

As Introduced

133rd General Assembly

Regular Session

2019-2020

H. B. No. 504

Representative Sweeney

A BILL

To enact section 3317.28 of the Revised Code and to
amend Sections 265.10 as subsequently amended,
265.210 as subsequently amended, and 265.220 of
H.B. 166 of the 133rd General Assembly to
prescribe a per pupil funding guarantee for
certain school districts and to make an
appropriation.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3317.28 of the Revised Code be
enacted to read as follows:

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Sec. 3317.28. (A) For fiscal year 2022 and for each fiscal
year thereafter, the department of education shall pay an
eligible school district additional funds computed as follows:

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(1) The statewide per pupil amount paid for chartered
nonpublic school students - [(the sum of the district's payments
under sections 3317.022 and 3317.0212 of the Revised Code and
any temporary transitional aid that is authorized by the general
assembly minus any reductions due to funding limitations that
are authorized by the general assembly/its formula ADM)]; times

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(2) The district's formula ADM.

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If the result is a negative number, no payment shall be 20

made under this section. 21

(B) As used in this section: 22

(1) "Eligible school district" means a city, local, or 23
exempted village school district that had a median income index 24
calculated under division (B)(1) of section 3317.017 of the 25
Revised Code for the fiscal year for which the payment is 26
calculated that is less than 1. 27

(2) "Statewide per pupil amount paid for chartered
nonpublic school students" means the statewide per pupil amount
paid under sections 3317.06, 3317.062, and 3317.063 of the
Revised Code, combined, for the current fiscal year, as
calculated by the department.

Section 2. That Sections 265.10, 265.210 (as amended by S.B. 120 of the 133rd General Assembly), and 265.220 of H.B. 166 of the 133rd General Assembly be amended to read as follows:

Sec. 265.10. 36

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A EDU DEPARTMENT OF EDUCATION

B General Revenue Fund

C	GRF	200321	Operating	\$	15,153,032	\$	16,565,951
			Expenses				

D	GRF	200408	Early Childhood	\$	68,116,789	\$	68,116,789
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		Education				
E	GRF	200420	Information Technology Development and Support	\$	4,004,299	\$ 4,026,960
F	GRF	200422	School Management Assistance	\$	2,385,580	\$ 2,408,711
G	GRF	200424	Policy Analysis	\$	458,232	\$ 457,676
H	GRF	200426	Ohio Educational Computer Network	\$	15,457,000	\$ 15,457,000
I	GRF	200427	Academic Standards	\$	4,434,215	\$ 4,483,525
J	GRF	200437	Student Assessment	\$	56,906,893	\$ 56,948,365
K	GRF	200439	Accountability/ Report Cards	\$	7,517,406	\$ 7,565,320
L	GRF	200442	Child Care Licensing	\$	2,156,322	\$ 2,227,153
M	GRF	200446	Education Management Information	\$	8,112,987	\$ 8,174,415

			System				
N	GRF	200448	Educator Preparation	\$	11,785,384	\$	7,285,384
O	GRF	200455	Community Schools and Choice Programs	\$	4,867,763	\$	4,912,546
P	GRF	200465	Education Technology Resources	\$	5,179,664	\$	5,179,664
Q	GRF	200478	Industry-Recognized Credentials High School Students	\$	25,000,000	\$	25,000,000
R	GRF	200502	Pupil Transportation	\$	527,129,809	\$	527,129,809
S	GRF	200505	School Lunch Match	\$	8,963,500	\$	8,963,500
T	GRF	200511	Auxiliary Services	\$	154,939,134	\$	154,939,134
U	GRF	200532	Nonpublic Administrative Cost Reimbursement	\$	69,997,735	\$	69,997,735

V	GRF	200540	Special Education Enhancements	\$	152,600,000	\$	152,850,000
W	GRF	200545	Career- Technical Education Enhancements	\$	9,750,892	\$	9,750,892
X	GRF	200550	Foundation Funding	\$	6,942,880,845 <u>6,943,480,845</u>	\$	6,784,618,845 <u>6,785,218,845</u>
Y	GRF	200566	Literacy Improvement	\$	1,452,876	\$	1,452,172
Z	GRF	200572	Adult Education Programs	\$	10,207,674	\$	10,207,674
AA	GRF	200573	EdChoice Expansion	\$	57,223,340	\$	121,017,418
AB	GRF	200574	Half-Mill Maintenance Equalization	\$	18,849,207	\$	18,128,526
AC	GRF	200576	Adaptive Sports Program	\$	250,000	\$	250,000
AD	GRF	200597	Program and Project Support	\$	1,125,000	\$	625,000
AE	GRF	657401	Medicaid in Schools	\$	297,978	\$	297,978

