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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Legislative Budget
Office

H.B. 298
(with AM1961-1)
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 298's Bill Analysis](#)

Version: In House Government Oversight

Primary Sponsors: Reps. Bird and J. Miller

Local Impact Statement Procedure Required: No

Sarah Darnell, LSC Fellow

Highlights

Fund	FY 2023	Future Years
State General Revenue Fund		
Expenditures	Decrease of \$35,000	Decrease of \$70,000 in FY 2024 and each year thereafter

Note: The state or school district fiscal year runs from July 1 through June 30 and is designated by the calendar year in which it ends. For other local governments, the fiscal year is identical to the calendar year.

- The bill's elimination of four seats on the State Board of Education will decrease Ohio Department of Education GRF expenditures each year beginning in FY 2023, with the annual decrease reaching about \$70,000 in FY 2024 and each year thereafter.

Detailed Analysis

Under current law, the State Board of Education, created by the Ohio Constitution and tasked with providing oversight of the state's primary and secondary education system, is comprised of 19 voting members. The Governor appoints eight of the members while the remaining 11 members are elected from districts representing different parts of the state. The bill requires that all voting members be elected from districts that coincide with Ohio congressional districts and specifies a process to transition the State Board to the new membership structure. Following the 2020 decennial census, Ohio will have 15 congressional districts. The bill reduces the size of the State Board by eliminating four of the seats filled via executive appointment and replacing the other four seats filled via executive appointment with elected members. Appointed members of the State Board whose term is still ongoing at the

effective date of the bill will continue to serve until the term ends. At that point, the seat will be eliminated or replaced with an elected member. Beginning January 1, 2025, the State Board's voting membership will entirely consist of elected members representing the 15 new State Board districts.

State Board members are paid an hourly rate of \$32.02. The number of hours an individual Board member works varies depending on a number of factors, such as if they attend conferences and how often they visit schools. State Board members also are eligible for benefits such as retirement and health insurance and may be reimbursed for travel expenses. The table below lists the average salary and fringe benefits and travel reimbursement for each State Board member in FY 2020, the most recently completed fiscal year in which State Board members routinely met monthly in Columbus (FY 2021 meetings generally were held virtually due to the coronavirus pandemic). The FY 2020 data may understate the average costs per member going forward due to cancellation of the April 2020 meeting and the State Board's approval in October 2019 (i.e., after the start of the fiscal year) of a policy change allowing members to be compensated for hours spent on constituent services and meeting preparation time. Costs for State Board members are paid from the GRF in line item 200321, Operating Expenses, in the Ohio Department of Education (ODE) budget.

Average State Board of Education Member Payroll Costs and Travel Reimbursements, FY 2020	
Expense Category	Average Amount
Salary and fringe benefits	\$12,500
Travel reimbursements	\$5,000
Total	\$17,500

Currently, four appointed members' terms expire at the end of December 2022, while the remaining four appointed members' terms expire at the end of December 2024. As a result, ODE expenses will begin to decrease in FY 2023, when, practically, the State Board's voting membership is first reduced to 15. Since the terms end halfway through a fiscal year, the decrease for FY 2023 is estimated at about \$35,000 (\$17,500 annual average per member x 50% x four member seats eliminated). The decrease will grow to \$70,000 in FY 2024 and each year thereafter, as the impact of four fewer State Board members begins accruing over a full fiscal year (\$17,500 annual average per member x four member seats eliminated). As a point of reference, total payroll costs and travel reimbursements for State Board members in FY 2020 were about \$332,000. Savings from eliminating appointed seats may be partially offset if, as a result of the workload being more concentrated, the elected board members work more hours, opt to visit more schools, or attend more conferences.