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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
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S.B. 168\*  
135<sup>th</sup> General Assembly

## Bill Analysis

[Click here for S.B. 168's Fiscal Note](#)

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

**Primary Sponsor:** Sen. Reynolds

Mike Niemi, Research and Drafting Supervisor

### SUMMARY

#### District exemption from certain statutory requirements

- Permits a school district to renew its exemption from certain statutory requirements related to every three years, rather than one three-year term only.
- Permits a school district to qualify for an exemption if, on its most recent state report card, it received a performance rating of five stars on the Progress component, a four-year adjusted cohort graduation rate of at least 93%, and a five-year adjusted cohort graduation rate of at least 95%.
- Eliminates an exemption from statutory requirements regarding teacher qualifications under the Third Grade Reading Guarantee.
- Requires the Department of Workforce and Education to notify districts that are eligible about this exemption.

#### Teachers and other school employees

- Permits school districts to develop and use their own frameworks for teacher evaluation, instead of using a framework developed by the State Board of Education.
- Qualifies a teacher or school counselor as “consistently high-performing” if the teacher or counselor receives the highest level of performance rating in their evaluation for at least four of the past five years, and meets at least one other requirement.

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\* This analysis was prepared before the report of the House Primary and Secondary Education Committee appeared in the House Journal. Note that the legislative history may be incomplete.

- Exempts consistently high-performing school counselors from additional coursework or professional development requirements for licensure renewal.
- Requires each municipal school district board of education to endeavor to include in the district's evaluation procedures the development of a professional growth plan or improvement plan and a final summative conference to discuss the results of the evaluation.
- Requires the State Board of Education to issue an alternative resident educator license to an individual who holds a master's degree, and passes an exam, in the subject area to be taught.
- Permits the Department of Education and Workforce to establish alternative pathways for bachelor's degree holders to obtain an educator license to work as an administrator or superintendent and requires the State Board to issue a license to an individual who completes one of those pathways.
- Requires the Department to develop and recommend to the General Assembly a proposal for an apprenticeship program for school principals.
- Codifies an administrative rule that permits the State Board to issue an educator license to certain qualified out-of-state educators.
- Changes the grade band specification for an educator license from grades six through twelve to grades seven through twelve.

### **Unlicensed employee RAPBACK requirement**

- Subjects only unlicensed persons who the district, service center, or school reasonably determines may involve routine interaction with a child or regular responsibility for the care, custody, or control of a child to RAPBACK requirements.

### **Professional development**

- Changes certain professional development requirements related to the coordination of continuing education and professional development.

### **Teaching contracts for classes outside typical school day**

- Exempts districts from entering into supplemental contracts with teachers assigned to teach classes outside the normal school day if certain conditions related to the teacher's daily hours of instruction and collective bargaining are satisfied.

### **Board of education meetings**

- Clarifies that a school district is not required to hold a separate, individual public hearing on a proposed school calendar, but that the calendar may be addressed as part of another public hearing or meeting.
- Requires that the record of proceedings of a board of education meeting be read at the board's next regular meeting, instead of at the next succeeding meeting.

## **Remote testing for state assessments**

- Requires the Department to establish a pilot program for the 2024-2025 school year based on state assessments to test the feasibility of remotely administered and proctored assessments.

## **Sexually transmitted infection education**

- Changes references from “venereal disease” education to “sexually transmitted infection” education in the health education curriculum.
- Changes the requirements regarding conception and marriage in the sexually transmitted infection education in schools to teach that conceiving children at an early age or outside of marriage increases the likelihood of hardship in life.

## **Payment for tutoring and remedial education program**

- Modifies payment and tutor registration procedures for the Tutoring and Remedial Education Program.

## **Intradistrict open enrollment**

- Requires a school district that conducts an intradistrict enrollment lottery to engage in certain deadline and notice procedures.

## **Student transportation – afterschool time**

- Prohibits the Department from determining a school district noncompliant with transportation requirements if the school provides school supervised academic services to the affected students promptly after school for no more than 60 minutes after the end of the school day.
- Requires that any student pickup that occurs more than 60 minutes after the end of the school day be considered noncompliant with school transportation requirements.

## **School Turnaround Pilot Program**

- Requires the Department to establish and administer the five-year School Turnaround Pilot Program to address chronic low performance in school districts and community schools and establishes a school building selection process.
- Requires the Department to approve one or more eligible external service providers to partner with districts, schools, community school sponsors, and school support teams.
- Requires districts, community schools, and service providers to regularly report data to the Department and requires the Department to conduct an annual evaluation of the program.

