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## DEPARTMENT OF EDUCATION

### I. School financing

#### Generally

- Specifies a formula amount of \$6,010 for FY 2018 and \$6,020 for FY 2019.
- Adjusts the valuation index used in the "state share index" calculation for FY 2018 or FY 2019 for school districts that satisfy specified criteria related to total taxable value of public utility personal property and total taxable value of power plants.
- Maintains the dollar amounts from FY 2017 for the calculation of all categorical payments for both years of the biennium.
- Increases a multiplier used in the formula for computing capacity aid funds for each city, local, and exempted village school district.
- Provides an additional payment of a "third-grade reading bonus" to each STEM school based on how many of its third grade students score at a proficient level or higher on the English language arts assessment.
- Revises the multiplier used in the transportation funding formula.

#### Caps and guarantees

- For each city, local, and exempted village school district, imposes a cap that restricts the increase in the district's aggregate core foundation funding (excluding career-technical education and associated services funding, graduation bonus, and third grade reading bonus) plus transportation funding as follows:

--If a district has an increase in total ADM between FY 2014 and FY 2016 that is 5.5% or greater in FY 2018 or 6% or greater in FY 2019, restricts the increase to no more than 5.5% of the previous year's state aid for FY 2018 or no more than 6% of the previous year's state aid for FY 2019;

--If a district has an increase in total ADM between FY 2014 and FY 2016 that is between 3% and 5.5% in FY 2018 or between 3% and 6% in FY 2019, restricts the increase to no more than a scaled amount between 3% and 5.5% for FY 2018 or between 3% and 6% for FY 2019;

--For all other districts, restricts the increase to 3% of the previous year's state aid for each fiscal year of the biennium.



- Modifies the cap described above for districts that satisfy specified criteria related to the total taxable value of public utility personal property and the total taxable value of power plants.
- Provides a "cap offset payment" for FY 2018 for districts that are subject to the cap for FY 2018 and receive a combined amount of foundation funding, transportation funding, and fixed rate operating direct reimbursements for FY 2018 that is less than that combined funding for FY 2017.
- For each city, local, and exempted village school district, guarantees an amount of aggregate core foundation funding (excluding career-technical education and associated services funding) plus transportation funding equal to the following for each year of the biennium:
  - If a district has a decrease in total ADM between FY 2014 and FY 2016 that is 10% or greater, 95% of the district's state aid for FY 2017;
  - If a district has a decrease in total ADM between FY 2014 and FY 2016 that is between 5% and 10%, a scaled amount between 95% and 100% of the district's state aid for FY 2017;
  - For all other districts, at least the same amount of state aid for each fiscal year of the biennium as for FY 2017.
- Separately guarantees that each city, local, and exempted village school district receives, for each year of the biennium, at least 100% of the district's career-technical education and associated funding for FY 2017.
- For each joint vocational school district, adjusts the district's aggregate core foundation funding (excluding career-technical education and associated services funding and, in the case of the cap, the graduation bonus) in substantially the same manner as for city, local, and exempted village school districts.

### **Other adjustments**

- Requires the Department of Education to recompute the state funding for each district with a 10% (rather than 5% as under prior law) increase or decrease in the taxable value of all utility tangible personal property subject to taxation in the preceding tax year when compared to the second preceding tax year.
- Repeals two provisions that allow for the recomputation of a school district's state funding due to reductions in the district's property tax base made after the funding was initially computed.



- Requires the Department annually to recommend to the General Assembly a structure to compensate each school district that experiences at least a 50% decrease in public utility personal property valuation from one year to the next for a percentage of the effect that decrease has on the district's foundation funding.

### **Miscellaneous funding provisions**

- Specifies procedures for concluding the operations of the former Straight A Program.
- Requires the Department to submit a report by December 31, 2017, regarding the Straight A Program's operation in FY 2017 and recommendations on projects funded by the Program that warrant consideration for future replication.
- Repeals sections that prescribe the calculation of school districts' capacity measures for the tangible personal property (TPP) reimbursement in the tax code.
- Requires the Department to conduct a study of appropriate funding levels for gifted students and methods of funding for gifted courses and programs and to report its findings and recommendations by May 1, 2018.

## **II. Early childhood education**

### **Preschool program funding and operation**

- Prioritizes early childhood education funding for children who are four years old, but permits remaining funds after October 1 to be used for three-year-old children, upon approval of the Department.
- Permits the Department to create an early childhood education parent choice demonstration pilot program.
- Requires the Department to implement a pilot preschool program in not more than two counties in the state's Appalachian region that funds a total of 125 eligible children in each fiscal year and to collect and review data from the program.

### **Special education preschool staffing**

- Requires a ratio of one full-time staff member for every eight full-day or 16 half-day preschool children eligible for special education enrolled in a center-based preschool special education program.



### **III. College Credit Plus and Early College High School**

#### **Student eligibility**

- Beginning with the 2018-2019 school year, requires a student, as a condition of eligibility for the College Credit Plus (CCP) Program, to either (1) be "remediation-free" on at least one specified assessment, or (2) score within a specified range of the remediation-free threshold and have at least a 3.0 GPA or an advisor's recommendation.
- Requires the college to which a student applies to pay for one assessment used to determine that student's eligibility for the CCP Program.
- Requires the Chancellor of Higher Education, in consultation with the Superintendent of Public Instruction, to adopt rules specifying conditions under which "underperforming" participants may continue participating in CCP.

#### **Payments**

- Permits, rather than requires as under prior law, the Chancellor to approve CCP payments made by the Department of Education under an alternative payment structure to be below the default floor amount.
- Specifies that, under the default payment structure for CCP, the Department must pay the lesser of (1) the default amount or (2) the college's standard rate for an undergraduate course.
- Prohibits payments made by the Department for a CCP course under an alternative payment structure from exceeding the college's standard rate for an undergraduate course.
- Prescribes January 31, for fall participants, and July 31, for spring participants, as the dates by which the Department must make CCP payments to colleges.

#### **Course eligibility**

- Requires the Chancellor, in consultation with the state Superintendent, to adopt rules specifying which courses under the CCP Program are eligible for funding from the Department of Education, and specifies that only courses eligible for funding may be taken under 'Option B' of the Program.



## **Course credit (VETOED)**

- Would have required CCP participants to receive a grade of "C" or better in a CCP course to (1) receive credit for that course, and (2) apply the course toward the high school's graduation and curriculum requirements (VETOED).

## **Appeals and information**

- Changes to whom a student may appeal a principal's decision, with regard to the student's participation in CCP, from the State Board to the district superintendent or governing entity.
- Changes to whom a participant may appeal a dispute, with regard to the granting of credit for CCP courses, from the State Board to the Department of Education.
- Moves the annual deadline, from March 1 to February 1, by which high schools must provide CCP Program information to students in grades 6 through 11.
- Eliminates provisions requiring colleges to notify the state Superintendent of a participant's (1) admission to the college under CCP, (2) courses and hours of enrollment, and (3) chosen participation option ('Option A' or 'Option B').

## **Reports**

- Beginning in 2018 and ending in 2023, requires the Chancellor and state Superintendent to submit an annual report by December 31 to the Governor, Senate President, Speaker of the House, and chairpersons of the House and Senate Education Committees on specified outcomes of the CCP Program.
- Makes the CCP biennial report permissive, rather than mandatory, and limits the data that may be included in the biennial report to only data available through the Higher Education Information System.

## **Early College High School**

- Exempts all Early College High School (ECHS) programs from the requirements of the CCP program, so long as the program meets the modified statutory definition of ECHS programs and is approved by the Chancellor and state Superintendent.
- Revises the definition of ECHS programs and specifies that the programs "prioritize," rather than only include, students who are (1) underrepresented in higher education, (2) economically disadvantaged, or (3) first-generation.



## **IV. Educator licensure and preparation**

### **Elimination of Ohio Teacher Residency Program (VETOED)**

- Would have eliminated the Ohio Teacher Residency Program and would have prohibited current participants from being required to complete the Program or its components (VETOED).

### **Substitutes for educational assistants**

- Authorizes a district superintendent to allow an employee who does not hold an educational aide permit or paraprofessional license to work as a substitute for an educational assistant, so long as the employee's application materials indicate that the employee is qualified to obtain the permit or license.
- Specifies that the employee must (1) apply to the State Board for the permit or license prior to starting work as a substitute and (2) complete a criminal records check for nonlicensed school employees.
- Limits the maximum amount of time that an employee may work as a substitute under this provision to 60 days following the starting date.

### **Other licensure provisions**

- Requires the Department to request fingerprints from licensed educators and applicants for licensure who are not enrolled in the Retained Applicant Fingerprint Database in order to enroll them, and to inactivate a license or reject an application of an educator who does not comply.
- Requires instruction in opioid and other substance abuse prevention to be included in all teacher and school personnel preparation programs.

## **V. Curriculum and graduation credentials**

### **Alternative graduation requirements for Class of 2018**

- Creates the following two alternative graduation pathways for students enrolled in public or chartered nonpublic schools who entered the ninth grade for the first time on or after July 1, 2014, but prior to July 1, 2015 (Class of 2018) in lieu of the continuing law graduation requirements.

--Take all applicable state tests, retake certain low-score end-of-course exams, complete the school district's or school's curriculum, and satisfy two of several



prescribed conditions, including completing a capstone project during the 12th grade and having a 93% attendance rate during the 12th grade.

--Take all applicable state tests, complete the district's or school's curriculum, complete an approved career-technical education training program, and satisfy one of several prescribed conditions, including obtaining an industry-recognized credential.

### **Credit for integrated course content**

- Permits public and chartered nonpublic schools to integrate academic content in subject areas for which the State Board has adopted standards into a course in a different subject area, and to allow a student to receive credit for both subject areas that were integrated into the one course.
- Permits a school to administer a related end-of-course exam to a student upon completion of the integrated course.
- By July 1, 2018, requires the Department of Education, in consultation with the Department of Higher Education and the Governor's Office of Workforce Transformation, to develop guidance on granting integrated credit.

### **Credit through subject area competency**

- Requires the Department to develop a framework for school districts and community schools to use in granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education.
- Requires each district and community school to comply with the framework, beginning with the 2018-2019 school year.

### **Industry-recognized credentials and licenses for graduation**

- By January 1, 2018, requires the state Superintendent, in collaboration with the Governor's Office of Workforce Transformation and business organizations, to establish a committee to develop and update a list of industry-recognized credentials and licenses for high school graduation and state report card purposes.
- Eliminates the State Board's responsibility to approve industry-recognized credentials and licenses.



## **OhioMeansJobs-Readiness Seal**

- Requires the state Superintendent to establish the OhioMeansJobs-Readiness Seal which must be attached or affixed to the diplomas and transcripts of students enrolled in a public or chartered nonpublic school who satisfy specified requirements.

## **Regional workforce collaboration model**

- Requires the Governor's Office of Workforce Transformation, the Department, and the Chancellor to develop a regional workforce collaboration model to provide career services to students by December 31, 2017.
- Requires the Office to oversee the creation of regional workforce collaboration partnerships.

## **Pre-apprenticeship training programs**

- Requires the Departments of Education and Job and Family Services to establish an option for career-technical education students to participate in pre-apprenticeship training programs that impart skills and knowledge for successful participation in a registered apprenticeship occupation course.

## **VI. State assessments**

### **Elementary social studies assessments**

- Eliminates the state fourth- and sixth-grade social studies assessments.
- Requires each school district or school to teach and assess social studies in at least the fourth and sixth grades.
- Requires any social studies assessment to be determined by the district or school and permits the assessment to be formative or summative in nature.
- Prohibits reporting to the Department the results of any social studies assessment used by a district or school.

### **Exemption from state testing and graduation requirements (VETOED)**

- Would have conditionally exempted from the requirements to (1) take state high school assessments and (2) complete a graduation pathway, students who are enrolled in a chartered nonpublic school in which at least 75% of students are children with disabilities receiving special education services (VETOED).



