



Ohio Legislative Service Commission

Merilee Newsham

Fiscal Note & Local Impact Statement

Bill: Sub. [H.B. 342 of the 130th G.A.](#)

Date: February 26, 2014

Status: As Reported by Senate Education

Sponsor: Reps. Brenner and Driehaus

Local Impact Statement Procedure Required: No

Contents: Permits educational service centers to join education consortia to apply for Straight A grants, modifies grant goals and program operations, and declares an emergency

State Fiscal Highlights

- There may be a shift in administrative burden from the Auditor of State to the Department of Education as the bill removes the Auditor's responsibility under the Straight A Program related to the return of grant funds.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Auditor of State

The bill removes the responsibility of the Auditor of State to determine if an applicant for a Straight A Program grant fails to implement the agreement with the program's governing board and must, therefore, return grant funds. Presumably, under the bill, this responsibility will be taken up by the governing board, which receives administrative support from the Department of Education (ODE). This provision may result in a shift in administrative burden from the Auditor to ODE.

Educational service centers

Continuing law includes educational service centers (ESCs) in the list of entities eligible for a grant under the Straight A Program. This list also includes public schools and districts, education consortia of public schools and districts, institutions of higher education, and private entities partnering with an educational entity. The bill permits ESCs to be partners in and lead applicants for education consortia seeking grants under the program, as long as at least one of the ESC's client school districts is also included on the grant application as a member of the consortium.

The bill also lowers the maximum amount awarded to single applicants from \$5.0 million to \$1.0 million a year. This change may increase the number and decrease the size of awards or may increase the number of applications from consortia versus single entities. Grants awarded to an education consortium, are limited to \$15.0 million per year, which is unchanged by the bill. The bill also modifies the goals that projects receiving grants under the program must strive to meet to better reflect projects that may be led by an ESC. These provisions may make it easier for a project led by an ESC to qualify for a grant, which could increase competition for the awards. Am. Sub. H.B. 59 appropriates \$100.0 million in FY 2014 and \$150.0 million in FY 2015 for the Straight A Program. The bill's emergency measure makes these modifications immediately effective, which would impact competition for FY 2015 Straight A Program grants.