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OHIO LEGISLATIVE SERVICE COMMISSION

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Office

S.B. 89
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 89's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Sen. M. Huffman

Local Impact Statement Procedure Required: No

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Highlights

- Affected joint vocational school districts (JVSDs) will have increased revenue due to the bill's provision requiring JVSDs to be compensated like a traditional school district for the loss of tax revenue as a result of a tax exemption in an enterprise zone, depending on the specific compensation agreement.
- The Ohio Department of Education (ODE) will likely incur costs to apply the bill's changes to the Education Management Information System (EMIS). This includes conducting a pilot program to test functionality of any new or updated EMIS guidelines for career-technical planning districts (CTPDs) and changing how the full-time equivalency (FTE) of a student enrolled in more than one CTPD is determined.
- If the bill's changes to the requirements for a high school diploma under the workforce graduation pathway result in fewer students either taking the WorkKeys assessment or obtaining an industry-recognized credential, costs to the state and districts will decrease.
- Revenues and expenditures for certain state institutions of higher education may decrease if enrollment decreases because students can obtain transcribed credit under the bill for approved courses completed at a CTPD without first enrolling in the institution.
- Certain state institutions of higher education will incur additional administrative costs to provide transcribed credit for students who complete an approved course at a CTPD. These costs may be partially offset by a fee of up to \$10 per course that is permitted by the bill.

Detailed Analysis

The bill makes a number of changes related to career-technical planning districts (CTPDs). Provisions with potentially significant fiscal effects are discussed below. Please see the [LSC Bill Analysis](#) for a complete description of all of the bill's provisions.

Compensation of JVSDs located in enterprise zones

The bill requires that a joint vocational school district (JVSD) be compensated at the same rate and under the same terms as a school district when a legislative authority of a municipal corporation or county enters into a compensation agreement with the school district for the loss of tax revenue as the result of a property tax exemption for a business that plans to locate in an enterprise zone. This will result in increased revenue for affected JVSDs, the amount of which will depend on the specific compensation agreement.

EMIS and CTPDs

CTPD pilot programs

The bill makes a number of changes to the Education Management Information System (EMIS) with regard to CTPDs. Notably, the bill requires the Ohio Department of Education (ODE) to do each of the following:

- Implement any proposed changes to EMIS for CTPDs in a pilot program prior to full implementation;
- Establish EMIS guidelines for CTPDs and training programs for personnel that administer EMIS; and
- Notify CTPDs within 24 hours after new data becomes available for review under EMIS and provide 30 days for CTPDs to appeal any data reported.

According to ODE, the requirement for a pilot program before implementation of changes to EMIS will require significant time investment and costs for ODE, including potentially an increase in personnel. The pilot would require the creation and maintenance of two systems, the normal one and the pilot one, for both ODE and the CTPDs participating in the pilot. The other requirements may also increase administrative costs for ODE, although ODE currently provides EMIS guidance and training.

CTPD FTE determination

The bill permits the lead district of a CTPD to enter into an agreement with another district within the CTPD to establish a method to determine the full-time equivalency (FTE) of a student enrolled in both districts for state funding. Currently, the percent of time a student spends in two different districts is determined by the districts and reported to ODE. However, calculation of the FTE for that student is determined not only by this split, but also by other data such as the student's enrollment date and the student's school calendar. It is not clear if this provision of the bill changes that determination. If so, the provision may increase costs for ODE to change current processes in EMIS.

Workforce graduation pathway

The bill allows a student to use the workforce graduation pathway to qualify for a high school diploma by achieving either: (1) a selected score on the WorkKeys assessment or (2) an industry-recognized credential or license issued by a state agency or board. Under current law, students have to do both. This provision may result in fewer students choosing to take the WorkKeys assessment or fewer students choosing to obtain an industry-recognized credential or state license. Currently, ODE reimburses districts for students to take the WorkKeys assessment. So, state costs for the assessment may decrease under the bill. The state also currently uses federal funds to pay for industry-recognized credentials that are earned through WebXams and reimburses districts for the cost of an industry-recognized credential not earned through WebXams if the student is economically disadvantaged. For students who are not economically disadvantaged, many districts and JVsDs pay for the cost of industry-recognized credentials. Any decrease in the number of students obtaining a credential, therefore, may result in a decrease in costs for the state and districts.

Transcripted credit for CTPD courses

The bill requires a state institution of higher education with which a CTPD has a local articulation agreement to provide a student with transcripted credit for a course completed at any CTPD if the student receives the required score on an assessment and the course is approved by either a Career-Technical Assurance Guide (CTAG) or a local articulation agreement. Currently, institutions of higher education provide articulated credit for such courses. The articulated credit does not become transcripted credit until after the student enrolls at the institution. It appears, therefore, that the provision removes an incentive for the student to enroll in the institution that has a local articulation agreement. If this results in a decrease in enrollment for the institution, revenues and costs for the institution will decrease.

Institutions will also have an increase in administrative costs to award transcripted credit that will not necessarily be recouped when the student enrolls. The bill allows institutions to charge up to \$10 per course for these administrative costs.