## **Release of achievement test questions**

- Beginning with the 2017-2018 school year, requires that 40% of questions from each state elementary achievement assessment and high school end-of-course exam become public records.
- Prohibits the release in 2017 of any questions from the elementary English language arts and math assessments administered in the 2015-2016 school year.

## **Paper and online administration of state assessments (VETOED)**

- Would have permitted public and chartered nonpublic schools to administer the state achievement assessments in a paper format or a combination of online and paper formats (VETOED).

## **Kindergarten readiness diagnostic assessments**

- Permits school districts to administer the selected response and performance task items portion of the kindergarten readiness diagnostic assessment up to two weeks prior to the first day of the school year.

## **VII. Community schools**

### **Community school sponsor evaluation system (PARTIALLY VETOED)**

- Would have prohibited the Department from assigning an automatic overall rating to a community school sponsor based solely on the sponsor receiving an equivalent score of "0" points on one or more individual components not including academic performance (VETOED).
- Would have specified that a sponsor's overall rating is a cumulative score of the individual components of the evaluation system, unless a sponsor receives a "0" on the academic performance component (VETOED).
- Would have required the Department to weight the "Progress" component of the state report card at 60% of the total score for the academic performance component that comprises the community school sponsor evaluation system (VETOED).
- Requires the Department annually, by July 15, to post a description of the evaluation system and specifies that any changes after that date take effect the following rating period.
- Requires the Department to make the annual training on the evaluation system available by July 15.



- Changes, from October 15 to November 15, the final date by which the sponsor ratings must be published.

### **Review process for community school sponsor ratings**

- Establishes a process by which community school sponsors may review and request adjustments to the calculations of specified components that comprise the community school sponsor evaluation system.

### **Exception to revocation of sponsorship authority (VETOED)**

- Would have permitted a sponsor whose sponsorship authority was revoked because it received an overall rating of "poor" on its 2015-2016 evaluation, but who received at least a score of "3" or a "B" for that evaluation's academic performance component, to renew sponsorship of its schools for the 2017-2018 school year (VETOED).
- Would have permitted that sponsor to continue sponsoring its schools for the 2018-2019 school year, if, for 2017-2018, the sponsor received at least a score of "3" or a "B" (or an equivalent score) on the academic performance component and an overall rating of at least "ineffective" (VETOED).

### **ESC community school sponsors (VETOED)**

- Would have permitted an educational service center (ESC) that sponsors community schools and has a sponsor rating of "effective" or higher to sponsor a community school regardless of whether the school is located in a county within the ESC's territory or a contiguous county (VETOED).

### **Access to community school student data codes**

- Permits the Department to have access to information that would enable student data verification codes to be matched to personally identifiable student data for the purpose of making per-pupil payments to community schools under the school funding formula.

### **Dividing an e-school**

- Beginning in the 2018-2019 school year, authorizes the governing authority of an Internet- or computer-based community school (e-school) meeting specified criteria to divide the school into two or three separate schools and establishes limitations and requirements for each.
- Requires that all resulting schools be included in the calculation of the academic performance component for sponsor ratings.



- Requires the Department to issue a report card for each resulting school, which counts toward closure of the school and any other matter based on report card ratings or measures without the two-year grace period that applies to other new community schools.

### **Automatic withdrawals from online public schools**

- Revises a provision requiring that a public online school, including an e-school, to withdraw from its enrollment a student who fails to take any state achievement assessment for two consecutive school years to specify the consecutive years are of the student's enrollment in that particular school.

## **VIII. STEM and STEAM schools**

### **STEAM schools, equivalents, and programs of excellence**

- Authorizes the creation of science, technology, engineering, arts, and mathematics (STEAM) schools, equivalents, and programs of excellence, which are types of STEM schools, equivalents, or programs of excellence.
- Permits STEM and STEAM schools and equivalents to offer all-day kindergarten in the same manner as school districts, to conform with provisions of continuing law that permit STEM schools and equivalents to offer any of grades K-12.

### **Tuition for out-of-state students**

- Permits a STEM or STEAM school to determine the tuition to charge a student who is not an Ohio resident, so long as the tuition is at least the minimum amount the school receives for a student who is an Ohio resident.

### **Access to school district property**

- Adds STEM schools (and, by reference, STEAM schools) to the list of those public schools that must be offered the right of first refusal when a school district decides to sell real property or is required to offer for sale or lease unused property.

## **IX. Scholarship programs**

### **Application periods for Ed Choice income-based scholarships**

- By May 31 each year, requires the Department to determine whether funds remain available for income-based scholarships under the Educational Choice (Ed Choice) Scholarship Program after the first application period.



- Specifies that the Department need not conduct a second application period for the income-based expansion of the Program if the scholarships awarded in the first application period use the entire amount appropriated for that school year.

### **Jon Peterson Scholarship deadline**

- Removes the application periods and deadlines under the Jon Peterson Special Needs Scholarship Program, and instead requires the Department to prescribe a procedure whereby scholarships are awarded "upon application."
- Prohibits the Department from adopting specific deadline dates for the Peterson Scholarship.

### **Cleveland Scholarship maximums**

- Increases the maximum amount that may be awarded under the Cleveland Scholarship Program for students in grades K-8 to \$4,650 and for students in grades 9-12 to \$6,000.

## **X. Other education provisions**

### **Adult Diploma Pilot Program**

- Requires an entity other than the Department to make full or partial payments for a student participating in the Adult Diploma Pilot Program, if the state Superintendent and the Chancellor determine that it is appropriate for that entity to make those payments.

### **Auxiliary Services funds**

- Adds to the list of permitted uses of Auxiliary Services funds (1) language and academic support services for English language learners and (2) procurement of certain security services.
- Requires the Department to pay Auxiliary Services funds directly to each chartered nonpublic school that does not have: (1) a religious affiliation, or (2) a curriculum or mission that contains any religious content or activities.

### **Chartered nonpublic school reporting**

- Requires each chartered nonpublic school to publish on its website the number of enrolled students and its policy regarding background checks for employees and for volunteers who have direct contact with students.



## **Review of FTE manual (VETOED)**

- Would have required the Department's manual for review and audit of full-time equivalency enrollment reporting by public schools to be approved by the Joint Education Oversight Committee before it could be used (VETOED).

## **Payments for students in residential facilities**

- For a special education student served by a school district other than the one in which the student's parent resides because the student is placed in a residential facility, permits a tuition payment in the same manner as for a nondisabled student under continuing law.
- Permits the district educating a special education student in the residential facility to choose whether to receive a tuition payment for the student (as authorized under the act) or to receive an excess costs payment (as authorized under continuing law).

## **Unvoted debt for alternative fuel vehicles**

- Permits a school district, subject to approval of the Facilities Construction Commission, to incur unvoted debt to finance the purchase of new alternative fuel vehicles or vehicle conversions, in an amount up to  $\frac{1}{10}$  of 1% of the district's tax valuation.

## **Summer food service**

- Requires a school district that provides summer academic intervention services and that opts out of offering summer food service in a school in which at least half of the students are eligible for free lunches to allow an approved summer food service program sponsor to use the school's facilities.

## **Reporting victims of student violence**

- Beginning July 1, 2018, requires the guidelines for the statewide education management information system (EMIS) to require the data maintained by the system to include an identification of the person or persons at whom a student's violent behavior that resulted in discipline was directed.
- Requires the Department to prepare a report of this information for the first two school years and submit it to the General Assembly by October 1, 2020.
- Eliminates the requirement to include this information in the system or guidelines beginning two years following the submission of the Department's report.



## **International students in interscholastic athletics**

- Authorizes international students who attend certain elementary or secondary schools in Ohio and who hold an F-1 U.S. visa to participate in interscholastic athletics on the same basis as Ohio residents.
- Prohibits the international students from being denied the opportunity to participate in interscholastic athletics solely because the student's parents do not reside in Ohio.

## **Sudden cardiac arrest in youth athletics**

- Reduces the frequency with which a student or youth athlete must submit the consent form regarding sudden cardiac arrest guidelines to once each year, instead of once for each activity in which the athlete participates each year.

## **Sunscreen in schools**

- Prohibits a school district from requiring in its medication policy written authorization from a health care provider in order to administer sunscreen to a student.
- Permits a student to possess and self-administer sunscreen without written authorization from a health care provider while on school property or at a school-sponsored event.
- Permits a school to include in its policy the requirement for parental authorization for the possession or administration of sunscreen.

## **Betel nut substances in schools**

- Prohibits the use or possession of any substance containing betel nut in any area under the control of, or at any activity supervised by, a school district or educational service center.

## **Other provisions**

- Permits the Governor, President of the Senate, and Speaker of the House to each nominate three individuals to apply to be participants in the Bright New Leaders for Ohio Schools Program.
- Removes a provision that specified that state financial support for the nonprofit corporation that implements the Bright New Leaders for Ohio Schools Program would cease June 30, 2018.



- Prohibits a school district that has not entered into an agreement with an educational service center as of June 30, 2017, from doing so until June 30, 2019.
- Indefinitely extends the authority of the mayor who appoints a municipal school district board (Cleveland) to establish and retain the district's transformation alliance.
- From September 29, 2017, to October 1, 2021, prohibits transfer of nonresidential territory from one school district to another without approval of both district boards, if they are parties to an annexation ("win/win") agreement, unless one of the district's territory overlaps with a "new community authority" created before 1993.
- Extends to December 31, 2019, the expiration of a provision that permits a school district to offer priority to purchase an athletic field to the chartered nonpublic school that is the field's current leaseholder.
- Requires the Joint Education Oversight Committee to develop legislative recommendations for creating a joint transportation district pilot program.
- Repeals a law that required the Department to establish a clearinghouse of information regarding the identification of and intervention for at-risk students.
- Specifies that bid bonds are not required for the purchase of school buses.
- Exempts the following from the requirement to complete school employee training in the use of an automated external defibrillator:
  - Substitute teachers;
  - Adult education instructors who are scheduled to work less than the full-time equivalent of 120 days per school year; and
  - Persons who are employed on an as-needed, seasonal, or intermittent basis, so long as they are not employed to coach or supervise interscholastic athletics.
- Specifies that the employers of minors participating in a STEM program approved by the Department or any eligible classes through the College Credit Plus Program that meet specified requirements are exempt from the state minor labor law.
- Requires the state Superintendent, in consultation with the Governor's Executive Workforce Board, to establish standards for the operation of school district and educational service center business advisory councils.



- Limits the ability of an unclassified Department employee to receive payment on separation of employment for sick leave accumulated while employed by a school district to an employee who began employment with the Department before October 1, 2017.
- Permits the Department's Supervisor of Agricultural Education to serve as the chair of the board of trustees of the Ohio FFA Association and to assist with the Association's programs and activities.
- Requires the state Superintendent to establish a workgroup on related services personnel for improving coordination of state, school, and provider efforts to address the related services needs of students with disabilities.

## **I. School financing**

(R.C. 3314.08, 3316.20, 3317.01, 3317.013, 3317.014, 3317.017, 3317.02, 3317.021, 3317.022, 3317.025, 3317.028, 3317.0212, 3317.0218, 3317.16, 3317.27, 3326.33, 3326.41, and 5709.92; repealed R.C. 3317.018, 3317.019, 3317.026, and 3317.027; Sections 265.210, 265.220, 265.230, 265.480, and 265.511)

H.B. 59 of the 130th General Assembly (the general operating budget act for the FY 2014-2015 biennium) enacted a new system of financing for school districts and other public entities that provide primary and secondary education, which was subsequently amended by H.B. 64 of the 131st General Assembly (the general operating budget act for the FY 2016-2017 biennium). This system specifies a per-pupil formula amount and then uses that amount, along with a district's "state share index" (which depends on valuation and, for some districts, on median income), to calculate a district's base payment (called the "opportunity grant"). The system also includes payments for targeted assistance (based on a district's property value and income) and supplemental targeted assistance (based on a district's percentage of agricultural property), categorical payments, a capacity aid payment, and payments for a graduation bonus, a third-grade reading bonus, and student transportation.