AF TOTAL GRF General Revenue	\$	8,187,203,556	\$	8,089,038,142
Fund		<u>8,187,803,556</u>		<u>8,089,638,142</u>
AG Dedicated Purpose Fund Group				
AH 4520 200638 Charges and Reimbursements	\$	1,000,000	\$	1,000,000
AI 4550 200608 Commodity Foods	\$	1,000,000	\$	1,000,000
AJ 4L20 200681 Teacher Certification and Licensure	\$	13,795,827	\$	14,000,000
AK 5980 200659 Auxiliary Services Reimbursement	\$	1,300,000	\$	1,300,000
AL 5H30 200687 School District Solvency Assistance	\$	2,000,000	\$	2,000,000
AM 5KX0 200691 Ohio School Sponsorship Program	\$	1,250,000	\$	1,250,000
AN 5MM0 200677 Child Nutrition Refunds	\$	550,000	\$	550,000
AO 5U20 200685 National Education Statistics	\$	170,675	\$	175,000

AP 5VS0 200604	Student Wellness and Success	\$	275,000,000	\$	400,000,000
AQ 5VU0 200663	School Bus Purchase	\$	0	\$	20,000,000
AR 6200 200615	Educational Improvement Grants	\$	594,443	\$	600,000
AS TOTAL DPF Dedicated Purpose Fund Group		\$	296,660,945	\$	441,875,000
AT Internal Service Activity Fund Group					
AU 1380 200606	Information Technology Development and Support	\$	7,939,104	\$	8,047,645
AV 4R70 200695	Indirect Operational Support	\$	7,856,766	\$	7,856,766
AW 4V70 200633	Interagency Program Support	\$	5,497,938	\$	5,500,000
AX TOTAL ISA Internal Service Activity Fund Group		\$	21,293,808	\$	21,404,411
AY State Lottery Fund Group					
AZ 7017 200602	School Climate	\$	2,000,000	\$	2,000,000

Grants

BA 7017	200612	Foundation Funding	\$	1,081,400,000	\$	1,249,900,000
BB 7017	200614	Accelerate Great Schools	\$	1,500,000	\$	1,500,000
BC 7017	200631	Quality Community Schools Support	\$	30,000,000	\$	30,000,000
BD 7017	200636	Enrollment Growth Supplement	\$	15,500,000	\$	23,000,000
BE 7017	200684	Community School Facilities	\$	20,600,000	\$	20,600,000
BF TOTAL SLF		State Lottery Fund Group	\$	1,151,000,000	\$	1,327,000,000
BG		Federal Fund Group				
BH 3670	200607	School Food Services	\$	11,469,730	\$	11,897,473
BI 3700	200624	Education of Exceptional Children	\$	2,000,000	\$	2,000,000
BJ 3AF0	657601	Schools Medicaid	\$	295,500	\$	295,500

		Administrative Claims				
BK 3AN0	200671	School Improvement Grants	\$	17,000,000	\$	17,000,000
BL 3C50	200661	Early Childhood Education	\$	12,555,000	\$	12,555,000
BM 3EH0	200620	Migrant Education	\$	2,700,000	\$	2,700,000
BN 3EJ0	200622	Homeless Children Education	\$	3,295,203	\$	3,300,000
BO 3FE0	200669	Striving Readers	\$	12,507,905	\$	12,511,000
BP 3GE0	200674	Summer Food Service Program	\$	15,599,467	\$	16,342,299
BQ 3GG0	200676	Fresh Fruit and Vegetable Program	\$	4,911,207	\$	5,145,074
BR 3HF0	200649	Federal Education Grants	\$	7,049,677	\$	7,056,327
BS 3HI0	200634	Student Support and Academic	\$	40,042,720	\$	40,042,720

		Enrichment				
BT 3L60	200617	Federal School Lunch	\$	418,643,500	\$	430,837,000
BU 3L70	200618	Federal School Breakfast	\$	158,726,966	\$	163,350,081
BV 3L80	200619	Child/Adult Food Programs	\$	110,121,168	\$	113,328,580
BW 3L90	200621	Career-Technical Education Basic Grant	\$	45,946,927	\$	46,000,000
BX 3M00	200623	ESEA Title 1A	\$	600,000,000	\$	600,000,000
BY 3M20	200680	Individuals with Disabilities Education Act	\$	454,770,591	\$	455,000,000
BZ 3T40	200613	Public Charter Schools	\$	7,000,000	\$	7,000,000
CA 3Y20	200688	21st Century Community Learning Centers	\$	47,500,000	\$	47,500,000
CB 3Y60	200635	Improving Teacher Quality	\$	85,000,000	\$	85,000,000

