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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 67  
134<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 67's Bill Analysis](#)

**Version:** As Reported by Senate Primary and Secondary Education

**Primary Sponsors:** Reps. Koehler and Bird

**Local Impact Statement Procedure Required:** No

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### Highlights

- GRF expenditures for state tests are likely to decrease in FY 2021 due to the bill's testing exemption for the American history end-of-course examination. The decrease will depend on the number of school districts and schools that utilize the exemption and the extent of work already completed by the state's contracted testing companies on test development, administration, scoring, and reporting.

### Detailed Analysis

The bill, for the 2020-2021 school year only, (1) exempts school districts and other public schools from administering the end-of-course examination in American history, (2) grants flexibility to school districts and schools for awarding diplomas, (3) permits the use of final course grades in lieu of end-of-course examination scores, and (4) makes changes to the community school sponsor evaluation system. The bill declares an emergency so that these provisions will go into immediate effect.

#### State tests

The costs of administering elementary and secondary state tests are largely funded by the GRF in line item 200437, Student Assessment. Overall, assessment costs include development, field testing, printing, distribution, collecting, scoring, and reporting of assessment results. For FY 2021, the Ohio Department of Education (ODE) reports an overall assessment budget of \$51.8 million from GRF funds, with federal funds providing an additional \$12.3 million in support for federally required tests. Of the overall testing budget of \$64.2 million, \$4.0 million (6.2%) supports state tests in social studies, including end-of-course examinations in American history and government.

As a result of the bill, GRF-funded testing costs are likely to decrease. The amount of the decrease ultimately depends on whether or not school districts administer the end-of-course examination in American history, the amount of work already performed by the vendors pursuant to the contracts, and administrative decisions made by ODE. Some 2020-2021 school year assessments have already been administered, including the fall high school end-of-course examinations for social studies, which occurred between November 30, 2020 and January 15, 2021. Currently, the spring end-of-course assessments in social studies will occur between March 29 and May 14, 2021.<sup>1</sup>

The bill also extends the spring testing windows for various state tests in the 2020-2021 school year by up to two weeks. It also requires the Superintendent of Public Instruction to designate assessment administration times and to extend any other deadlines related to the spring assessments. Further, the bill delays the date by which ODE must (1) report any district and school performance data it has for the 2020-2021 school year to October 14, 2021 (from September 15, 2021, under current law) and (2) send districts and schools the results of the third grade English language arts assessment by about two weeks.

## **School districts and other public schools**

The bill's testing exemption for the 2020-2021 American history end-of-course examination appears to have no direct fiscal effect on school districts or other public schools, as state tests are furnished and overseen by ODE. The bill prohibits a student not administered the American history end-of-course examination in the 2020-2021 school year from being (1) excluded from their resident school district's 2021-2022 school year enrollment for funding purposes, (2) if an e-school student, subject to withdrawal from school, or (3) if a state scholarship recipient, deemed ineligible for scholarship renewal.

## **Graduation requirements**

H.B. 164 of the 133<sup>rd</sup> General Assembly permitted students who were scheduled to take or retake an end-of-course examination in the 2019-2020 school year, but did not do so because the administration of that examination was canceled, to use a final course grade to satisfy graduation requirements prescribed under continuing law in lieu of an examination score. The bill permits, during the 2020-2021 school year, a student in the eleventh or twelfth grade who takes or retakes an end-of-course examination or who is unable to take or retake an end-of-course examination for any reason in that school year to use a final course grade in lieu of an examination score to satisfy graduation requirements. As a result, the bill may increase a school district or other public school's administrative workload to inform and advise students of their options. The table below shows the bill's designated achievement levels for each corresponding course grade. The first column includes any corresponding letter grade for each letter (e.g., "A" includes both "A-" and "A+," and so on).

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<sup>1</sup> 2020-2021 Testing Dates <http://education.ohio.gov/Topics/Testing/Test-Dates/2020-2021-Test-Dates>.