The act makes changes to the financing system as described below and applies these changes to the core foundation funding formulas for city, local, and exempted village school districts, joint vocational school districts, community schools, and STEM schools. For a more detailed description of the act's school funding system, see the LSC Greenbook for the Department of Education and the LSC Comparison Document for the act. From the LSC home page, [www.lsc.ohio.gov](http://www.lsc.ohio.gov), click on "Budget Central," then on



"Main Operating – HB 49," and then on "EDU" under "Greenbooks" or on "Comparison Document."

Note, as used below, "ADM" means average daily membership. The Department of Education uses the student enrollment that a district must report three times during a school year to calculate a district's average daily membership for the specific purposes or categories required for the funding system, including a district's "formula ADM" and "total ADM."<sup>58</sup>

## **Formula amount**

(R.C. 3317.022)

The act specifies a formula amount of \$6,010 for FY 2018 and \$6,020 for FY 2019. That amount is used to calculate a district's base payment (the "opportunity grant") and various other payments. (The formula amount for FY 2017 was \$6,000.)

## **State share index**

(R.C. 3317.017)

For FY 2018 or 2019, the act adjusts the valuation index used in the "state share index" calculation for eligible school districts by replacing a district's "three-year average valuation" with its total taxable value for the most recent tax year for which data is available, if that value is less than the three-year average valuation. For purposes of this adjustment, an "eligible school district" is one that satisfies all of the following:

(1) The total taxable value of public utility personal property in the district is at least 10% of the district's total taxable value for the tax year immediately preceding the most recent tax year for which data is available.

(2) The total taxable value of public utility personal property in the district for the most recent tax year for which data is available is at least 10% less than the total taxable value of public utility property in the district for the tax year immediately preceding the most recent tax year for which data is available.

(3) The total taxable value of power plants in the district for the most recent tax year for which data is available is at least 10% less than the total taxable value of power plants in the district for the tax year immediately preceding the most recent tax year for which data is available.

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<sup>58</sup> R.C. 3317.03, not in the act.



If a district satisfies this criteria for FY 2018 but does not satisfy it for FY 2019, the act requires the district's "state share index" for FY 2019 to be the same as it was for FY 2018.

The "state share index" is an index that depends on valuation and, for districts with relatively low median income, on median income. Continuing law adjusts the index for school districts where 30% or more of the potential taxable valuation is exempted from taxation, which reduces the qualifying districts' three-year property valuation in the formula, and, thereby, increases their calculated core funding. The "state share index" is a factor in the calculation of the opportunity grant, special education funds, catastrophic cost for special education students, kindergarten through third grade literacy funds, limited English proficiency funds, career-technical education and associated services funds, the graduation bonus, the third-grade reading bonus, and transportation funds for city, local, and exempted village school districts.

### **Categorical payments**

(R.C. 3314.08, 3317.013, 3317.014, 3317.02, 3317.022, 3317.16, and 3326.33)

The act maintains, for both years of the biennium, the dollar amounts from FY 2017 for the calculation of all categorical payments (special education, kindergarten through third grade literacy, economically disadvantaged students, limited English proficiency students,<sup>59</sup> gifted identification, gifted coordinator and intervention specialist units,<sup>60</sup> and career-technical education and associated services).

School districts, community schools, and STEM schools receive all of these payments with the exception of kindergarten through third grade literacy funding (which is not paid to joint vocational school districts) and gifted identification and unit funding (which is not paid to joint vocational school districts, community schools, and STEM schools).

### **Capacity aid**

(R.C. 3317.0218)

The act increases a multiplier used in the formula for capacity aid for city, local, and exempted village school districts to 4.0 (from 3.5 under prior law). This payment is based on how much revenue one mill of taxation will generate for the district.

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<sup>59</sup> R.C. 3317.016, not in the act.

<sup>60</sup> R.C. 3317.051, not in the act.



## Third-grade reading bonus for STEM schools

(R.C. 3326.41(B)(2))

The act provides an additional payment of a "third-grade reading bonus" to each STEM school based on how many of its third grade students score at a proficient level of skill or higher on the school's most recent administration of the English language arts assessment. This change corresponds with amendments to the law at the end of the 131st General Assembly that authorized STEM schools to enroll students in any of grades K-12, rather than any of grades 6-12. By reference, it also will apply to STEAM schools as newly authorized by the act. (Law unchanged by the act also provides for the payment of this bonus to each city, local, and exempted village school district<sup>61</sup> and community school.<sup>62</sup>)

## Transportation funding

(R.C. 3317.0212)

The act specifies that a school district's transportation funding must be calculated using the following multiplier:

- (1) For FY 2018, the greater of 37.5% or the district's state share index;
- (2) For FY 2019, the greater of 25% or the district's state share index.

Under prior law, this multiplier was the greater of 50% or the district's state share index.

The multiplier reduces a district's total transportation funding to account for the amount attributable to the district's contribution to the total.

Additionally, the act maintains the formula used for calculating a district's transportation supplement payment for FY 2017, which is based on the district's rider density (the total ADM per square mile).

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<sup>61</sup> R.C. 3317.0216, not in the act.

<sup>62</sup> R.C. 3314.085(B)(2), not in the act.



## **Payments prior to the act's effective date**

(Section 265.210)

As with the past two biennial budget acts, the act requires the Superintendent of Public Instruction, prior to September 29, 2017, to make operating payments in amounts "substantially equal" to those made in the prior year, "or otherwise," at the Superintendent's discretion.

## **Payment caps and guarantees**

(Sections 265.220, 265.230, and 265.233)

### **Cap for city, local, and exempted village school districts**

The act adjusts a city, local, or exempted village school district's aggregate amount of core foundation funding and transportation funding by imposing a cap that restricts the increase in the aggregate funding over the previous year's state aid to no more than 3% of the previous year's state aid for each fiscal year of the biennium, except as follows:

--If the district has an increase in total ADM between FY 2014 and FY 2016 that is 5.5% or greater in FY 2018 or 6.0% or greater in FY 2019, the district's increase in aggregate funding is restricted to no more than 5.5% of the previous year's state aid for FY 2018 or no more than 6% of the previous year's state aid for FY 2019;

--If the district has an increase in total ADM between FY 2014 and FY 2016 that is between 3% and 5.5% in FY 2018 or between 3% and 6% in FY 2019, the district's increase in aggregate funding is restricted to no more than a scaled amount between 3% and 5.5% of the previous year's state aid for FY 2018 or no more than a scaled amount between 3% and 6% of the previous year's state aid for FY 2019.

For purposes of this computation, "core foundation funding" does not include career-technical education and associated services funding, the third-grade reading bonus, and the graduation bonus.

### **Modification of cap for eligible districts**

If a district is an "eligible school district" for purposes of the state share index adjustment described above, the act modifies that district's cap so that the district receives the greater of the following:

- (1) The amount calculated for the district under the cap described above; or
- (2) The lesser of:



(a) The district's aggregate core foundation funding and transportation funding for the current fiscal year; or

(b) The district's previous year's state aid plus the district's taxes charged and payable on all real and public utility property for tax year 2015 minus the district's taxes charged and payable on all real and public utility property for tax year 2016.

#### **Cap offset for certain districts**

The act provides a "cap offset payment" for FY 2018 for city, local, and exempted village school districts that are subject to the cap for FY 2018 and receive a combined amount of foundation funding, transportation funding, and fixed rate operating direct reimbursements for FY 2018 that is less than that combined funding for FY 2017. This payment is equal to the lesser of the following:

(1) The amount by which the district's foundation funding is capped for FY 2018;  
or

(2) The difference between the district's combined amount of foundation funding, student transportation funding, and fixed rate operating direct reimbursements for FYs 2017 and 2018.

#### **Guarantee for city, local, and exempted village school districts**

A district's core foundation funding and student transportation funding is further adjusted by guaranteeing that the district receives at least the same amount of state aid for each fiscal year of the biennium as for FY 2017, except as follows:

--If the district's percentage change in total ADM between FY 2014 and FY 2016 is a decrease of 10% or more, the district is guaranteed, for each fiscal year of the biennium, 95% of the district's state aid for FY 2017;

--If the district's percentage change in total ADM between FY 2014 and FY 2016 is a decrease between 5% and 10%, the district is guaranteed, for each fiscal year of the biennium, a scaled amount between 95% and 100% of the district's state aid for FY 2017.

For purposes of this computation, "core foundation funding" does not include career-technical education and associated services funding.

However, the act separately guarantees that a city, local, and exempted village school district receives, for each year of the biennium, at least 100% of the district's career-technical education and associated funding for FY 2017.



## **Cap and guarantee for joint vocational school districts**

The act adjusts a joint vocational school district's aggregate amount of core foundation funding (excluding career-technical education and associated services funding and, in the case of the cap, the graduation bonus) in substantially the same manner as it does for city, local, and exempted village school districts. The act does not, however, provide a cap offset payment or separately guarantee career-technical education funding for JVSDs.

## **Newly established joint vocational school districts**

The act also requires the Department to adjust, as necessary, the transitional aid guarantee and cap bases of school districts that participate in the establishment of a joint vocational school district that first begins receiving core foundation funding in FY 2018 or FY 2019 and to establish, as necessary, the guarantee and cap bases of the new joint vocational school district as an amount equal to the absolute value of the sum of the associated adjustments for the participant school districts.

## **School funding adjustments**

(R.C. 3317.028; repealed R.C. 3317.026 and 3317.027; conforming changes in R.C. 3316.20, 3317.01, 3317.021, and 3317.025)

## **Recomputations due to utility TPP increases or reductions**

The act requires the Department to recompute, for each fiscal year, the state aid of each city, local, and exempted village school district with a 10% (rather than 5% under prior law) increase or decrease in the taxable value of all utility tangible personal property (TPP) subject to taxation in the preceding tax year when compared to the second preceding tax year. The recomputation must occur after the Tax Commissioner determines, no later than May 15 of each calendar year, which districts satisfy this criterion and certifies specified information regarding each district's increase or decrease to the Department and the Office of Budget and Management.

In performing the recomputation, the Department must replace the "three-year average valuations" used throughout the school funding formula with the "total taxable value for the district in the preceding tax year," as certified by the Commissioner. The act also specifies that, for purposes of the recomputation, the Department must not apply any funding limitations enacted by the General Assembly. (Formerly, the practice of the Department was to adjust the three-year average valuation by decreasing or increasing the total taxable value of one tax year, recompute the three-year average valuation, and use that three-year average valuation for the recomputation of the funding formula.)



Under the act, the Department must pay to or deduct from each district for which a recomputation is performed the *lesser* of the following:

(1) The difference between the district's state aid prior to the recomputation and the district's recomputed state aid; or

(2) The increase or decrease in taxes charged and payable on the district's total taxable value for the preceding tax year and the second preceding tax year.

However, the Department is prohibited from either making a payment to a district that experiences an increase in the taxable value of the utility TPP or deducting funds from a district that experiences a decrease in the taxable value of the utility TPP. Under prior law, this payment or deduction was equal to one-half of the difference between the district's state education aid prior to the recomputation and the district's recomputed state aid.

### **Recomputations due to property tax base reductions**

The act also repeals two provisions that allow for the recomputation of a school district's state funding due to adjustments made in the district's property tax base after the funding was initially computed. The recomputations take into account reductions in property value that (a) result in tax refunds of more than 3% of a district's current expense tax revenue and (b) arise from property owner complaints, late current agricultural use value (CAUV) determinations, and retroactive tax exemptions. The act eliminates a certification by the Tax Commissioner of changes in the taxable value of public utility property made for the purposes of the recomputation described in (a).