## **Community schools**

- Permits a community school sponsor that was rated “exemplary” on its most recent evaluation to sponsor up to 200 community schools

- Eliminates the requirement that community schools conduct monthly reviews of the residency of enrolled students.
- Eliminates e-school enrollment limits.
- Eliminates the requirement that each sponsorship contract include a provision requiring the sponsor to report annually the results of the academic and fiscal performance evaluation.
- Prohibits the Department from evaluating community school sponsors for the 2024-2025 school year, unless a sponsor elects to be evaluated.
- Requires the Department to develop a comprehensive framework to evaluate the performance of community school sponsors.
- Permits the Director of Education and Workforce to reallocate excess funds for other purposes in state foundation aid to fully pay supplemental funding for dropout prevention and recovery e-schools.

### **Notice requirements for certain reemployed STRS and SERS retirants**

- Modifies the notice requirements for certain reemployed STRS and SERS retired members.

### **School district competitive bidding threshold**

- Increases statutory competitive bidding thresholds to \$75,000 for school districts for 2024, and subsequently increases the amount annually by 3%, to match that of other public entities.

### **Debt limit for nonrequired locally funded initiatives**

- Temporarily increases the cap, to until December 31, 2027, on the amount of debt a school district may exceed for nonrequired locally funded initiatives from 50% of the local share of the basic project cost to 75% of that cost.

### **School district base cost calculation for FYs 2024 and 2025**

- Requires the Department of Education and Workforce to calculate several cost components included in a school district's base cost calculation using the sum of the enrolled ADM of each school district that *reported* that data, rather than the enrolled ADM of *every* school district.

### **High School Financial Literacy Fund**

- Requires the Director of Education and Workforce to request, and the Director of Budget and Management to transfer, up to \$1.5 million from the General Revenue Fund to the High School Financial Literacy Fund during the biennium ending June 30, 2025.

## **Student training at early learning and development programs**

- Requires an institution with an early childhood teacher preparation program to permit a student who is employed by an early learning and development program to complete required student training as a paid employee of that program.
- Requires the Chancellor of Higher Education and Department of Children and Youth to collaborate with industry stakeholders to develop strategies to assist employees of early learning and development programs to complete student training.

## **Removal of obsolete provisions**

- Removes a number of policies and programs from the laws governing the Department of Workforce and Education and the State Board of Education.

## **Grow Your Own Teacher Program**

- Expands the types of schools that may participate in, expands scholarship eligibility for, and makes other changes to, the Grow Your Own Teacher Program.

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## **TABLE OF CONTENTS**

District exemption from certain statutory requirements.....	6
Renewal .....	6
Expanded eligibility .....	7
Removal of exemption from third grade reading guarantee.....	7
Background.....	7
Teachers and other school employees .....	7
Teacher evaluation – alternative framework.....	7
Consistently high-performing teachers and school counselors.....	8
Teacher and other professional qualifications.....	9
Senior or lead professional educator .....	9
Administrator and superintendent licenses.....	9
School principal apprenticeship .....	9
Alternative resident educator licenses for master’s degree holders.....	9
Temporary out-of-state teaching licenses .....	9
Educator license grade bands .....	10
Unlicensed employee RAPBACK requirements.....	10
Professional development for educator license renewal.....	10
Teaching contracts for classes outside typical school day .....	10
Board of education meetings.....	11
Public hearing regarding school calendars.....	11
Records of proceedings.....	11

Remote testing for state assessments.....	11
Sexually transmitted infection education.....	12
Payment for tutoring and remedial education program .....	12
Intradistrict open enrollment .....	12
Student transportation – afterschool time.....	12
School Turnaround Pilot Program .....	13
School building selection.....	13
Service providers .....	13
Needs assessment .....	14
Reporting and evaluation .....	14
Community schools.....	14
Number of community schools an entity may sponsor .....	14
Monthly community school student residency review.....	14
E-school enrollment limits.....	14
Academic and fiscal performance evaluation.....	15
Community school sponsor evaluation framework.....	15
Dropout prevention and recovery e-school supplemental funding .....	15
Notice requirements for certain reemployed STRS and SERS retirants .....	16
School district competitive bidding threshold.....	16
Debt limit for nonrequired locally funded initiatives .....	16
School district base cost calculation for FYs 2024 and 2025 .....	17
High School Financial Literacy Fund.....	17
Student training at early learning and development programs.....	17
Removal of obsolete provisions.....	18
Grow Your Own Teacher Program.....	20
Qualifying school district.....	20
Qualifying employee .....	20
Other changes .....	20

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## DETAILED ANALYSIS

### District exemption from certain statutory requirements

#### Renewal

The bill permits a school district to renew an exemption from certain statutory requirements related to teacher licensure and other topics, every three years, as long as the district continues to qualify for the exemption. Current law does not address renewal of the exemption past an initial three-year term. Additionally, the bill requires the Department of