2019-2020 School Year Final Course Grade and End-of-Course Examination Equivalent Achievement Levels	
Final Course Grade	End-of-Course Examination Performance Level Equivalent
A	Advanced
B	Accelerated
C	Proficient
D	Basic
F	Limited

Any grades “C” or higher are deemed equivalent to a competency score for purposes of graduation requirements. For pass-fail courses, the bill specifies that failure is equivalent to an “F” grade and limited level of skill, while passing is equivalent to a level of skill that the student’s district or school determines, though a pass designation is equivalent to a competency score.

### **Modifications to the awarding of diplomas**

The bill makes three additional modifications for the awarding of high school diplomas for the 2020-2021 school year, which may result in more students graduating on time than otherwise would have. These provisions:

- Require schools and districts to grant a diploma to any student in the twelfth grade or who was on track to graduate (regardless of grade) but had not completed the requirements, as long as the student’s principal, in consultation with teachers and counselors, determines that the student has successfully completed the high school curriculum or the student’s individualized education program. The bill specifies that diplomas awarded in this manner must be awarded before September 30, 2021.
- Allow any board of education that has opted to require a curriculum more challenging than the state requirements to use the state minimum requirements in making the determination of whether the student has completed the high school curriculum.
- Permits a student to qualify for a high school diploma by meeting the requirements of their high school’s curriculum or their individualized education program and earning the OhioMeansJobs-readiness seal. According to ODE, a student may earn this seal by demonstrating proficiency in 15 specific professional skills at school, work, or in the community. Each skill must be validated by a mentor. At least three mentors must participate in the validation process across all 15 skills.

### **Community school sponsor evaluations**

The bill modifies some of the existing safe harbor provisions regarding community school sponsor evaluations enacted in response to the COVID-19 pandemic, which may result in a decrease in ODE’s administrative workload. The bill prohibits ODE from issuing a rating for the academic performance component of the evaluation and specifies that a community school

sponsor's overall rating for the 2020-2021 school year be based on the remaining two components (adherence to quality practices prescribed by ODE and compliance with all applicable laws and rules of the sponsoring entity).

The bill also clarifies that the modified sponsor rating for the 2020-2021 school year cannot be used to qualify the sponsor for any new incentives. For example, entities with an overall rating of "exemplary" or "effective" for at least three consecutive years are evaluated by ODE once every three years, instead of annually. Entities with an overall rating of "exemplary" for at least two consecutive years may sponsor an unlimited number of schools with no territorial restrictions and also receive exemptions from certain requirements on contracts with ODE and the sponsored schools.

## **Federal waiver request**

The bill requires ODE to, for the 2020-2021 school year, seek a waiver from the U.S. Secretary of Education from accountability and school identification requirements under federal law. The U.S. Department of Education (USDOE) announced the option for states to seek such a waiver on February 22, 2021. In general, USDOE indicated that a state granted a waiver will not be required to implement and report the results of its accountability system or to differentiate accountability measures among its public schools using data from the 2020-2021 school year. Under this latter provision, a state would not be required to identify schools for certain levels of support and improvement based on data from the 2020-2021 school year. A state would also not be required to adjust its academic achievement indicator to account for a test participation rate below 95%.

The effect of this provision on ODE's administrative workload, if any, appears minimal. ODE reported that it has already submitted a request for an addendum to its state accountability plan, based on flexibilities for the 2020-2021 school year previously announced by USDOE. ODE is awaiting further information, including a waiver template, from USDOE on the new waivers recently announced. ODE has been informed that states that submitted an addendum request will be contacted directly by USDOE to discuss whether to move forward with the addendum request or to switch to a waiver request.

## **Current law safe harbor provisions for 2020-2021 school year**

H.B. 404 and H.B. 409, both of the 133<sup>rd</sup> General Assembly, previously enacted various "safe harbor" provisions for the 2020-2021 school year. Specifically, H.B. 409, in part, prohibits ODE from publishing state report card ratings for the 2020-2021 school year, prohibits any report card ratings for this school year from being considered in determining whether a district or school is subject to sanctions or penalties, and creates a safe harbor period from community school sponsor penalties and sanctions based on ratings for the 2020-2021 school year. H.B. 404, in part, waived certain requirements with respect to school employee evaluations for the 2020-2021 school year.