### **Recommendations for compensating districts for valuation losses**

(R.C. 3317.27)

The act requires the Department, on an annual basis, to recommend to the General Assembly a structure to compensate each city, local, exempted village, and joint vocational school district that experiences at least a 50% decrease in public utility personal property valuation from one year to the next for a percentage of the effect that decrease has on the district's state funding. This payment structure must consider the effect the valuation decrease has on the amount of state funding received by the district and any temporary transitional aid or payment limitations imposed by the General Assembly that apply to the district.



## **Straight A Program**

(Section 265.511)

The act specifies procedures for concluding the operations of the Straight A Program created by the 2013 budget act and reauthorized in 2015. Those procedures include requirements for spending the remaining grant funds, oversight of that spending by the Department, and transferring records to the Department.

Additionally, the Department must submit a report on the Program by December 31, 2017, to the Governor, Speaker of the House, President of the Senate, and chairpersons of the House and Senate Education committees regarding the types of grants awarded, the grant recipients, and the effectiveness of the Program in FY 2017. This report must include recommendations on projects previously funded by the Program that warrant consideration for future replication.

## **School district TPP reimbursement**

(Repealed R.C. 3317.018 and 3317.019)

The act repeals sections of the school funding law that prescribe the calculation of school districts' capacity measures for the tangible personal property (TPP) reimbursement in the tax code. These calculations were performed once, in FY 2016, for purposes of the TPP reimbursement. (These sections are no longer used for any calculations in the school financing system.)

## **Gifted funding study**

(Section 265.480)

The act requires the Department to conduct a study to determine the appropriate amounts of funding for each category and sub-category of students identified as gifted, as well as the most appropriate method for funding gifted education courses and programs. The study must include costs for effective and appropriate identification, staffing, professional development, technology, materials, and supplies at the district level. In conducting the study, the Department must emphasize adequate funding and delivery of services for smaller, rural school districts, including statewide support needed for this population.

The Department must report its findings and recommendations by May 1, 2018, to the Governor, the President of the Senate, the Speaker of the House, the Director and members of the Joint Education Oversight Committee, and the members of the House and Senate primary and secondary education committees of the Senate and House.



## **II. Early childhood education**

### **Preschool funding and operation**

(Section 265.20)

The act appropriates from the GRF \$68.1 million in each of FY 2018 and 2019 to fund early childhood programs at public and private schools for children whose family incomes are not more than 200% of the federal poverty guidelines. Under the act, the Department must distribute funds directly to providers on behalf of eligible children. Qualifying providers are school districts (including joint vocational school districts), educational service centers, community schools sponsored by "exemplary" sponsors, chartered nonpublic schools, and licensed childcare providers that meet at least the third highest tier of the Step Up to Quality Program developed by the Department of Job and Family Services.

The act prioritizes funding for children who are at least four years old but not yet eligible for kindergarten. However, on October 1 of each fiscal year, providers with funds remaining may seek approval from the Department to consider qualified three-year-old children eligible for funding.

The act permits the Department to use up to 2% of the appropriated amount for program support and technical assistance.

#### **Early childhood education parent choice pilot**

The act permits the Department to designate one or more geographical areas in which to operate the parent choice demonstration pilot program. The Department may consider designating areas with multiple providers of high-quality early childhood education programs that have a capacity to serve additional eligible children to identify potential obstacles to implementing a parent choice model. Parents may choose a program from among all providers within the pilot project area.

The act allows the Department to expand the definition of "eligible child" for purposes of the pilot program to include a child who is at least three years old as of the district entry date for kindergarten and has one or more additional risk factors including, but not limited to (1) "exited Help Me Grow Home Visiting," (2) "exited Early Intervention and not eligible for preschool special education," or (3) currently placed in foster care.

Finally, the act requires the Department of Education to collaborate with the Departments of Job and Family Services, Developmental Disabilities, Health, and Mental Health and Addiction Services in establishing the pilot program. The



Department of Education may select a nonstate entity, including an educational service center, a county department of job and family services, a childcare resource and referral agency, or a county family and children first council, to partner with on the pilot program.

### **Early childhood education pilot in Appalachia**

The act requires the Department to implement an early childhood education pilot program in not more than two counties in the state's Appalachian region. A portion of the funding for early childhood education is to be distributed to existing or new providers to serve a total of 125 eligible children in each fiscal year. The Department must collect and review data from the participating programs on at least the following: (1) the number of eligible children served under the pilot program and the amount of funding distributed under the program that was not used, (2) the developmental progress of eligible children served under the program, and (3) the program's identified challenges and successes in enrolling and serving preschool children.

### **Special education preschool staffing**

(R.C. 3323.022)

The act requires the rules of the State Board of Education regarding staffing ratios for preschool children with disabilities to require one full-time staff member for every eight full-day or 16 half-day preschool children enrolled in a center-based preschool special education program. That ratio must be maintained at all times for a program with a center-based teacher and a second adult must be present when there are nine or more children, including nondisabled children enrolled in a class session.

## **III. College Credit Plus and Early College High School**

### **College Credit Plus (CCP) Program**

(R.C. 3365.01, 3365.02, 3365.03, 3365.04, 3365.05, 3365.06, 3365.07, 3365.091, 3365.10, 3365.12, and 3365.15; Section 733.20; conforming change in R.C. 3301.0712)

The act makes several changes to the College Credit Plus (CCP) Program. The CCP Program allows high school students to enroll in nonsectarian college courses to receive high school and college credit. CCP courses may be taken at any state institution of higher education or participating private or out-of-state college or university.



## **Student eligibility**

(R.C. 3365.03; Section 733.20)

Students enrolled in public and nonpublic high schools, as well as home-instructed students, are eligible to participate in the CCP Program. Additionally, seventh and eighth grade students may participate in the same manner as high school students.

Beginning with students seeking to participate in the Program for the 2018-2019 school year, the act requires that a student, as a condition of eligibility and prior to participation, either:

(1) Be considered "remediation-free" on one of the assessments established by the college presidents for the purpose of determining a student's remediation-free status; or

(2) Score within one standard error of measurement below the remediation-free threshold for one of those assessments *and* either (a) have a cumulative GPA of at least 3.0 or (b) receive a recommendation from a school counselor, principal, or career-technical program advisor.

Additionally, the act requires the student to meet the college's established standards for enrollment (in addition to the college's standards for admission and course placement, as under continuing law), as well as the relevant academic program's established standards for admission, enrollment, and course placement.

The act's eligibility conditions first apply to students seeking to participate in CCP for the 2018-2019 school year. Students seeking to participate in 2017-2018 remain subject to the former eligibility requirements.

### **Cost of eligibility assessments**

(R.C. 3365.03)

Beginning with students seeking to participate during the 2018-2019 school year, the act requires the college to which the student applies to pay for one assessment to determine that student's eligibility for the Program (see above). However, for any additional eligibility assessment, the student is financially responsible.

## **Eligibility of underperforming participants**

(R.C. 3365.091)

The act requires the Chancellor of Higher Education, in consultation with the state Superintendent, to adopt rules specifying the conditions under which an underperforming participant may continue to participate in the CCP Program.

The rules must address at least the following:

- (1) The definition of an "underperforming participant";
- (2) Any additional conditions for participants with repeated underperformance to satisfy;
- (3) The timeframe for notifying an underperforming participant who is determined to be ineligible;
- (4) Mechanisms available to assist underperforming participants;
- (5) The role of school guidance counselors and college academic advisors in assisting underperforming participants;
- (6) If an underperforming participant is determined to be ineligible for participation, any consequences that ineligibility may have on the student's ability to complete the high school's graduation requirements; and
- (7) The school year for which implementation of the rules first apply.

When developing the rules, the Chancellor must establish a process to receive input from public and private high schools and colleges, as well as other interested parties.

## **Payments by the Department**

Under continuing law, each student may choose to participate in the CCP Program under 'Option A' (the student is responsible for all costs related to participation) or 'Option B' (the state, through the Department of Education, pays the college on the student's behalf). If participating under 'Option B,' the amount of state payments depends upon several factors, including the type of high school and college in which the participant is enrolled, how the participant receives instruction, and whether the high school and college are operating under the default payment structure or an agreement specifying an alternative payment structure.



## **Payment amounts**

(R.C. 3365.01 and 3365.07; conforming change in R.C. 3301.0712)

The act modifies several payment amounts under the CCP Program. First, for agreements specifying an alternative payment structure, it gives the Chancellor discretion whether to approve payments below the default floor amount (about \$42 per credit hour for the biennium), if the agreement complies with all other programmatic requirements. Prior law required the Chancellor to approve payments below the default floor if all other requirements were met.

Additionally, the act specifies that, if the college's standard rate (see below) is less than the default amount, the Department instead must pay the standard rate. Essentially, it prohibits payments made by the Department for a CCP course, under either the default or the alternative payment structure, from exceeding the college's standard rate. "Standard rate" is defined under the act as "the amount per credit hour assessed by the college for an in-state student who is enrolled in an undergraduate course at that college, but who is not participating in the CCP Program, as prescribed by the college's established tuition policy."

## **Payment dates**

(R.C. 3365.07)

Except in cases involving incomplete or disputed participant information, the act prescribes the following dates by which the Department must make payments to colleges for CCP participants:

- (1) January 31, for fall participants; and
- (2) July 31, for spring participants.

Continuing law requires payments for summer participants to be made each September, "or as soon as possible thereafter."<sup>63</sup>

## **Courses eligible for funding**

(R.C. 3365.06)

The act requires the Chancellor, in consultation with the state Superintendent, to adopt rules specifying which courses under the CCP Program are eligible for funding

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<sup>63</sup> R.C. 3365.034, not in the act.



from the Department of Education. Under the act, only courses eligible for funding may be taken under 'Option B.'

The rules must address at least the following:

- (1) Whether courses must be taken in a specified sequence;
- (2) Whether to restrict funding and limit eligibility to certain types of courses, including (a) courses in the statewide articulation and transfer system, (b) courses that apply to multiple degree pathways or to in-demand jobs, or (c) other types of courses;
- (3) Whether courses with private instruction, as defined by the Chancellor, are eligible for funding; and
- (4) The school year for which implementation of the rules first apply.

When developing the rules, the Chancellor must establish a process to receive input from public and private high schools and colleges, as well as other interested parties.

#### **Minimum grade for course credit (VETOED)**

(R.C. 3365.04, 3365.05, and 3365.12; conforming change in R.C. 3365.15)

The Governor vetoed a provision that would have required participants to receive a grade of "C" or better in a CCP course in order to (1) receive credit (both high school and college credit) for that course and (2) count that course toward the high school's graduation requirements and subject area requirements.

#### **Appeals**

(R.C. 3365.03 and 3365.12)

#### **Missed notification deadline**

Under continuing law, if a public school student fails to notify the school principal by April 1 of the student's intent to participate in the CCP Program during the following school year, the student must obtain the principal's written consent in order to participate. If the principal does not give consent, the student may then appeal the principal's decision.

The act changes to whom the student may appeal the principal's decision, from the State Board (as under prior law), to the district superintendent, community school governing authority, STEM school governing body, or college-preparatory boarding school board of trustees. The act also specifies that the decision on the appeal is final.



### **Course credit dispute**

Under continuing law, if there is a dispute between a participant and the participant's high school with regard to high school credit granted for a CCP course, the participant may appeal the decision. The act changes to whom the participant may appeal the decision, from the State Board (as under prior law), to the Department of Education.

### **Information and notifications**

(R.C. 3365.04 and 3365.05)

The act moves, from March 1 to February 1, the annual deadline for public and participating nonpublic high schools to provide information about the CCP Program to students in grades 6 through 11.