Education and Workforce to notify, annually by September 30, each eligible district that the district is in fact eligible and that the exemptions exist.<sup>1</sup>

### **Expanded eligibility**

The bill establishes a new pathway for a school district to qualify for the exemption described above. Specifically, a district may qualify if, on its most recent state report card, the district receives a performance rating of five stars on the Progress component, has a four-year adjusted cohort graduation rate of at least 93%, and has a five-year adjusted cohort graduation rate of at least 95%.<sup>2</sup>

### **Removal of exemption from Third Grade Reading Guarantee**

The bill eliminates an exemption for a school district from the teacher qualification requirements under the Third Grade Reading Guarantee.<sup>3</sup>

### **Background**

Under law modified by the bill (see “**Removal of obsolete provisions,**” below), a district that meets certain state report card benchmarks may be exempt from complying with requirements related to teacher qualification and licensing, mentoring under the Ohio Teacher Residency Program, certain classroom size standards, and other requirements. The benchmarks established under current law that a district must meet to qualify are:<sup>4</sup>

1. At least an 85% performance index score;
2. An “A” grade for performance indicators (eliminated by the bill);
3. At least a 93% four-year adjusted cohort graduation rate and at least a 95% five-year rate.

## **Teachers and other school employees**

### **Teacher evaluation – alternative framework**

The bill adds an alternative framework for a school district board of education to use in teacher evaluation procedures. Current law requires a school district to develop and adopt standards-based teacher evaluation procedures according to a framework developed by the State Board of Education.<sup>5</sup> The bill permits a district to select a framework developed or adopted by the district, rather than the State Board framework.<sup>6</sup>

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<sup>1</sup> R.C. 3302.151(E).

<sup>2</sup> R.C. 3302.151(A)(1).

<sup>3</sup> R.C. 3302.151(D).

<sup>4</sup> R.C. 3302.151(D).

<sup>5</sup> R.C. 3319.112.

<sup>6</sup> R.C. 3311.80 and 3319.111.

The bill also makes changes to teacher evaluation procedures for municipal school district boards of education. Currently, the Cleveland Metropolitan School District is the only municipal school district. First, the bill requires “at least one” formal observation and classroom walkthrough for teacher evaluation procedures at municipal school districts, instead of requiring “at least” formal observations and classroom walkthroughs. Next, the bill requires each municipal school district board to endeavor to include in the district’s evaluation procedures the development of a professional growth plan or improvement plan and a final summative conference to discuss the results of the evaluation. Current law already includes a growth plan and a conference for certain teachers under the teacher evaluation system.<sup>7</sup>

### **Consistently high-performing teachers and school counselors**

Instead of leaving the definition to the State Board of Education as under current law, the bill defines “consistently high-performing teacher or school counselor” and qualifies one as such if the teacher or counselor receives the highest level of performance rating in the teacher or counselor’s evaluation for at least four of the past five years and, for at least three of the five years of the current licensure cycle, meets at least one, or any combination, of the following:

- Holds a valid senior or lead professional educator license;
- Holds a locally recognized educational leadership role that enhances educational practices by providing professional learning experience at district, regional, state, or higher educational level;
- Serves in a leadership role for a national or state professional academic education organization;
- Serves on a state-level committee supporting education; or
- Receives a state or national educational recognition or award.

Under current law, school counselors are not included in the definition of “consistently high-performing teacher.”

In addition, the bill exempts consistently high-performing school counselors from additional coursework or professional development requirements for licensure renewal in the same manner as consistently high-performing teachers.<sup>8</sup> Consistently high-performing teachers are already exempt from these requirements under current law.

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<sup>7</sup> R.C. 3311.80(A).

<sup>8</sup> R.C. 3319.22(H).



## **Teacher and other professional qualifications**

### **Senior or lead professional educator**

The bill requires an applicant for a senior professional educator license or lead professional educator license to hold at least a bachelor's degree. Current law requires applicants to hold at least a master's degree.<sup>9</sup>

### **Administrator and superintendent licenses**

The bill permits, but does not require, the Department to establish alternative pathways for the holder of a bachelor's degree to obtain an educator license to work as an administrator or superintendent. If the Department elects to establish one or more alternative pathways, the bill requires the State Board to issue an educator license to work as an administrator or superintendent to an individual who completes the alternative pathway.<sup>10</sup>

### **School principal apprenticeship**

The bill requires the Department to develop and recommend to the General Assembly a proposal for an apprenticeship program for school principals not later than 120 days after the bill's effective date.<sup>11</sup>