CC 3Y70	200689	English Language Acquisition	\$	10,500,000	\$	10,500,000
CD 3Y80	200639	Rural and Low Income Technical Assistance	\$	3,600,000	\$	3,600,000
CE 3Z20	200690	State Assessments	\$	12,000,000	\$	12,000,000
CF 3Z30	200645	Consolidated Federal Grant Administration	\$	10,701,635	\$	10,900,000
CG TOTAL FED	Federal Fund Group		\$	2,093,937,196	\$	2,115,861,054
CH TOTAL ALL BUDGET FUND GROUPS			\$	11,750,095,505	\$	11,995,178,607
				<u>11,750,695,505</u>		<u>11,995,778,607</u>

Sec. 265.210. FOUNDATION FUNDING

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Of the foregoing appropriation item 200550, Foundation
Funding, up to \$40,000,000 in each fiscal year shall be used to
provide additional state aid to school districts, joint
vocational school districts, community schools, and STEM schools
for special education students under division (C) (3) of section
3314.08, section 3317.0214 and division (B) of section 3317.16
in accordance with the section of H.B. 166 of the 133rd General
Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 2020 and
2021," and section 3326.34 of the Revised Code, except that the
Controlling Board may increase these amounts if presented with

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such a request from the Department of Education at the final 49
meeting of the fiscal year. 50

Of the foregoing appropriation item 200550, Foundation 51
Funding, up to \$3,800,000 in each fiscal year shall be used to 52
fund gifted education at educational service centers. The 53
Department shall distribute the funding through the unit-based 54
funding methodology in place under division (L) of section 55
3317.024, division (E) of section 3317.05, and divisions (A), 56
(B), and (C) of section 3317.053 of the Revised Code as they 57
existed prior to fiscal year 2010. 58

Of the foregoing appropriation item 200550, Foundation 59
Funding, up to \$40,000,000 in each fiscal year shall be reserved 60
to fund the state reimbursement of educational service centers 61
under the section of H.B. 166 of the 133rd General Assembly 62
entitled "EDUCATIONAL SERVICE CENTERS FUNDING." 63

Of the foregoing appropriation item 200550, Foundation 64
Funding, up to \$3,500,000 in each fiscal year shall be 65
distributed to educational service centers for School 66
Improvement Initiatives and for the provision of technical 67
assistance to schools and districts consistent with requirements 68
of section 3312.01 of the Revised Code. The Department may 69
distribute these funds through a competitive grant process. 70

Of the foregoing appropriation item 200550, Foundation 71
Funding, up to \$7,000,000 in each fiscal year shall be reserved 72
for payments under section 3317.029 of the Revised Code, in 73
accordance with the section of H.B. 166 of the 133rd General 74
Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 2020 and 75
2021." If this amount is not sufficient, the Superintendent of 76
Public Instruction may reallocate excess funds for other 77
purposes supported by this appropriation item in order to fully 78

pay the amounts required by that section, provided that the 79
aggregate amount appropriated in appropriation item 200550, 80
Foundation Funding, is not exceeded. 81

Of the foregoing appropriation item 200550, Foundation 82
Funding, up to \$26,400,000 in each fiscal year shall be used to 83
support school choice programs. 84

Of the portion of the funds distributed to the Cleveland 85
Municipal School District under this section, up to \$23,501,887 86
in each fiscal year shall be used to operate the school choice 87
program in the Cleveland Municipal School District under 88
sections 3313.974 to 3313.979 of the Revised Code. 89
Notwithstanding divisions (B) and (C) of section 3313.978 and 90
division (C) of section 3313.979 of the Revised Code, up to 91
\$1,000,000 in each fiscal year of this amount shall be used by 92
the Cleveland Municipal School District to provide tutorial 93
assistance as provided in division (H) of section 3313.974 of 94
the Revised Code. The Cleveland Municipal School District shall 95
report the use of these funds in the district's three-year 96
continuous improvement plan as described in section 3302.04 of 97
the Revised Code in a manner approved by the Department. 98

Of the foregoing appropriation item 200550, Foundation 99
Funding, up to \$2,000,000 in each fiscal year may be used for 100
payment of the College Credit Plus Program for students 101
instructed at home pursuant to section 3321.04 of the Revised 102
Code. An amount equal to the unexpended, unencumbered balance of 103
this earmark at the end of fiscal year 2020 is hereby 104
reappropriated for the same purpose for fiscal year 2021. 105