It also eliminates provisions requiring public and participating private colleges to notify the state Superintendent of a participant's admission to the college under CCP, as well as the participant's courses, hours of enrollment, and chosen participation option ('Option A' or 'Option B').

### **CCP reports**

(R.C. 3365.15)

#### **Report on outcomes**

The act requires the Chancellor and state Superintendent to submit a joint annual report, beginning in December 2018 and ending in December 2023, on outcomes of the CCP Program, supported by empirical evidence. Each report must be submitted to the Governor, Senate President, Speaker of the House, and chairpersons of the House and Senate Education Committees and include all of the following, disaggregated by cohort (defined as "a group of students who participated in CCP and who, upon graduation from high school, enroll in an Ohio college during the same academic year"):

- (1) Number, level, and type of degrees attained;
- (2) Number of students who receive a degree in two different subject areas (i.e., double major);
- (3) Time to degree completion, disaggregated by degree level and type;
- (4) Time to enrollment in a graduate or doctoral program;
- (5) The number of students who participate in study abroad; and



(6) How all of the above measures compare to (a) the overall student population who did not participate in CCP during high school, and (b) similar measures compiled under the former Post-Secondary Enrollment Options (PSEO) Program.

The first report must be submitted by December 31, 2018, while the last report must be submitted by December 31, 2023.

### **Biennial report**

The act makes the biennial report detailing the status of the CCP Program permissive, rather than mandatory as under prior law. However, if the Chancellor and state Superintendent choose to submit the biennial report, all of the following apply:

(1) It may include only data available through the Higher Education Information (HEI) System, a database administered by the Chancellor;

(2) It must be submitted to the same officials receiving the outcomes report (see above); and

(3) It still must be submitted by December 31 every two years, with the first report due December 31, 2017.

### **Early College High School (ECHS) exemption**

(R.C. 3313.6013, 3365.02, and 3365.10)

Under prior law, some Early College High School (ECHS) Programs were governed by the CCP Program, while others were specifically exempted (see below). The act, instead, exempts any ECHS Program from the requirements of the CCP Program, so long as it (1) meets the modified statutory definition of ECHS Programs and (2) is approved by the state Superintendent and the Chancellor.

An ECHS Program is defined by the act as "a partnership between at least one school district or school and at least one institution of higher education that allows participants to simultaneously complete requirements toward earning a regular high school diploma and have the opportunity to earn not less than 24 credits that are transferable to the institutions of higher education in the partnership as part of an organized course of study toward a post-secondary degree or credential at no cost to the participant or participant's family."

Prior law exempted only ECHS Programs that (1) applied for and obtained a waiver for innovative programming, (2) began operating before July 1, 2014, and were still operating under an unexpired agreement, or (3) received funding under the former



Straight A Program to establish or expand an ECHS Program. Prior law also exempted portions of an ECHS Program that did not confer transcribed credit.

Under continuing law, the ECHS Program is one of four "Advanced Standing Programs," along with the CCP Program, Advanced Placement (AP) Program, and International Baccalaureate (IB) Diploma Program. Each public and chartered nonpublic high school must offer its students at least one advanced standing program.

#### **IV. Educator licensure and preparation**

##### **Elimination of Ohio Teacher Residency Program (VETOED)**

(Repealed R.C. 3319.223; R.C. 3302.151, 3319.111, 3319.22, 3319.227, 3319.26, 3319.61, 3333.048, and 3333.39; Section 733.60)

The Governor vetoed a provision that, beginning with the 2017-2018 school year, would have eliminated the Ohio Teacher Residency (OTR) Program and prohibited any individual currently participating in the OTR Program from being required to complete the Program or any component of the Program.

The OTR Program is a four-year, entry-level program for educators that must be completed in order to qualify for a professional educator license issued by the State Board.

##### **Substitutes for educational assistants**

(R.C. 3319.088 and 3319.36)

The act authorizes a school district superintendent to allow an employee who does not hold an educational aide permit or an educational paraprofessional license to do the following, provided that the superintendent believes the employee's application materials indicate that the employee is qualified to obtain the permit or license:

--To work as a substitute for an educational assistant who is absent due to illness or a leave of absence; or

--To fill a temporary position created by an emergency.

The act also authorizes a school district treasurer to pay an employee who works as such a substitute, without that employee filing certain reports and written statements that most teachers must file under continuing law.

Prior to starting work as a substitute, the employee must file an application with the State Board for an educational aide permit or an educational paraprofessional



license. Additionally, the employee must complete a criminal records check in accordance with continuing law for nonlicensed school employees.

The employee may work as a substitute for a maximum of 60 days following the starting date. However, if the employee is issued an educational aide permit or educational paraprofessional license, or is denied such a permit or license, during the 60-day period, the employee must cease working as a substitute either on the date the employee files the license with the district superintendent, or on the date the employee is denied the license.

### **Licensed educator fingerprints**

(R.C. 3319.291)

Under continuing law, the State Board must request a criminal records check for all applicants for new educator licenses and, at least every five years, for license renewals. In most cases, an applicant must submit two sets of fingerprints for that purpose, one for the state Bureau of Criminal Identification and Investigation (BCII) and one for the Federal Bureau of Investigation (FBI). However, in some cases, an applicant need only submit one set for just the FBI. Therefore, the BCII may not have all of the information it needs to include all licensed educators in the Retained Applicant Fingerprint Database ("Rapback") operated by BCII.

The act directs the Department to require all license applicants and license holders who are not enrolled in Rapback to submit one complete set of fingerprints and written permission authorizing the state Superintendent to forward the fingerprints to BCII for the purpose of enrolling that person in the Database. If a person does not comply by the date prescribed by the Department, the Department must reject the person's application or inactivate the person's license until the person complies.

### **Opioid abuse prevention instruction in teacher prep**

(R.C. 3333.0414)

The act requires the Chancellor to adopt rules requiring all teacher preparation programs and school personnel preparation programs, for all content areas and grade levels, to include instruction in opioid and other substance abuse prevention. The instruction must include information on the magnitude of opioid and substance abuse, the role educators and other school personnel can play in educating students on the



adverse effects of such abuse, and resources available to teach students about the consequences of such abuse and to help fight and treat it.<sup>64</sup>

## V. Curriculum and graduation credentials

### Alternative graduation requirements for Class of 2018

(Section 733.67)

The act creates two alternative graduation pathways for public and chartered nonpublic high school students of the Class of 2018. These are students who entered the ninth grade on or after July 1, 2014, but before July 1, 2015. The pathways are alternatives that a student may choose in lieu of the pathways already afforded under continuing law (see "**Background**" below).

#### Main alternative pathway

The first pathway qualifies a student for graduation if the student (1) takes all of the end-of-course exams required for the student or takes an alternate assessment for chartered nonpublic school students, (2) retakes, at least once, any end-of-course exam in English language arts or math for which a student received an equivalent score of lower than "3," (3) completes the district's or school's required units of instruction, and (4) meets at least *two* of the following other conditions:

- (a) Has an attendance rate of at least 93% during the twelfth grade;
- (b) Takes at least four full-year or equivalent courses during the twelfth grade and has a grade point average of at least 2.5 for those courses;
- (c) Completes a capstone project during the twelfth grade;
- (d) Completes, during the twelfth grade, 120 hours of work in a community service role or in a position of employment, including internships work study, co-ops, and apprenticeships;
- (e) Earns three or more transcribed credit hours under the College Credit Plus program at any time during high school;
- (f) Passes an Advanced Placement (AP) or International Baccalaureate (IB) course, and receives a score of 3 or higher on the corresponding AP exam or a score of 4 or higher on the corresponding IB exam, at any time during high school;

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<sup>64</sup> Under continuing law, school districts are required to include instruction in prescription opioid abuse prevention in their health curricula (R.C. 3313.60(A)(5)(f), not in the act).



(g) Earns at least a level 3 score on each of the "reading for information," "applied mathematics," and "locating information" components of WorkKeys assessment;

(h) Obtains an industry-recognized credential or a group of credentials equal to at least three total points; or

(i) Satisfies the conditions required to receive an OhioMeansJobs-Readiness Seal (see below).

### **Career-technical alternative pathway**

The second pathway qualifies a student for graduation if the student (1) takes all of the end-of-course exams required for the student or takes an alternate assessment for chartered nonpublic school students, (2) completes the district's or school's required units of instruction, (3) completes a career-technical training program approved by the Department that includes at least four career-technical courses, and (4) completes *one* of the following other conditions:

(a) Attains a cumulative score of at least proficient on career-technical education exams, or test modules, that are required for a career-technical education program;

(b) Obtains an industry-recognized credential, or a group of credentials equal to at least 12 points; or

(c) Demonstrates successful workplace participation, as evidenced by documented completion of 250 hours of workplace experience and by regular, written, positive evaluations from the workplace employer or supervisor and representative of the district or school. (This condition must be based on a written agreement signed by the student, a representative of the district or school, and an employer or supervisor.)

## **Background**

### **Graduation pathways**

The term "graduation pathways" refers to three general options under which a student can graduate from high school. The pathways for both public and chartered nonpublic schools are: (1) score at "remediation-free" levels in English, math, and reading on nationally standardized assessments, (2) attain a cumulative passing score on the state high school end-of-course exams, or (3) attain a passing score the WorkKeys job skills assessment and obtain either an industry-recognized credential or a state agency- or board-issued license for practice in a specific vocation.<sup>65</sup> A fourth option –

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<sup>65</sup> R.C. 3313.618.

attaining a passing score on an alternate assessment approved by the Department – is available only to students in chartered nonpublic schools.

### **High school achievement assessments**

The high school state achievement assessments are referred to in the Revised Code as the College and Work-Ready Assessment System and consist of the following: (1) a nationally standardized assessment that measures college and career readiness, such as the SAT or ACT, and (2) seven end-of-course exams in English language arts I, English language arts II, biology, Algebra I, geometry, American history, and American government.<sup>66</sup>

### **Credit for integrated course content**

(R.C. 3313.603; Section 733.40)

The act permits a school district or chartered nonpublic school to integrate academic content in subject areas for which the State Board has adopted standards into a course in a different subject area, including a career-technical education course.

If a student completes an integrated course in the manner authorized under the act, the student may receive credit for both subject areas. Additionally, a school may administer a related end-of-course exam to a student upon completion of the integrated course.

Finally, the act explicitly states that nothing in the provisions regarding integrated course excuse a district, chartered nonpublic school, or student from the statutory curriculum, testing, or graduation requirements.

### **Development of guidance and planning**

Under the act, by July 1, 2018, the Department of Education, in consultation with the Department of Higher Education and the Governor's Office of Workforce Transformation, must develop both of the following:

(1) A plan that permits and encourages districts and chartered nonpublic schools to integrate academic content so that students may earn simultaneous credit in more than one course; and

(2) Guidance to assist districts and schools that choose to implement integrated coursework, including appropriate licensure for teachers.

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<sup>66</sup> R.C. 3301.0712.



## **Credit through subject area competency**

(R.C. 3313.603 and 3314.03)

The act requires the Department, by December 31, 2017, to develop a framework for school districts and community schools to use in granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education.

Districts and schools must comply with the Department's framework beginning with the 2018-2019 school year. Each district and school must review any policy it has adopted regarding the demonstration of subject area competency to identify ways to incorporate work-based learning experiences, internships, and cooperative education into the policy in order to increase student engagement and opportunities to earn units of high school credit.

## **Industry-recognized credentials and licenses for graduation**

(R.C. 3302.03, 3313.618, and 3313.6113)

The act eliminates the responsibility for the State Board to approve industry-recognized credentials and licenses. Instead, it requires the state Superintendent, in collaboration with the Governor's Office of Workforce Transformation and representatives of business organizations, to establish a committee to develop a list of industry-recognized credentials and licenses that may be used to qualify for a high school diploma and for state report card purposes. The state Superintendent must appoint the committee by January 1, 2018. The committee must:

(1) Establish criteria for acceptable industry-recognized credentials and licenses aligned with the in-demand jobs list published by the Department of Job and Family Services;

(2) Review the list of industry-recognized credentials and licenses in existence on January 1, 2018, and update the list as necessary; and

(3) Thereafter, review and update the list at least every two years.