### **Alternative resident educator licenses for master's degree holders**

The bill requires the State Board to issue an alternative resident educator license to an individual who holds at least a master's degree in, and has successfully completed an exam prescribed by the State Board for, the subject area in which the individual will teach. The bill also requires the holder of an initial license issued under this provision to complete a pedagogical training institute to renew that license. The holder of the license is subject and entitled to the same requirements and rights as any other resident educator.<sup>12</sup>

### **Temporary out-of-state teaching licenses**

The bill codifies an administrative rule that permits the State Board to issue an educator license to certain qualified out-of-state educators.<sup>13</sup> Under that rule, the State Board must issue a one-year nonrenewable out-of-state educator license, valid for teaching the grade levels and curriculum areas named in the license upon request of an employing school district to a qualified applicant of good moral character who: (1) is an out of state applicant and the holder of a valid out-of-state teaching license who has a bachelor's degree, has completed an approved teacher preparation program, and a licensure exam, but who has not yet successfully completed Ohio's licensure exam and (2) has completed at least six of the required 12 semester

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<sup>9</sup> R.C. 3319.22(B).

<sup>10</sup> R.C. 3319.273.

<sup>11</sup> Section 9 of the bill.

<sup>12</sup> R.C. 3319.264.

<sup>13</sup> R.C. 3319.2210.

hours of coursework in the teaching of reading for educators requesting an early childhood, primary, middle childhood, pre-k through 8, intervention specialist, early childhood intervention specialist, or primary intervention specialist license. Any remaining coursework must be listed as a limitation on the license and must be completed before the out-of-state licensure expires.

The bill retains the statutory option to complete the foundations of reading exam in lieu of the requirement to complete six hours of coursework in reading.

### **Educator license grade bands**

The bill changes the grade band specification for an educator license from grades six through twelve to grades seven through twelve. The pre-kindergarten through eighth grade band remains unchanged by the bill.<sup>14</sup> The bill permits a person who holds a license on or before the bill's effective date to renew that license with either the grade bands of the prior license or the new bands established under the bill.<sup>15</sup>

### **Unlicensed employee RAPBACK requirements**

The bill specifies that unlicensed persons who are employed in or contracted for a position with a school district, educational service center, or chartered nonpublic school must be enrolled in the Retained Applicant Fingerprint Database (RAPBACK) only when the district, service center, or school reasonably determines the position may involve routine interaction with a child or regular responsibility for the care, custody, or control of a child.<sup>16</sup>

### **Professional development for educator license renewal**

The bill specifically permits a professional development committee to grant as credit towards continuing education requirements a professional development training required by statute to an individual seeking to renew any educator license.<sup>17</sup> Continuing education credit is limited to one completed professional development course per licensure renewal period. In order to qualify for continuing education credit, the bill requires that a professional development course be completed during the time in which an individual holds a valid educator license. Under current law, school districts and chartered nonpublic schools must establish local professional development committees to establish standards for completion of professional development courses and training for educator licensure renewal.

### **Teaching contracts for classes outside typical school day**

The bill modifies a contracting requirement related to districts offering classes for high school credit outside the normal school day. Under current law, a district offering such classes

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<sup>14</sup> R.C. 3319.22(A)(1)(d).

<sup>15</sup> R.C. 3319.079.

<sup>16</sup> R.C. 3319.316 and 3319.391.

<sup>17</sup> R.C. 3319.22(F).

is required to enter into a supplemental contract with a teacher assigned to teach the classes. The bill exempts districts from this requirement if the teacher voluntarily agrees to a regularly occurring schedule outside of the normal day, the teacher's total daily hours do not exceed a normal school day, and the teacher is otherwise in compliance with applicable requirements of the district's collective bargaining agreement.<sup>18</sup>

## **Board of education meetings**

### **Public hearing regarding school calendars**

The bill clarifies that a current law requirement requiring each school district to hold a public hearing within 30 days before adopting a school calendar. The bill provides that the hearing can be part of another public hearing or board meeting; it does not need to be a separate, individual hearing.<sup>19</sup>

### **Records of proceedings**

The bill requires that the record of proceedings of a board of education meeting be read at the board's next regular meeting, instead of at the next succeeding meeting as under current law.<sup>20</sup>

## **Remote testing for state assessments**

The bill requires the Department of Education and Workforce to establish a pilot program for the 2024-2025 school year based on state assessments to test the feasibility of remotely administered and proctored assessments. The Department must develop standards, requirements, and methodology for how the pilot program will be operated, including:

1. Selection of internet- or computer-based community schools to participate in the pilot program;
2. Selection of which assessments to administer remotely and when they will be administered; and
3. The logistics of how assessments will be administered, including timing, location, and technology required to administer assessments remotely.

