 and 5KG0 at \$25,000,000.

Executive

As Passed by the House

**BORCD78 Distance Learning Clearinghouse**

R.C. 3333.81, 3333.82, 3333.87

Expands the entities required to adopt rules for the distance learning clearinghouse to include the State Board of Education in addition to the Chancellor, and specifies the rules be adopted in consultation with the Director of the Governor's Office of 21st Century Education.

Eliminates a provision permitting the Chancellor to contract with another entity to administer the distance learning clearinghouse.

Requires the eTech Ohio Commission, in consultation with the Chancellor and the State Board of Education, to distribute information about the clearinghouse in an easily understandable format to students and parents.

**Fiscal effect: Increase in administrative costs for eTech for the development and distribution of information about the clearinghouse.**

R.C. 3333.81, 3333.82, 3333.87

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**BORCD79 Distance Learning Clearinghouse Location**

R.C. 3333.81, Section 371.60.70

Specifies that the distance learning clearinghouse is to be located at the Ohio Resource Center for Mathematics, Science, and Reading administered by the College of Education and Human Ecology at The Ohio State University. Requires the College to provide access to its online repository of educational content to offer courses from multiple providers at competitive prices for Ohio students.

R.C. 3333.81, Section 371.60.70

Same as the Executive.

Executive	As Passed by the House
Requires the College to review the content of courses, assess their alignment with Ohio academic standards, and publish information about the degree of alignment.	Same as the Executive.
Requires the College to indicate a reasonable amount of academic credit to be earned for each course. Specifies that schools retain full authority to determine the actual credit awarded to their students.	Same as the Executive.
Specifies that fees charged for courses are to be set by course providers and permits the College to retain a percentage of the fee.	Same as the Executive.
Permits the College to establish policies to protect the proprietary interest or intellectual property of the educational content and courses in the clearinghouse. Permits the College to require end users to agree to the terms of any such policies before accessing the courses.	Same as the Executive.
<b>Fiscal effect: Increase in expenditures for the College offset by fee revenue collected by the College.</b>	<b>Fiscal effect: Same as the Executive.</b>

**BORCD76 Distance Learning Clearinghouse Guidelines**

R.C. 3333.81, 3333.82

Establishes the following guidelines for the distance learning clearinghouse:

- (1) Requires all Ohio students to have access to high quality distance learning courses at any point in their educational careers;
- (2) Requires all students to be able to customize their education using distance learning courses offered through the clearinghouse. Specifies that no eligible student is to be denied access to any course in the clearinghouse;

R.C. 3333.81, 3333.82

Same as the Executive.

(1) Same as the Executive.

(2) Same as the Executive.

**Executive**

**As Passed by the House**

(3) Permits students to take distance learning courses for all or any portion of their curriculum requirements. Permits students to use a combination of distance learning courses and traditional classroom courses;

(3) Same as the Executive.

(4) Permits students to earn an unlimited number of academic credits through distance learning courses;

(4) Same as the Executive.

(5) Permits students to take distance learning courses at any time of the calendar year;

(5) Same as the Executive.

(6) Requires student advancement to be based on a demonstration of subject area competency instead of completion of any particular number of hours of instruction;

(6) Same as the Executive.

**Fiscal effect: Presumably any additional costs related to the clearinghouse will be borne by the Board of Regents and, possibly, The Ohio State University.**

**Fiscal effect: Same as the Executive.**

**BORCD77 Distance Learning Clearinghouse School Involvement**

**R.C. 3333.81, 3333.83, 3333.84, 3333.85, 3313.603**

**R.C. 3333.81, 3333.83, 3333.84, 3333.85, 3313.603**

Replaces a requirement that distance learning students have course enrollment, grades, and credits approved by their district or school with a requirement that each district and school encourage and assist students to enroll in distance learning courses.

Same as the Executive.

Requires that a district or school award a student credit for successful completion of a distance learning course. Requires that the credit awarded for the distance learning course be equal to the credit awarded for a similar course offered by the district or school.

Same as the Executive.

Specifies that districts or schools cannot limit student access to or participation in clearinghouse courses, or

Same as the Executive.

**Executive**

**As Passed by the House**

refuse to recognize clearinghouse courses as fulfilling curriculum requirements, including high school diploma requirements.

Specifies that districts and schools are not required to pay distance learning course fees.