## **OhioMeansJobs-Readiness Seal**

(R.C. 3313.618, 3313.6110, and 3313.6112)

The act requires the state Superintendent, in consultation with the Chancellor and the Governor's Office of Workforce Transformation, to establish the OhioMeansJobs-Readiness Seal. The seal must be attached or affixed to the high school



diploma and transcript of a student enrolled in a public or chartered nonpublic school who both:

(1) Satisfies the requirements and criteria for earning the seal, including demonstration of work-readiness and work ethic competencies such as teamwork, problem-solving, reliability, punctuality, and computer technology competency; and

(2) Completes a standardized form developed by the state Superintendent and has that form validated by at least three individuals, each of whom must be an employer, teacher, business mentor, community leader, faith-based leader, school leader, or coach of the student.

The state Superintendent must prepare and deliver to all school districts, community schools, STEM schools, college-preparatory boarding schools, and chartered nonpublic schools an appropriate mechanism for assigning a seal on a student's diploma and transcript indicating that the student has been assigned the seal, as well as any other information the state Superintendent considers necessary.

The act also permits a parent, guardian, or other person having care or charge of a homeschooled student to assign the seal to the student's diploma in the same manner as prescribed for transcripts issued by public and nonpublic schools.

### **Regional workforce collaboration model**

(R.C. 6301.21)

The act requires the Governor's Office of Workforce Transformation, the Department, and the Chancellor to develop a regional workforce collaboration model by December 31, 2017. The model must be developed in consultation with business and economic stakeholder groups. It must provide guidance on how business and economic stakeholder groups must collaborate to form a partnership to provide career services to students. Named stakeholder groups include the JobsOhio Regional Network, local chambers of commerce, economic development organizations, business associations, secondary and post-secondary organizations, and Ohio College Tech Prep Regional Centers. Career services may include job shadowing, internships, co-ops, apprenticeships, career exploration activities, and problem-based curriculum developed in alignment with in-demand jobs.

The act further requires the Office of Workforce Transformation to oversee the creation of regional workforce collaboration partnerships based on the model. The act requires six partnerships located in different regions of the state as determined by JobsOhio.



## **Pre-apprenticeship training programs**

(R.C. 3313.904)

The act requires the Departments of Education and Job and Family Services, in consultation with the Governor's Office of Workforce Transformation, to establish an option for career-technical education students to participate in pre-apprenticeship training programs that impart the skills and knowledge needed for successful participation in a registered apprenticeship occupation course.

## **VI. State assessments**

### **Elimination of fourth- and sixth-grade social studies assessments**

(R.C. 3301.0710, 3302.01, 3302.03, and 3313.6012)

The act eliminates the fourth- and sixth-grade social studies state assessments. Despite the act's elimination of the assessments, it requires each school district or school to teach and assess social studies in at least the fourth and sixth grades, requires any such assessment to be determined by the district or school, and permits the assessment to be formative or summative in nature. Finally, the act prohibits a district or school from reporting to the Department the results of any social studies assessment used by a district or school.

The act maintains the other elementary state assessments, which are English language arts and math for each of grades 3-8 and science for grades 5 and 8.

### **Exemption from state testing and graduation requirements (VETOED)**

(R.C. 3301.0711)

The Governor vetoed a provision that would have conditionally exempted from the requirements to (1) take state high school assessments and (2) complete a graduation pathway, students who are enrolled in a chartered nonpublic school in which at least 75% of students are children with disabilities receiving special education services. The provision would have required an exempted school to make available to the Department any internal student data on testing that could be used for state accountability purposes and specified that the school is subject to the graduation requirements of the school's accrediting body. Finally, it would have applied the exemption to all students in an exempted school, regardless of whether they received special education services or whether they attended the school under a state scholarship program.



## **Release of state achievement test questions**

(R.C. 3301.0711; Section 733.10)

The act changes the process by which questions and preferred answers on state achievement assessments for grades 3 to 8 and high school end-of-course exams become public records. Beginning with those administered in the spring of 2018, at least 40% of questions from state-required assessments and exams must become public records. The Department must determine which questions will be needed for future reuse, and those questions will not be released and must be redacted before the assessment or exam is released as a public record. However, the Department must inform each school district and school of the corresponding statewide academic standard and benchmark to which each redacted question relates. Finally, the Department must continue staggered release through the 2016-2017 school year, but the act prohibits the release in 2017 of any questions and preferred answers from the elementary English language arts and math assessments administered in 2015-2016.

Prior law prescribed a phased release of the questions and answers of a state achievement assessment so that they would all be released by July 31 two years after the administration.

## **Paper and online administration of state assessments (VETOED)**

(R.C. 3301.0711(I))

The Governor vetoed provisions that would have authorized public and chartered nonpublic schools to administer the state achievement assessments in a paper format or a combination of online and paper formats. The vetoed provisions also stated that districts and schools could not be required to administer any state assessment in an online format. Finally, the vetoed provisions would have required the Department to furnish, free of charge, all state achievement assessments to a school district or school, regardless of the format selected.

## **Kindergarten readiness diagnostic assessments**

(R.C. 3301.0715; Section 812.20)

Beginning July 1, 2017, the act permits the administration of the selected response and performance task items portion of the kindergarten readiness diagnostic assessment up to two weeks prior to the first day of the school year. Under continuing law, the other portions of the assessment may not be administered prior to the first day of school, and the entire assessment must be completed by November 1.



## VII. Community schools

### Community school sponsor evaluation system (PARTIALLY VETOED)

(R.C. 3314.016)

Under continuing law, the Department annually assigns an overall rating to the sponsors of community schools (public charter schools) based on a combination of the following three components: (1) the academic performance of students enrolled in community schools under the sponsor's oversight, (2) the sponsor's adherence to quality practices, and (3) the sponsor's compliance with laws and administrative rules. Each component receives an individual rating, and the overall rating is derived from those individual ratings. The ratings are "exemplary," "effective," "ineffective," and "poor."

#### Scoring of individual components and overall ratings (VETOED)

The Governor vetoed several provisions that would have revised the way scores are computed under the sponsor evaluation system as follows:

(1) Would have prohibited the Department from assigning an automatic overall rating to a sponsor based solely on the sponsor receiving an equivalent score of "0" points on one or more individual components, not including the academic performance component;

(2) Would have specified that an overall rating is the cumulative score of the three components that comprise the evaluation system *unless* a sponsor receives an equivalent score of "0" on the academic performance component; and

(3) Would have revised the formula used to calculate the academic performance component by requiring the Department to weight the Progress component of the state report card at 60% of the total score for the academic performance component.

#### Notice of system

The act requires the Department to develop and post on its website by July 15 of each school year a description of the evaluation system that will be used to assign ratings. Under the act, any changes the Department makes to the system after July 15 may not take effect until the following school year.

#### Annual training

Beginning in 2018, the act specifies the Department must make its training on the evaluation system available by July 15 of each year. It also must include guidance on



any changes made to the system. Continuing law requires the annual training to also include the methodology, timelines, and data required.

### **Publication of ratings**

Under the act, the community school sponsor ratings must be published between October 1 and November 15. Prior law required them to be published between October 1 and October 15.

### **Review process for community school sponsor ratings**

The act establishes a process by which sponsors may review information used by the Department to calculate specific components that comprise the sponsor evaluation system. The process applies only to the "adherence to quality practices" and "compliance with laws and rules" components. The Department must establish a review period of at least ten business days. If during that period, a sponsor discerns what it believes is an error in the evaluation of one or both of those components, the sponsor can request adjustments based on documentation previously submitted as part of the evaluation. To support the requested adjustments, a sponsor must provide any necessary evidence or information.

The Department must review the evidence and information, determine whether an adjustment is valid, and promptly notify the sponsor of its determination and reasons. If adjustments could result in a change to the component ratings or the overall rating, the Department must recalculate the applicable ratings prior to publication of the final ratings.

### **Exception to revocation of sponsorship authority (VETOED)**

(Section 265.500)

The Governor vetoed a provision that would have permitted a sponsor whose sponsorship authority was revoked because of an overall rating of "poor" on its 2015-2016 evaluation to renew sponsorship, for the 2017-2018 school year of any school it previously sponsored, but only if the sponsor received a score of "3" or a "B" or higher on the academic performance component for the 2015-2016 school year. It also would have permitted that sponsor to continue sponsoring its schools for the 2018-2019 school year if for the 2017-2018 school year it received at least a score of "3" or a "B," or an equivalent score, on the academic performance component and an overall rating of at least "ineffective."

## **ESC community school sponsors (VETOED)**

(R.C. 3314.016)

The Governor vetoed a provision that would have created an exemption for educational service centers (ESCs) that sponsor community schools and have a sponsor rating of "effective" or higher. Under the vetoed provisions those ESCs would have been able to sponsor a community school regardless of whether it was located in a county within the service territory of the ESC or in a contiguous county. Under continuing law, an ESC may sponsor conversion and start-up schools, without regard to location so long as the Department approves the sponsorship.<sup>67</sup>

## **Access to student data codes for community school payments**

(R.C. 3301.0714(D)(2))

The act permits the Department to have access to information that enable student data verification codes (often called student "SSID" numbers) to be matched to personally identifiable student data for the purpose of making per-pupil payments to community schools under the school funding formula. Under continuing law, the Department (and the State Board) may also have access to this information for purposes of student level data records for early childhood education programs, the administration of state scholarship programs, and the verification of the accuracy of payments to county boards of development disabilities.

## **Dividing an e-school**

(R.C. 3314.29)

Beginning with the 2018-2019 school year, the act authorizes the governing authority of an Internet- or computer-based community school (e-school) that serves all of grades K-12, has an enrollment of at least 2,000 students, and has a sponsor rated "effective" or higher to adopt a resolution to divide the e-school into two or three separate e-schools. Following approval of that resolution by the school's sponsor, and by March 15 prior to the school year in which the division will take effect, the school's governing authority must file the resolution with the Department. The division of an e-school is effective on the July 1 after the resolution is filed with the Department. The required division of grade levels depends on the number of resulting schools, as described below:

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<sup>67</sup> R.C. 3314.02(C)(1)(d), not in the act.



Number of resulting schools	Required division of grade levels		
Two schools	K-8	9-12	
Three schools	K-5	6-8	9-12

Each divided e-school and each resulting school: (1) must have the same governing authority, (2) may not operate as a dropout prevention and recovery program, and (3) may not divide again. Additionally, the sponsor and governing authority of each resulting e-school must enter into a separate contract. Furthermore, each resulting e-school must be included in the calculation of the academic performance component for sponsor ratings under the community school sponsor evaluation system. Finally, the Department must issue a separate state report card for each resulting e-school, which must count toward closure of the school and any other matter based on report card ratings or measures without the two-year grace period that applies to other new community schools.

### **Automatic withdrawals from online public schools**

(R.C. 3313.6410 and 3314.26)

The act specifies, for purposes of the continuing law requirement that an online school of a school district or an e-school withdraw a student for failure to participate in the administration of state assessments for two consecutive years, that the consecutive years are of a student's enrollment in that particular school.

## **VIII. STEM and STEAM schools**

### **STEAM schools, equivalents, and programs of excellence**

(R.C. 3326.01, 3326.03, 3326.032, 3326.04, and 3326.09)

The act authorizes the creation of science, technology, engineering, arts, and mathematics (STEAM) schools, equivalents, and programs of excellence, which are types of STEM schools, STEM school equivalents, and STEM programs of excellence, respectively.