Under the bill, each student who takes a remotely administered and proctored achievement assessment or diagnostic assessment must take the assessment in the manner otherwise required under continuing law regarding such assessments.

The Department must submit a report to the General Assembly by September 1, 2025, detailing the pilot program's findings.<sup>21</sup>

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<sup>18</sup> R.C. 3319.0811.

<sup>19</sup> R.C. 3313.48.

<sup>20</sup> R.C. 3313.26.

<sup>21</sup> Section 13 of the bill.

## **Sexually transmitted infection education**

The bill changes references from “venereal disease” education to “sexually transmitted infection” education in the health education curriculum in public schools.<sup>22</sup>

The bill also changes the requirement regarding conception and marriage in the sexually transmitted infection education in schools. Under the bill, this education must teach that conceiving children at an early age or outside of marriage increases the likelihood of hardship in life. This replaces the current law requirement to teach that “conceiving children outside of wedlock is likely to have harmful consequences for the child, the child’s parents, and society.”<sup>23</sup>

## **Payment for tutoring and remedial education program**

The bill permits schools participating in the Tutoring and Remedial Education Program to instruct their educational service center or school district to authorize payment to the service center that coordinates the tutoring program. It also permits participating schools to use federal or state grants or other federal or state dollars applicable for tutoring or other services associated with learning loss, in addition to the school’s own funds, to pay costs incurred from participating in the program.<sup>24</sup>

Finally, the bill requires tutor volunteers to apply for and receive a registration from the State Board, rather than the Department as under current law.

## **Intradistrict open enrollment**

The bill requires a school district that conducts an intradistrict open enrollment lottery for students to:

1. Conduct the lottery by the second Monday of June prior to the school year for which a student is seeking enrollment;
2. Notify parents of students who reside in the district of the lottery date prior to that date; and
3. Post on the district’s website information about the lottery, including how and when it will be conducted.<sup>25</sup>

## **Student transportation – afterschool time**

The bill prohibits the Department from determining a school district noncompliant with transportation requirements, specifically the requirement to pick up students for transportation not more than 30 minutes after the end of the school day, if the school provides school supervised academic services to the affected students promptly after school for no more

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<sup>22</sup> R.C. 3313.60(A)(5)(c) and 3313.6011.

<sup>23</sup> R.C. 3313.6011(C)(1)(c).

<sup>24</sup> R.C. 3301.28.

<sup>25</sup> R.C. 3313.984.

than 60 minutes after the end of the school day. This specifically applies to those affected students who receive the academic services. It also requires that any student pickup that occurs more than 60 minutes after the end of the school day be considered noncompliant with school transportation requirements.<sup>26</sup>

## **School Turnaround Pilot Program**

(R.C. 3302.121)

The bill requires the Department of Education and Workforce to establish, administer, and operate the School Turnaround Pilot Program for five years beginning with the 2024-2025 school year.<sup>27</sup> The program is designed to address chronic low performance in school districts and community schools. A program for any particular school building may be of a three to five year duration.

The bill provides that the pilot program may be funded from existing federal funds.<sup>28</sup>

### **School building selection**

The bill permits the Department to select up to 15% of the school buildings on its comprehensive support and improvement schools designation list<sup>29</sup> for the most recent school year available at the time selections are made, or other school buildings operated by the lowest performing school districts as determined by the Department, to participate in the program. The Department is required to (1) select school buildings from at least five state support team regions to ensure geographic diversity and (2) include community schools. When selecting participating school buildings, the Department may consider the typology of the school district that operates the school building or in which the school building is located, the grade levels offered, and the length of time the school building has been on the list.<sup>30</sup>

### **Service providers**

The Department must approve one or more eligible external service providers with expertise in school improvement to work in partnership with districts, schools, community school sponsors, and school support teams in the area.<sup>31</sup> The bill requires that service providers collaborate with school districts and community schools to ensure that services and

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<sup>26</sup> R.C. 3327.01 and 3327.021.

<sup>27</sup> R.C. 3302.121(B).

<sup>28</sup> R.C. 3302.121(F).

<sup>29</sup> See the Department of Education and Workforce's webpage on [Comprehensive Support and Improvement Schools](https://www.education.ohio.gov) available at [www.education.ohio.gov](https://www.education.ohio.gov).

<sup>30</sup> R.C. 3302.121(C).