Of the foregoing appropriation item 200550, Foundation 106
Funding, an amount shall be available in each fiscal year to be 107
paid to joint vocational school districts in accordance with the 108

section of H.B. 166 of the 133rd General Assembly entitled 109
"FUNDING FOR JOINT VOCATIONAL SCHOOL DISTRICTS." 110

Of the foregoing appropriation item 200550, Foundation 111
Funding, up to \$700,000 in each fiscal year shall be used by the 112
Department for a program to pay for educational services for 113
youth who have been assigned by a juvenile court or other 114
authorized agency to any of the facilities described in division 115
(A) of the section of H.B. 166 of the 133rd General Assembly 116
entitled "PRIVATE TREATMENT FACILITY PROJECT." 117

Of the foregoing appropriation item 200550, Foundation 118
Funding, a portion may be used to pay college-preparatory 119
boarding schools the per pupil boarding amount pursuant to 120
section 3328.34 of the Revised Code. 121

Of the foregoing appropriation item 200550, Foundation 122
Funding, a portion in each fiscal year shall be used to pay 123
community schools and STEM schools the amounts calculated for 124
the graduation and third-grade reading bonuses under sections 125
3314.085 and 3326.41 of the Revised Code, in accordance with the 126
sections of H.B. 166 of the 133rd General Assembly entitled 127
"FUNDING FOR COMMUNITY SCHOOLS" and "FUNDING FOR STEM SCHOOLS." 128

Of the foregoing appropriation item 200550, Foundation 129
Funding, up to \$1,172,000 in fiscal year 2020 and up to 130
\$1,760,000 in fiscal year 2021 may be used by the Department for 131
duties and activities related to the establishment of academic 132
distress commissions under section 3302.10 of the Revised Code, 133
to provide support and assistance to academic distress 134
commissions to further their duties under Chapter 3302. of the 135
Revised Code, and to provide technical assistance and tools to 136
support districts subject to academic distress commissions. 137

Of the foregoing appropriation item 200550, Foundation 138
Funding, up to \$350,000 in fiscal year 2020 shall be used by the 139
Department of Education to conduct return on investment studies 140
for programming funded through student success and wellness 141
funds and to provide technical assistance to school districts on 142
implementing these strategies. 143

Of the foregoing appropriation item 200550, Foundation 144
Funding, up to \$100,000 in each fiscal year shall be used to 145
make payments under section 3314.06 of the Revised Code to each 146
community school that operates a program that uses the 147
Montessori method endorsed by the American Montessori society, 148
the Montessori Accreditation Council for Teacher Education, or 149
the Association Montessori Internationale as its primary method 150
of instruction for students younger than four years of age who 151
are enrolled in the school. 152

Of the foregoing appropriation item 200550, Foundation 153
Funding, up to \$10,000,000 in fiscal year 2021 shall be used to 154
pay scholarships awarded as follows. Notwithstanding anything in 155
the Revised Code to the contrary, for applications for the 2020- 156
2021 school year, the Department of Education shall accept, 157
process, and award performance-based Educational Choice 158
scholarships under section 3310.03 of the Revised Code as 159
follows. An application period for students who are eligible for 160
the first time for the 2020-2021 school year shall open April 1, 161
2020, and run not less than sixty days or to the extent funds 162
appropriated by the General Assembly under Section 265.10 of 163
H.B. 166 of the 133rd General Assembly and this section remain 164
available. The Department shall award scholarships in the order 165
that it receives applications and shall continue to award 166
scholarships to the extent the funds appropriated by the General 167
Assembly under Section 265.10 of H.B. 166 of the 133rd General 168

Assembly and this section remain available. An application 169
period for students who were eligible for scholarships for the 170
2019-2020 school year, regardless of whether the students 171
received scholarships for that school year, and remain eligible 172
for the 2020-2021 school year shall open April 1, 2020, and run 173
not less than sixty days. These scholarships shall be funded and 174
paid in accordance with section 3310.08 of the Revised Code. 175

The remainder of the foregoing appropriation item 200550, 176
Foundation Funding, shall be used to fund the payments included 177
in the state funding allocation under ~~division~~ divisions (A) (1) 178
and (C) of the section of H.B. 166 of the 133rd General Assembly 179
entitled "FUNDING FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL 180
DISTRICTS." 181