#### **Requirements for STEAM schools and equivalents**

Under continuing law, in order to establish a STEM school or receive a designation of STEM school equivalent, a partnership of public and private entities (in the case of a STEM school) or a community school or chartered nonpublic school (in the case of a STEM school equivalent) must submit a proposal to the STEM Committee. The proposal must contain certain information, including evidence that the school will offer



a rigorous, diverse, integrated, and project-based curriculum and, in the case of a STEM school, information regarding its governance.

Under the act's provisions, a proposal for a STEAM school or STEAM school equivalent must contain all of the same information and the following:

(1) Evidence that the curriculum will integrate arts and design to foster creative thinking, problem-solving, and new approaches to scientific invention (under continuing law, a STEM school or equivalent must include the "arts and humanities" in its curriculum);

(2) In the case of a STEAM school, evidence that the school will operate in collaboration with a partnership that includes arts organizations (as well as institutions of higher education and businesses as under continuing law);

(3) In the case of a STEAM school equivalent, evidence that the school has a working partnership with public and private entities that includes arts organizations (as well as higher education entities and business organizations as under continuing law); and

(4) Assurances that the school has received in-kind commitments of sustained and verifiable fiscal and in-kind support from arts organizations.

The act also requires that the curriculum team for each STEAM school and equivalent include an expert in the integration of arts and design into the STEM fields.

If a STEM school or equivalent wishes to become a STEAM school or equivalent, it may change its existing proposal to include the information described above and submit the revised proposal to the STEM Committee for approval.

### **Requirements for STEAM programs of excellence**

A school district, community school, or chartered nonpublic school may, under continuing law, submit a proposal to the STEM Committee for a grant to support the operation of a STEM program of excellence. This proposal must contain specified information, including evidence that the program will offer a rigorous and diverse curriculum that is based on scientific inquiry and technological design, emphasizes personal learning and teamwork skills, and will expose students to advanced scientific concepts within and outside the classroom. Although continuing law requires the STEM Committee to award these grants, funds have not been appropriated for this purpose for several years.



Under the act's provisions, a proposal for a grant for a STEAM program of excellence must contain all of the same information as a proposal for a STEM program of excellence, plus the following:

(1) Evidence that the curriculum will integrate arts and design into the curriculum to foster creative thinking, problem-solving, and new approaches to scientific invention; and

(2) Evidence that the program will operate in collaboration with a partnership that includes arts organizations (as well as institutions of higher education and businesses as under continuing law).

As with STEM schools and equivalents, if a STEM program of excellence wishes to become a STEAM program of excellence, it may change its existing proposal to include the information described above and submit the revised proposal to the STEM Committee for approval.

#### **Additional grade levels**

The act also permits STEM and STEAM programs of excellence to serve students in any of grades K-12, rather than any of grades K-8 as under prior law.

#### **All-day kindergarten – STEM and STEAM**

(R.C. 3326.11)

The act permits STEM and STEAM schools and equivalents to offer all-day kindergarten in the same manner as school districts. This change conforms with law effective earlier in 2017<sup>68</sup> that permit STEM schools and equivalents to offer any of grades K-12. These provisions also apply to STEAM schools and equivalents under the act.

#### **Tuition for out-of-state students**

(R.C. 3326.10 and 3326.101)

The act permits a STEM or STEAM school to determine the amount of tuition to charge a student who is not an Ohio resident, so long as the tuition is at least the minimum amount the school receives for a student who is an Ohio resident. Under prior law, STEM schools were required to charge tuition for an out-of-state student

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<sup>68</sup> Sub. S.B. 3 of the 131st General Assembly.



*equal* to the amount that the school would have received for *that* student if the student were an Ohio resident, as determined by the Department.

### **Access to school district property**

(R.C. 3313.411 and 3313.413)

The act adds STEM schools (and, by reference, STEAM schools) to the list of those public schools that must be offered the right of first refusal when a school district decides to sell real property or is required to offer for sale or lease unused property. Under continuing law, community schools and college-preparatory boarding schools also must be offered this right of first refusal.

Law retained by the act continues to require that "high-performing" community schools have priority to acquire school district property in the voluntary sale or involuntary sale or lease of such property, followed by the other public schools specified in law (as described above).

## **IX. Scholarship programs**

### **Application periods for Ed Choice income-based scholarships**

(R.C. 3310.16)

The act requires the Department to determine by May 31 of each school year, whether funds remain available for income-based scholarships under the Educational Choice (Ed Choice) Scholarship Program after the first application period. It also specifies that the Department need not conduct a second application period for the income-based expansion of Ed Choice if the scholarships awarded in the first application period use the entire amount appropriated for that school year. If there are funds remaining, the Department must conduct a second application period.

#### **Background**

The income-based expansion of Ed Choice qualifies students whose family income is at or below 200% of the federal poverty guidelines, regardless of the academic performance of their resident public schools. Unlike other Ed Choice scholarships, the income-based scholarships are funded directly from an amount appropriated by the General Assembly, instead of deductions from students' resident districts.<sup>69</sup> Application periods are divided into two windows. The first occurs between February 1 and July 1 prior to the school year in which a scholarship is sought. The second may not occur

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<sup>69</sup> R.C. 3310.032, not in the act.



before July 1 of the school year for which the scholarship is sought and must run for more than 30 days.

The first year of the Ed Choice expansion was the 2013-2014 school year, for which only kindergarten students could receive scholarships. For each subsequent year, the law provides for adding one next higher grade level until all grades are eligible for scholarships. Accordingly, for the 2017-2018 school year, the Program will serve grades K-4, and for the 2018-2019 school year, it will serve grades K-5.

### **Jon Peterson Scholarship deadline**

(R.C. 3310.52 and 3323.052)

The act requires the Department to prescribe a procedure whereby scholarships under the Jon Peterson Special Needs Scholarship Program are awarded "upon application." Prior law specified deadlines and procedures for the application for and renewal of scholarships.

The act expressly prohibits the Department from adopting specific deadline dates for the Jon Peterson Special Needs Scholarship Program.

### **Cleveland Scholarship maximums**

(R.C. 3313.978)

The act increases the maximum amount that may be awarded under the Cleveland Scholarship Program as follows:

<b>Grade Level</b>	<b>Former Maximum</b>	<b>New Maximum</b>
K-8	\$4,250	\$4,650
9-12	\$5,700	\$6,000

## **X. Other education provisions**

### **Payments for the Adult Diploma Pilot**

(R.C. 3313.902)

The act requires an entity other than the Department to make full or partial payments for a student participating in the Adult Diploma Pilot Program, if the state Superintendent and Chancellor determine that it is appropriate for that entity to make those payments.



The Adult Diploma Pilot Program permits a community college, technical college, state community college, or Ohio Technical Center to obtain approval from the state Superintendent and Chancellor to develop and offer a program of study that allows individuals who are at least 22 years old and have not received a high school diploma or certificate of equivalence to obtain a diploma.

## **Auxiliary Services funds**

### **Uses**

(R.C. 3317.06)

Auxiliary Services funds are used to purchase goods and services for students who attend chartered nonpublic schools, such as textbooks, digital texts, workbooks, instructional equipment, library materials, or tutoring and other special services. The act adds to the list of permitted uses (1) provision of language and academic support services and other accommodations for English language learners, and (2) procurement of security services through a county sheriff, police force, or other certified police officer.

### **Payments**

(R.C. 3317.024, 3317.06, 3317.062; Section 265.170)

The act requires the Department to pay Auxiliary Services funds directly to each chartered nonpublic school that is not affiliated with a religious order, sect, church, or denomination or does not have a curriculum or mission that contains religious content, religious courses, devotional exercises, religious training, or any other religious activity. The act maintains the funding process for students in a chartered nonpublic school that has a religious affiliation or has a curriculum or mission that contains religious activities, whereby funds are paid to the school district in which the school is located and the purchases are made by the district on behalf of those students.

## **Chartered nonpublic school reporting**

(R.C. 3301.16 and 3301.164)

The act requires each chartered nonpublic school to annually publish on its website the number of enrolled students as of the last day of October, and its policy regarding background checks for employees and for volunteers who have direct contact with students.



## **Review of FTE manual (VETOED)**

(R.C. 103.45 and 3301.65)

The Governor vetoed a provision that would have subjected to approval by the Joint Education Oversight Committee the manual containing the standards, procedures, timelines, and other requirements for review or audit of the full-time equivalency (FTE) student enrollment reporting by all public schools.

A detailed description of the vetoed provisions, including the timelines for submission and approval of the FTE manual, is available on pages 247-248 of LSC's analysis of H.B. 49, As Passed by the House. The analysis is available online at <https://www.legislature.ohio.gov/download?key=7018&format=pdf>.

## **Payments for students in residential facilities**

(R.C. 3313.64 and 3323.14)

In the case of a special education student who is served by a school district other than the one in which the student's parent resides because the student is placed in a residential facility (that is not a foster home, a detention facility, or a juvenile facility), the act permits a tuition payment in the same manner as for a nondisabled student under continuing law. If a district is educating such a special education student, the act permits the district to choose whether to receive a tuition payment or to receive an excess costs payment for that student (as authorized under continuing law). Either payment is deducted from the state education aid of the district in which the student's parent resides.

## **Unvoted debt for alternative fuel vehicles**

(R.C. 133.06, 3313.372, and 3313.46)

Ordinarily, a school district may not incur debt in excess of  $\frac{1}{10}$  of 1% of its tax valuation without voter approval. Nevertheless, continuing law permits a district to issue unvoted debt in an amount of up to  $\frac{1}{10}$  of 1% of its tax valuation for the installation of energy conservation improvements in its buildings. In a similar manner, the act authorizes a district to incur that same amount of unvoted debt for the purchase of new alternative fuel vehicles (AFVs) or vehicle conversions to reduce fuel costs. However, under continuing law, the total amount of a district's unvoted debt after using either provision cannot exceed 1% of its tax valuation. As in the case of energy conservation improvements, the issuance of debt for AFVs or conversions requires the approval of the Ohio Facilities Construction Commission (OFCC), and if it has either a financial planning and supervision commission (for fiscal emergency districts) or an



academic distress commission, the district also must receive approval of that commission before submitting its request to OFCC.

To avail itself of the act's provisions, a district must contract with a person experienced in implementing student transportation for a report that analyzes and makes recommendations for the use of AFVs. The report must include cost estimates detailing the return on investment over the life of the AFVs and their environmental impact and estimates of all costs associated with alternative fuel transportation. If the district board finds that the amount of money it would spend on AFVs or conversions likely is less than the amount it would save in fuel and operational and maintenance costs over five years, the board may submit the report to OFCC for approval to issue the unvoted debt. In the case of a school district under fiscal watch, OFCC, in consultation with the Auditor of State, may deny approval if it finds the expenditure is not in the district's best interest. Otherwise, OFCC must approve a district's request if it determines that the district board's findings are reasonable and the report is complete.

While a district has outstanding debt for the purchase of new AFVs or conversions, it must monitor the purchase and report annually to OFCC on the return on investment and associated environmental impact. Fuel and operational and maintenance cost savings must be certified by the district treasurer.

### **Summer food service**

(R.C. 3313.813)

Under the act, if a school district that provides summer academic intervention services opts out of offering a summer food program in a school in which at least half of the students are eligible for free lunches, the State Board nevertheless must require the district board to allow an approved summer food service program sponsor to use the school's facilities. The Department must post a list of approved sponsors in a prominent location on its website.

Continuing law requires a district that provides summer academic intervention services to extend its school breakfast program or school lunch program during the summer or to establish a summer food service program. The district board may opt out of the summer food requirement if the board determines that it cannot comply for financial reasons.

The act permits a district board to charge the summer food service program sponsor a reasonable fee for use of the school facilities, subject to continuing laws governing the use of school facilities. The fee may include the actual cost of custodial services, charges for the use of school equipment, and a prorated share of the utility costs as determined by the district board.