<sup>31</sup> R.C. 3302.121(D).

interventions are aligned to identified needs and to recommend system-wide improvements to the Department and to the General Assembly.<sup>32</sup>

### **Needs assessment**

The bill requires each participating school district or community school to choose a single service provider approved by the Department to conduct a needs assessment, develop a multi-year improvement plan, and ensure the implementation of evidence-based interventions to improve academic achievement, chronic absenteeism rates, and family and community engagement.<sup>33</sup> For purposes of the bill, a “needs assessment” means a systematic process of identifying and evaluating the specific requirements, challenges, and opportunities within an educational institution.<sup>34</sup>

### **Reporting and evaluation**

The bill requires program participants and service providers to regularly report data to the Department in the manner prescribed by the Department. Annually, the Department must conduct an evaluation of the program. The Department may contract with a third party to perform that evaluation.<sup>35</sup>

### **Community schools**

#### **Number of community schools an entity may sponsor**

The bill permits a community school sponsor that was rated “exemplary” on its most recent evaluation to sponsor up to 200 community schools.<sup>36</sup>

#### **Monthly community school student residency review**

The bill eliminates the requirement that community schools conduct monthly reviews of the residency of enrolled students. However, it retains the requirement that community schools verify to the Department the school district in which a student is entitled to attend upon the student’s enrollment annually.<sup>37</sup>

#### **E-school enrollment limits**

The bill eliminates restrictions on e-schools from exceeding enrollment limits. Current law limits the percentage by which an e-school may increase its enrollment. An e-school may increase its enrollment by a prescribed annual rate of growth above its enrollment limit for the previous school year. The prescribed annual rate of growth for an e-school with an enrollment

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<sup>32</sup> R.C. 3302.121(H).

<sup>33</sup> R.C. 3302.121(E).

<sup>34</sup> R.C. 3302.121(A).

<sup>35</sup> R.C. 3302.121(G).

<sup>36</sup> R.C. 3314.015

<sup>37</sup> R.C. 3314.11(A) and (G).

limit equal to or greater than 3,000 students is 15%. The prescribed annual rate of growth for an e-school with an enrollment limit less than 3,000 students is 25%.<sup>38</sup>

### **Academic and fiscal performance evaluation**

The bill eliminates a requirement that each sponsorship contract require the sponsor to report on an annual basis the results of the academic and fiscal performance and organization and operation evaluation, but retains the requirement to monitor and evaluate those measures.<sup>39</sup>

### **Community school sponsor evaluation framework**

The bill requires the Department of Education and Workforce to develop a comprehensive framework for the purpose of determining the performance of community school sponsors. The Department must engage a facilitator to work with community school stakeholders in developing the framework. The developed framework must do at least all of the following:

1. Provide meaningful differentiation of performance by community school sponsors;
2. Include specific academic and operational performance indicators, metrics, and standards;
3. Specify the frequency with which sponsors should be assessed; and
4. Include recommendations for consequences for consistently underperforming sponsors.

The bill requires the Department to provide a copy of the framework and the Department's legislative recommendations to the Governor, President of the Senate, Speaker of the House of Representatives, and community school stakeholders no later than March 31, 2025.

The bill prohibits the Department from evaluating community school sponsors for the 2024-2025 school year, unless a sponsor elects to be evaluated. If a sponsor elects to be evaluated for the 2024-2025 school year, the sponsor must be eligible for any benefits established under state law based on that evaluation.<sup>40</sup>

### **Dropout prevention and recovery e-school supplemental funding**

The bill permits the Director of Education and Workforce to reallocate excess funds for other purposes in state foundation aid to fully pay supplemental funding for dropout prevention and recovery internet- or computer-based community schools ("e-schools"), instead of requiring the Director to prorate the payments, if the amount earmarked for those payments

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<sup>38</sup> R.C. 3314.20, repealed.

<sup>39</sup> R.C. 3314.03(D)(3).

<sup>40</sup> Section 8.

is insufficient. H.B. 33 earmarks \$4.5 million in each of FY 2024 and FY 2025 to support the supplemental payments to dropout prevention and recovery e-schools.<sup>41</sup>

## **Notice requirements for certain reemployed STRS and SERS retirees**

The bill requires a board or commission to give 30 days of notice of a State Teachers Retirement System (STRS) or School Employees Retirement System (SERS) member's retirement from a position customarily filled by a vote before reemploying the member in that position if the board or commission has urgent reasons to fill the position in an expedited manner (the bill maintains the 60 days of notice under current law if it is not urgent to fill the position). It also removes the requirement that a board or commission give notice if the STRS or SERS member has been retired for at least one year before being reemployed in the position.<sup>42</sup>

## **School district competitive bidding threshold**

The bill increases statutory competitive bidding thresholds to \$75,000 for school districts, and subsequently increases the amount annually by 3%. This new threshold is the same as that for counties, townships, municipal corporations, libraries, fire and ambulance districts, regional airport authorities, and regional water and sewer districts. Currently, the competitive bidding threshold for school districts is generally \$50,000.<sup>43</sup>