Appropriation items 200502, Pupil Transportation, 200540, 182
Special Education Enhancements, and 200550, Foundation Funding, 183
other than specific set-asides, are collectively used in each 184
fiscal year to pay state formula aid obligations for school 185
districts, community schools, STEM schools, college preparatory 186
boarding schools, and joint vocational school districts under 187
this act. The first priority of these appropriation items, with 188
the exception of specific set-asides, is to fund state formula 189
aid obligations. It may be necessary to reallocate funds among 190
these appropriation items or use excess funds from other general 191
revenue fund appropriation items in the Department of 192
Education's budget, including appropriation item 200903, 193
Property Tax Reimbursement - Education, in each fiscal year in 194
order to meet state formula aid obligations. If it is determined 195
that it is necessary to transfer funds among these appropriation 196
items or to transfer funds from other General Revenue Fund 197
appropriations in the Department's budget to meet state formula 198
aid obligations, the Superintendent of Public Instruction shall 199

seek approval from the Director of Budget and Management to 200
transfer funds as needed. 201

The Superintendent of Public Instruction shall make 202
payments, transfers, and deductions, as authorized by Title 203
XXXIII of the Revised Code in amounts substantially equal to 204
those made in the prior year, or otherwise, at the discretion of 205
the Superintendent, until at least the effective date of the 206
amendments and enactments made to Title XXXIII by H.B. 166 of 207
the 133rd General Assembly. Any funds paid to districts or 208
schools under this section shall be credited toward the annual 209
funds calculated for the district or school after the changes 210
made to Title XXXIII in H.B. 166 of the 133rd General Assembly 211
are effective. Upon the effective date of changes made to Title 212
XXXIII in H.B. 166 of the 133rd General Assembly, funds shall be 213
calculated as an annual amount. 214

Sec. 265.220. FUNDING FOR CITY, LOCAL, AND EXEMPTED 215
VILLAGE SCHOOL DISTRICTS 216

(A) Subject to Section 265.227 of ~~this act~~ H.B. 166 of the 217
133rd General Assembly, for each of fiscal years 2020 and 2021, 218
the Department of Education shall pay each city, local, and 219
exempted village school district an amount equal to the sum of 220
the following: 221

(1) The district's payments for fiscal year 2019 under 222
section 3317.022 of the Revised Code and Section 265.220 of Am. 223
Sub. H.B. 49 of the 132nd General Assembly; 224

(2) The district's payments for fiscal year 2019 under 225
section 3317.0212 and division (D) (2) of section 3314.091 of the 226
Revised Code. 227

(B) (1) For purposes of division (B) of this section: 228

(a) "Eligible school district" means a city, local, or 229
exempted village school district with an enrolled ADM greater 230
than or equal to fifty. 231

(b) "Enrolled ADM" has the same meaning as in section 232
3317.0219 of the Revised Code as enacted by ~~this act~~ H.B. 166 of 233
the 133rd General Assembly. 234

(2) For each of fiscal years 2020 and 2021, the Department 235
of Education shall pay each eligible school district an 236
additional amount calculated as follows: 237

(a) Determine the district's percentage of change in 238
enrolled ADM between fiscal years 2016 and 2017, fiscal years 239
2017 and 2018, and fiscal years 2018 and 2019; 240

(b) Calculate the average of the percentage of changes in 241
enrolled ADM determined for the district under division (B) (2) 242
(a) of this section; 243

(c) Compute the district's payment as follows: 244

The district's average percentage calculated under division (B) 245
(2) (b) of this section X 100 X the district's enrolled ADM for 246
fiscal year 2019 X \$20, for fiscal year 2020, or \$30, for fiscal 247
year 2021 248

If the result of the calculation for a district under 249
division (B) (2) (c) of this section is less than zero, the 250
district shall not receive a payment under division (B) of this 251
section. 252

(C) For each of fiscal years 2020 and 2021, if a city, 253
local, or exempted village school district had a median income 254
index calculated under division (B) (1) of section 3317.017 of 255
the Revised Code for fiscal year 2019 that was less than 1, the 256

Department of Education shall make an additional payment to that 257
district equal to the following: 258

[(The statewide per pupil amount paid for chartered nonpublic 259
school students, as that term is defined in section 3317.28 of 260
the Revised Code) - (the sum of the amounts calculated for the 261
district under divisions (A) and (B) of this section/its formula 262
ADM, as that term is defined in section 3317.02 of the Revised 263
Code)] X the district's formula ADM 264

If the result is a negative number, no payment shall be 265
made under this division. 266

Section 3. That existing Sections 265.10, 265.210 (as 267
amended by S.B. 120 of the 133rd General Assembly), and 265.220 268
of H.B. 166 of the 133rd General Assembly are hereby repealed. 269