**Fiscal effect: Schools may be able to decrease expenditures by awarding credit for distance learning courses taken by their students instead of courses offered by the school. Presumably, schools may choose to pay course fees for their students, but they are not required to do so.**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**BORCD80 Digital Learning Task Force**

**R.C. 3333.81, Section 371.60.80**

Creates the Ohio Digital Learning Task Force to develop a strategy for the expansion of digital learning that enables students to customize their education, produces cost savings, and meets the needs of Ohio's economy.

Specifies the members of the Task Force as the Chancellor of the Ohio Board of Regents, the Superintendent of Public Instruction, the Director of the Governor's Office of 21st Century Education, and up to six members appointed by the Governor, who represent districts in the top 5% according to the performance index that have demonstrated an ability to incorporate technology into the classroom.

Requires that members of the Task Force be appointed by September 30, 2011. Specifies that Task Force vacancies are to be filled in the same manner as the original appointments. Specifies that members serve without

**R.C. 3333.81, Sections 371.60.80**

Same as the Executive.

Same as the Executive, but permits the Chancellor, the Superintendent, and the Director to send designees; removes the requirement that the Governor's appointees represent school districts in the top 5% of districts according to the performance index; specifies that the Governor's appointees also may represent community schools; and adds two new members - one appointed by the Speaker of the House and one appointed by the Senate President.

Same as the Executive, but changes the deadline for appointment of members to 60 days after the bill's effective date.

**Executive**

**As Passed by the House**

compensation.

Requires the Governor to designate the chairperson of the Task Force. Specifies that meetings of the Task Force are to be held at the call of the chairperson.

Provides a list of issues that the task force is to make recommendations on, including: (1) free, high quality digital content and instruction; (2) professional development for teachers and principals; (3) funding strategies; (4) student assessment and accountability; (5) digital learning infrastructure; (6) mobile learning; (7) the distance learning clearinghouse; (8) ways to align the resources and digital learning initiatives of state agencies and offices; (9) a request for proposals for a digital learning site, to replace the OhioLearns! Gateway; (10) methods of addressing future changes in technology and learning.

No provision.

Requires the Task Force to issue a report to the Governor and the General Assembly by March 1, 2012. Specifies that, upon issuance of its report, the Task Force will cease to exist.

**Fiscal effect: Probable increase in administrative costs relating to the establishment and operations of the task force.**

Same as the Executive.

Same as the Executive, but eliminates (9) and adds methods for removing redundancy and inefficiency in, and providing coordination of, all digital learning programs, including the provision of free online instruction to public and nonpublic schools statewide.

Requires the Task Force to (1) request information from textbook publishers about digital textbooks and digital content distribution methods, (2) examine potential cost savings and academic benefits of using digital textbooks, (3) examine potential academic benefits of utilizing digital content distribution methods, (4) examine digital content pilot programs and initiatives (5) examine any state-level initiatives to provide digital content in Ohio.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

Executive

As Passed by the House

**BORCD75 College Remediation**

**R.C. 3345.061**

Requires the presidents of the state institutions to jointly establish, by December 31, 2012, uniform statewide standards in math, science, reading, and writing for a college student to be considered as having a "remediation-free" status. Allows the presidents also to establish assessments for determining if students meet the standards. Requires the state institutions' boards of trustees or managing authorities to adopt the remediation-free status standard and any related assessments into the institution's policies.

Requires the state institutions annually to report (1) their remediation costs, both in the aggregate and disaggregated according to the school districts from which the students graduated and (2) any other information with respect to remedial courses that the Chancellor considers appropriate.

Requires the Chancellor and the Superintendent of Public Instruction to issue a report no later than December 31, 2011, and annually thereafter, recommending policies and strategies for reducing the need for college remedial courses at state institutions.

**Fiscal effect: Possible increase in administrative expenditures for institutions' creation of statewide standards and the annual report. Possible minimal increase in administrative expenditures for the creation of the annual report by the Chancellor and Superintendent.**

**R.C. 3345.061**

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

Executive

As Passed by the House

LOCCD17

School District Transfers from Bond Retirement Fund

No provision.

R.C. 5705.14

Authorizes school districts to transfer money in a bond fund or bond retirement fund to a specific permanent improvement fund, if the county budget commission determines that the money transferred will not be required to meet the obligations payable from the bond fund or bond retirement fund. (Currently, surplus money in a bond fund must be transferred to the sinking fund or bond retirement fund, and surplus money in a bond retirement fund must be transferred to the sinking fund or, if there is no sinking fund, the surplus may be transferred to any other fund but only if the court of common pleas approves.)

**Fiscal effect: Revenue gain to certain permanent improvement funds if any transfer is made.**