## **Debt limit for nonrequired locally funded initiatives**

The bill temporarily increases the cap on the amount of net indebtedness a school district may exceed for nonrequired locally funded initiatives from 50% of the local share of the basic project cost and the cost for site acquisition to 75% of that cost. The cap returns to 50% on December 31, 2027. The bill requires a school district to notify the Director of Education and Workforce whenever the district will exceed the limit.<sup>44</sup>

All political subdivisions, including school districts, are subject to some debt limit that is based on a percentage of their property tax valuations. The percentage and the types of debt that are included in those limits vary among types of subdivisions. Generally, a school district may not incur debt in a net amount greater than 9% of its tax valuation. Under continuing law, a district undertaking a state-assisted facilities project may exceed the ordinary debt limit to raise funds necessary to pay for (1) the district's share of the project, (2) the site for the project, and (3) any "required" locally funded initiatives. The Ohio Facilities Construction Commission may require districts to pay the entire amount for certain items that do not meet the Commission's specifications but are closely associated with the state-assisted portion of the

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<sup>41</sup> Section 265.270 of H.B. 33 of the 135<sup>th</sup> General Assembly, as amended in Section 11 of the bill.

<sup>42</sup> R.C. 3307.353 and 3309.345.

<sup>43</sup> R.C. 3313.46.

<sup>44</sup> Section 10 of the bill.



entire project. Included in this list of improvements for which the district may exceed the debt limit, the cost of other, are nonrequired locally funded initiatives in an amount of up to 50% of the district's project cost.<sup>45</sup>

## **School district base cost calculation for FYs 2024 and 2025**

The bill addresses how the Department of Education and Workforce calculates the base cost calculation for city, local, and exempted village school districts in the public school financing system for FYs 2024 and 2025. Specifically, it requires the Department to calculate each of the following costs for a school district's based on the sum of the enrolled ADM of every school district that *reported* that data:

1. Academic co-curricular activities costs;
2. Supplies and academic content cost; and
3. Building operations cost.

Otherwise, under continuing law, the Department is required to calculate each of those costs based on the sum of the enrolled ADM of *every* school district.<sup>46</sup>

In addition to being used to calculate funding for each city, local, and exempted village school districts, the cost components affected by the bill also are used to calculate funding for joint vocational school districts, community schools, and STEM schools in several ways. They also are a factor in determining increases in the scholarship amounts of some students attending chartered nonpublic schools with estate scholarships.<sup>47</sup>

## **High School Financial Literacy Fund**

The bill requires the Director of Education and Workforce to request, and the Director of Budget and Management to transfer, up to \$1.5 million from the General Revenue Fund to the High School Financial Literacy Fund during the biennium ending June 30, 2025.<sup>48</sup>

## **Student training at early learning and development programs**

The bill requires each eligible institution with an early childhood teacher preparation program that results in a credential or associate's degree or higher in early childhood education to permit a student of that program to complete required student training as a paid employee of an early learning and development program.<sup>49</sup> Under the bill, "eligible institution" includes: (1) a state institution of higher education, (2) a private college, (3) an Ohio technical center, (4) a career-technical center, joint vocational school district, comprehensive career-technical

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<sup>45</sup> R.C. 133.06, not in the bill.

<sup>46</sup> Section 7; see also R.C. 3317.011, not in the bill.

<sup>47</sup> See R.C. 3317.011 to 3317.026, none in the bill.

<sup>48</sup> Section 14 of the bill.

<sup>49</sup> R.C. 3345.205(B).

center, or compact career-technical center, (5) a secondary or high school, or (6) any other organization or institution that offers a child development associate credential during the time in which an individual is working to complete that credential.<sup>50</sup>The bill applies only to an early learning and development program that participates in the state’s tiered quality system, known as the Step Up to Quality Program. Early learning and development programs include child care centers, type A homes, licensed type B homes, licensed preschool programs, and licensed school child programs.

The bill also requires the Chancellor of Higher Education and Department of Children and Youth to collaborate with industry stakeholders to develop strategies to assist employees of early learning and development programs to complete student teaching or field experience hours at their place of employment.<sup>51</sup>

## Removal of obsolete provisions

The bill eliminates several provisions of the law governing the Department of Education and Workforce, the State Board of Education, and schools more generally as follows:

Provision	Citation (R.C.)
An obsolete requirement that the Department publish a report regarding victims of student violence.	3301.0714(B)(1)(o)
The requirement that the Department provide copies of reports to school districts and the public profiling each school building in the district and a public notice requirement related to these reports.	3301.0714(H)
A Department requirement to establish and report on academic goals for various areas of achievement.	3301.0717
A requirement that the Department encourage, seek out, and publicize innovative and exemplary school-parent and school-business partnerships.	3301.131
An exemplary parental involvement grant program, administered by the Department.	3301.134
An annual reporting requirement from leaders of each seminary, academy, parochial, or private school.	3301.14
Requirements related to supporting school districts with programs for children of migrant agricultural laborers.	3301.30

<sup>50</sup> R.C. 3345.205(A)(3).