A district also must require a summer food service program sponsor to indemnify the district and hold it harmless from any potential liability resulting from the operation of the program. The district and the sponsor must either add the sponsor as an additional insured party under the district's existing liability insurance policy or require the sponsor to submit evidence of a separate liability insurance policy for an amount approved by the district board. The sponsor must be responsible for any costs incurred in obtaining the coverage under either option.

### **Reporting victims of student violence**

(R.C. 3301.0714(B)(1)(o); Section 733.13)

Beginning on July 1, 2018, the act requires the State Board's guidelines for the statewide Education Management Information System (EMIS) to require the data reported by districts and schools and maintained by the Department to include, for each disciplinary action which is reported under federal law, an identification of the persons at whom a student's violent behavior resulting in discipline was directed. The persons must be identified by their respective classifications, such as student, teacher, or nonteaching employee, and cannot be identified by name.

The Department must prepare a report of the information collected for the 2018-2019 and 2019-2020 school years. It must be submitted to the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House, and the chairpersons and ranking minority members of Senate and House Education committees by October 1, 2020.

Finally, the act specifies that the requirement to report and maintain the data in EMIS no longer applies two years following the submission of the Department's report.

### **International students in interscholastic athletics**

(R.C. 3313.5315)

The act permits an international student who holds an F-1 U.S. visa and attends an elementary or secondary school in Ohio that began operating a dormitory on the school's campus prior to 2014 to participate in the school's interscholastic athletics. The act states that the student must not be denied the opportunity to participate solely because the student's parents do not reside in Ohio.

Finally, the act prohibits a school district, school, interscholastic conference, or organization that regulates interscholastic conferences or events from having a rule, bylaw, or other regulation that conflicts with the act's provisions.



## **Sudden cardiac arrest in youth athletics**

(R.C. 3313.5310 and 3707.58)

Continuing law prescribes procedures for informing student and youth athletes and their parents about the signs of cardiac arrest and for removing athletes from play or practice if they display those signs. These procedures apply to both schools and youth sports organizations. One of those procedures requires that athletes and their parents receive and review a copy of information regarding sudden cardiac arrest that is developed by the Departments of Health and Education. They must submit to their respective school or sports organization a signed form indicating that they have received and read that information.

The act specifies that an athlete must submit that signed form only once every year. Prior law required submission of the form once every year for each athletic activity in which an athlete participated.

## **Sunscreen in schools**

(R.C. 3313.713)

The act prohibits a school district from including in its medication policy a requirement for written authorization or instructions from a health care provider in order to administer nonprescription sunscreen to a student. The act requires a designated district employee to administer sunscreen in accordance with the district's policy upon request. It also permits a student to possess and self-administer sunscreen while on school property or at a school-sponsored event without written authorization or instructions from a healthcare provider.

The act does permit a district to include in its policy a requirement for parental authorization for the possession and administration of sunscreen.

## **Betel nut substances in schools**

(R.C. 3313.751)

The act prohibits a student from using or possessing any substance containing betel nut in any area under control of, or at any activity supervised by, a school district or educational service center.



## **Bright New Leaders for Ohio Schools**

(R.C. 3319.271)

The act permits the Governor, President of the Senate, and Speaker of the House to each nominate three individuals to apply to be participants in the Bright New Leaders for Ohio Schools Program. The nominations must be in accordance with the selection process of the Program and the admission requirements of the Ohio State University.

Additionally, the act removes a provision that specified that state financial support for the nonprofit corporation that implements the Program would cease on June 30, 2018.

The Program provides an alternative path for individuals to receive training, earn degrees, and obtain licenses in public school administration.

## **Moratorium on new ESC agreements**

(Section 265.360)

The act prohibits a school district that has not entered into an agreement with an educational service center (ESC) as of June 30, 2017, from doing so until June 30, 2019.

Under continuing law, a district with a student count of 16,000 or less must have an agreement with an ESC. Larger districts are permitted, but not required, to have an agreement with an ESC.<sup>70</sup>

## **Transformation alliance**

(R.C. 3311.86)

The act removes the sunset provision that would have ended the authority to establish a municipal school district transformation alliance on January 1, 2018 – thus, extending the authority indefinitely. The act also removes the termination of any transformation alliances in existence on that date.

Under continuing law, a municipal school district is a school district that is or has ever been under a federal court order requiring supervision and operational, fiscal, and personnel management of the district by the state Superintendent. Cleveland is currently the only municipal school district. The city mayor appoints the municipal school district board, and may create a transformation alliance made up of public and

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<sup>70</sup> R.C. 3313.843, not in the act.



private partners, to assist the district in making operational and academic improvements, including making recommendations on community school sponsors in the transformation alliance area.

### **District territory transfers under annexation agreement**

(R.C. 3311.06)

From September 29, 2017, to October 1, 2021, the act generally prohibits a school district that is a party to an annexation ("win/win") agreement from transferring nonresidential territory to another district that is a party to the agreement without the approval of both districts' boards. However, the act specifies that its restriction does not apply if one of the district's territory overlaps with a "new community authority" created before 1993. (Under continuing law regarding community development within counties, a new community is "a community or development of property in relation to an existing community planned . . . [to include] facilities for . . . industrial, commercial, residential, cultural, educational, and recreational activities, and designed in accordance with planning concepts for the placement of utility, open space, and other supportive facilities.")<sup>71</sup>

An "annexation agreement" is an agreement authorized under continuing law entered into between an "urban school district" (a "city" school district with an average daily membership for the 1985-1986 school year in excess of 20,000 students) and its neighboring suburban school districts. This agreement, rather than statutory law or the State Board, controls the transfer of territory that is annexed by the city served by the urban school district. The only such agreement is one between the Columbus City School District and several of its surrounding suburban school districts.

### **Sale of school district athletic field**

(Sections 610.60 and 610.61 (amending Section 7 of H.B. 532 of the 129th G.A.))

The act extends to December 31, 2019, the application of uncodified law that permits a city school district to offer highest priority to purchase an athletic field to the chartered nonpublic school that is the property's current leaseholder.

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<sup>71</sup> R.C. 349.01, not in the act.



## **Joint transportation district pilot program**

(Section 311.20)

The act requires the Joint Education Oversight Committee to develop legislative recommendations for creating a joint transportation district pilot program under which (1) at least two school districts may create a joint transportation district to share transportation services, and (2) the districts adopt staggered starting and ending times for the school day.

The Committee must submit its recommendations to the General Assembly by March 29, 2018.

## **At-risk student information clearinghouse**

(Repealed R.C. 3301.28)

The act repeals a law that required the Department to establish a clearinghouse of information regarding the identification of and intervention for at-risk students.

## **Purchase of school buses**

(R.C. 3327.08)

The act specifies that bid bonds are not required for the purchase of school buses, unless a school district or educational service center board requests that bid bonds be part of the process for a specified purchase. The act does not affect the requirement that they may purchase school buses only after competitive bidding that satisfies specific requirements.

## **Training in use of automated external defibrillator**

(R.C. 3313.6023 and 3313.717)

The act creates an exemption from the requirement for school district and community school employees to complete training in the use of an automated external defibrillator, which must be completed by July 1, 2018, and at least once every five years thereafter. The following individuals are exempt under the act:

(1) Substitute teachers;

(2) Adult education instructors who are scheduled to work the full-time equivalent of less than 120 days per school year; and



(3) Persons who are employed on an as-needed, season, or intermittent basis, so long as they are not employed to coach or supervise interscholastic athletics.

Continuing law already exempts employees of e-schools and community schools that primarily serve students with disabilities from the requirement.

### **State minor labor law exemption for STEM programs and CCP**

(R.C. 4109.06)

The employers of minors are exempt from the state minor labor law if the minor is participating in certain occupations, activities, or programs. The act adds the following two programs to the exemptions:

(1) A STEM program approved by the Department;

(2) Any eligible classes through the College Credit Plus Program that include a state-recognized pre-apprenticeship program.

Continuing law provides that, if an employer is exempt from the state minor labor law, the employer may employ a minor without being presented an age and schooling certificate. An age and schooling certificate is issued by the superintendent of the school district in which the minor resides or the chief administrative officer of the school the minor attends after examining and approving the minor's prospective employment, school record, age, and, in some cases, physical fitness.<sup>72</sup>

Additionally, an employer who is exempt from the state minor labor law is no longer subject to (1) the prohibition in Ohio law on employing a minor in an occupation which is considered hazardous or detrimental to the health and well-being of minors and (2) the restrictions in Ohio law regarding a minor's hours of work. However, the employer is still subject to all federal requirements regarding the employment of minors.<sup>73</sup>

### **Business advisory councils**

(R.C. 3313.82)

The act requires the state Superintendent, in consultation with the Governor's Executive Workforce Board, to establish standards for the operation of business advisory councils that each school district board of education and educational service

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<sup>72</sup> R.C. Chapter 3331., not in the act.

<sup>73</sup> 29 U.S.C. 218.



center governing board must appoint under continuing law. The standards must include a requirement that each business advisory council and its appointing board develop and submit to the Department a plan under which the council must advise the board on the matters specified by continuing law. Those matters include (1) the delineation of employment skills and the development of curriculum to instill those skills, (2) changes in the economy and the job market and the types of employment in which future jobs are most likely to be available, and (3) suggestions for developing a working relationship among businesses, labor organizations, and educational personnel.

The act also specifies that the standards must require each business advisory council to meet at least quarterly and that each council and its board must file a joint statement by March 1 of each year describing how both parties have fulfilled their responsibilities.

### **Accumulated sick leave – Department unclassified employees**

(R.C. 124.384)

The act limits the ability of an unclassified Department employee to receive payment on separation of employment for sick leave accumulated while employed by a school district to an employee who began employment with the Department before October 1, 2017. Under prior law, any unclassified Department employee initially employed on or after July 5, 1987, could receive such a payment.

### **Ohio FFA Association assistance**

(R.C. 3303.20; Section 733.63)

The act permits the Department's Supervisor of Agricultural Education to serve as the chair of the board of trustees of the Ohio FFA Association. The Supervisor is authorized to assist with the Association's programs and activities in a manner that enables it to maintain its state charter and to meet requirements of the U.S. Department of Education and the National FFA Organization. This assistance may include the provision of personnel, services, and facilities.

The act prohibits Department employees from receiving compensation from the Ohio FFA Association, except that the Department may be reimbursed by the Association for reasonable expenses related to the assistance provided to it.

Finally, the act states the following: "The General Assembly finds that the Ohio FFA Association is an integral part of the organized instructional programs in career-



technical agricultural education that prepare students for a wide range of careers in agriculture, agribusiness, and other agriculture-related occupations."

### **Workgroup on related services personnel**

(Section 733.65)

The act requires the state Superintendent to establish a workgroup on special education-related services personnel. The stated purpose of the act's provision is to improve coordination of state, school, and provider efforts to address the related services needs of students with disabilities.

The workgroup must:

(1) Identify and evaluate causes and solutions for the shortage of related services personnel in the school setting, including evaluating the long-term sustainability of potential solutions;

(2) Establish short-term, medium-term, and long-term goals to address the shortage of related services personnel in the state, and monitor progress on those goals; and

(3) Report, as needed, on the work and findings of the workgroup.

The workgroup must include the following members:

(1) Employees of the Departments of Education and Higher Education and other state agencies that have a role in addressing the related services needs of students with disabilities;

(2) Representatives from at least the following interested parties: (a) the Ohio Speech-Language-Hearing Association, (b) the Ohio School Psychologists Association, and (c) the Ohio Educational Service Center Association; and

(3) Representatives of school district superintendents, treasurers or business managers, and other school business officials.

The Department of Education must provide administrative support to the workgroup.

The act specifies that the workgroup ceases to exist on June 30, 2019, unless the General Assembly authorizes its continuation.

