



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 327
(1_134_1448-4)
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 327's Bill Analysis](#)

Version: In House State and Local Government

Primary Sponsors: Reps. Grendell and Fowler Arthur

Local Impact Statement Procedure Required: No

Dan Redmond, Budget Analyst, and other LBO staff

Highlights

- The bill may increase the costs of the Department of Higher Education (DHE), state institutions of higher education, and the Ohio Department of Education (ODE) to perform various administrative tasks required by the bill.
- The bill may increase costs for public schools and state institutions of higher education to adapt curriculum or change how certain concepts are presented.
- The Department of Administrative Services (DAS), other state agencies, and political subdivisions all may incur some increase in administrative costs to develop and communicate policies, review grants and other duties to comply with the bill's prohibition on these entities from teaching or promoting divisive concepts.
- DAS may incur additional costs to prepare a biennial report on compliance by the state and political subdivision employees with the bill's prohibitions.

Detailed Analysis

The bill prohibits K-12 schools, state institutions of higher education, state agencies, and political subdivisions from teaching, instructing, and training or promoting professional development in divisive concepts. However, the bill does not prohibit discussing or using supplemental instructional materials, as part of a larger course of academic instruction, to teach about divisive concepts in an objective manner and without endorsement. The bill also prohibits application for federal grants or acceptance of private funds for the purpose of curriculum development, the purchase of related materials, or training or professional development for a course promoting divisive topics, and prescribes various penalties and sanctions for violating the bill's prohibitions. See [LSC's bill analysis](#) for a list of divisive concepts and detail on the bill's other provisions.

State higher education institutions and DHE

The administrative costs of the Department of Higher Education (DHE) and state institutions of higher education may increase to perform various tasks. DHE must develop a policy and establish rules regarding its implementation for incorporating the requirements of diversity and inclusion efforts, and prepare a biennial report to the General Assembly regarding compliance with the bill by state institutions of higher education. Under the bill, the report must be submitted to the General Assembly not later than November 30 in each even-numbered year, beginning in 2022.

State institutions are required to update their policies on faculty tenure; review their grant and scholarship programs to identify which programs may require grant or scholarship recipients, as a condition of receiving a grant from the entity, to certify that the recipient will not use grant funds to promote divisive concepts; review all employee training programs in diversity and inclusion (including those provided by a third party); communicate the Chancellor's policy to all employees; and ensure divisive concepts are not taught, advocated, acted upon, or promoted by the institution, by employees during work hours, or by contractors hired to provide training to employees. Additionally, state institutions must annually review and assess compliance with the policy and submit a report to DHE. State institutions may also incur some cost to adapt courses or change how certain concepts are presented to students or employees to comply with the bill, depending on implementation decisions made by the institutions.

K-12 schools and the Department of Education

The administrative costs of the Ohio Department of Education may increase to assist the State Board of Education with certain tasks the bill requires. The State Board must prepare an annual report to the General Assembly regarding compliance with the bill. Under the bill, the report must be submitted to the General Assembly by June 30 each year, beginning in 2022. The State Board must also adopt rules to govern implementation of and monitor compliance with the bill. It also prohibits the State Board from adopting any standards, model curricula, professional development or classroom resources, or assessments including the divisive concepts.

There also may be some minimal cost for school districts and other public schools to adapt curriculum or change how certain concepts are presented to students or employees to comply with the bill, depending on implementation decisions made by districts and schools.

Department of Administrative Services, state agencies, and political subdivisions

The Department of Administrative Services (DAS), other state agencies, and political subdivisions all may incur some increase in administrative costs under the bill. The bill requires each of these entities to perform various tasks including developing and communicating policies to ensure divisive concepts are not taught, advocated, acted upon, or promoted by the entities or the entities' employees. The bill also requires these entities to review the various grant programs each offers to identify which programs may require grant recipients, as a condition of receiving a grant from the entity, to certify that the recipient will not use grant funds to promote divisive concepts. For DAS, the responsibility for carrying out the requirements of the bill would fall to the State Human Resources Division. In addition to the costs related to the tasks above, DAS may incur additional costs to prepare a biennial report regarding compliance with the bill by

state and political subdivision employees. Under the bill, the report must be submitted to the General Assembly not later than November 30 in each even-numbered year, beginning in 2022.