<sup>51</sup> R.C. 3345.205(C).

Provision	Citation (R.C.)
Use of academic watch or academic emergency as a measure to determine whether a school district must take remedial action regarding the operation of a school building.	3302.12(A)(1)
An obsolete exemption from certain statutory requirements if the district received an "A" grade for the performance indicators performance measurement on the district's most recent state report card.	3302.151(D)(2)
The Governor's Effective and Efficient Schools Recognition Program, which recognized the top 10% of schools based on factors such as student and fiscal performance.	3302.22
An obsolete requirement that the Department establish a process for a school district to transfer from one of sixteen educational regional service systems to another.	3312.02
A requirement that each school district and other public school adopt a resolution addressing college and career readiness and financial literacy in its curriculum for seventh and eighth grade.	3313.6015
A requirement that the Department establish a committee to develop report card models for community schools and for using that committee-developed model for community school report cards.	3314.012
Obsolete standards that trigger the closing of poorly performing community schools.	3314.35
The Telecommunication Education Fund, used to finance technology grants to state-chartered elementary and secondary schools.	3317.50
The Distance Learning Fund, used to finance technology grants to eligible schools to establish distance learning.	3317.51
A requirement that the Teacher Quality Partnership conduct a study on the relationship of teacher performance on educator licensure assessments.	3319.234
A grant program for teachers who hold certificates or licenses issued by the National Board of Professional Teaching Standards.	3319.55
A requirement that the Department study and share with school districts promising practices in Ohio and throughout the country for teachers with certain professional licensure.	3319.56
A grant program used by the Department to assist school districts with certain innovations.	3319.57

## Grow Your Own Teacher Program

### Qualifying school district

With respect to the Grow Your Own Teacher Program, the bill changes a “qualifying school” to a “qualifying school district” and defines “qualifying school district” as a school district, educational service center, community school, STEM school, chartered nonpublic school, or nonchartered nonpublic school that (1) is identified as “high need” by the Chancellor of Higher Education, (2) has difficulty attracting and retaining classroom teachers who hold a license to teach in a public school, and (3) either employs a scholarship recipient or is the district or school from which the recipient graduated high school.<sup>52</sup>

### Qualifying employee

It also expands the eligibility for a Grow Your Own Teacher scholarship to (1) any individual who is employed at a qualifying school district or (2) a high school senior who either graduates from a school in which at least 25% of the students are eligible for a free or reduced price lunch or who completes the Free Application for Federal Student Aid (FAFSA) for the year in which the scholarship begins and receives a Student Aid Index of 25,000 or less.<sup>53</sup>

### Other changes

The bill also makes the following additional changes to the Program:

1. Permits a scholarship recipient to complete the required teaching commitment at a different high-need school district, school, or educational service center that has difficulty attracting and retaining classroom teachers if the qualifying school district from which the recipient graduated from high school or was employed is unable to hire the recipient;
2. Permits the Chancellor of Higher Education to prioritize scholarship applicants with the most financial need if there are insufficient funds available to fund all qualifying applicants;
3. Permits a qualifying employee who is awarded a scholarship to terminate or suspend their employment to complete the student teaching requirements of the teacher training program;
4. Eliminates a provision that authorized a teacher training program to grant credit for completion of the program to a qualifying employee who has commensurate work experience at a qualifying school district;
5. Requires all scholarship recipients to sign a promissory note payable to the state, rather than only if a scholarship is terminated or if the recipient does not satisfy the service

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<sup>52</sup> R.C. 3333.393(A)(4).

<sup>53</sup> R.C. 3333.393(A)(5) and (6).

requirement but specifies the promissory note only takes effect if either of those two events occur;

6. Reorganizes the circumstances under which a portion of a promissory note is forgiven under the program;
7. Eliminates a prohibition against a total scholarship award amount from exceeding the total cost of a qualifying employee's loans for a teacher training program.<sup>54</sup>

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## HISTORY

Action	Date
Introduced	10-03-23
Reported, S. Education	12-13-23
Passed Senate (24-7)	12-13-23
Reported. H. Primary & Secondary Education	---

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<sup>54</sup> R.C. 3333.393 and 3333.394.