



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 113 of the 131st G.A.

Date: May 25, 2016

Status: As Passed by the Senate

Sponsor: Reps. Grossman and Manning

Local Impact Statement Procedure Required: No

Contents: Makes changes to a variety of education laws

State Fiscal Highlights

- The administrative duties of the Ohio Department of Education (ODE) will increase to approve at least two nationally recognized high school equivalency tests and to ensure that the scores required for passage on an approved test are equivalent to the scores required for passage on the other approved tests.
- The bill allows ODE to also use a portion of the moneys in the Auxiliary Services Reimbursement Fund (Fund 5980) to make payments for chartered nonpublic school students participating in the College Credit Plus Program. However, the bill does not provide any additional appropriations for this purpose.

Local Fiscal Highlights

- The bill requires hands-on instruction in cardiopulmonary resuscitation (CPR) and the use of an automated external defibrillator (AED) for high school students. Current law requires instruction in CPR but not in the use of a defibrillator. In addition, the bill requires school districts and community schools to provide training in the use of an AED for each employee of the district or school.
- Schools that do not already provide both types of instruction or AED training for employees may experience an increase in costs to comply with the bill's provisions; however, these costs are not expected to exceed minimal. The American Heart Association offers a training kit for \$625 that fulfills the requirements of the bill.
- The bill provides, under specific circumstances, public districts and schools with additional flexibility in the use of state aid formula economically disadvantaged funds and, for certain community schools, career-technical education funds.

Detailed Fiscal Analysis

The bill makes various changes to a variety of education laws. These provisions are discussed in more detail below.

Provisions related to high school equivalency exams

High school equivalence test expansion

Under current law, the State Board of Education is responsible for awarding certificates of high school equivalence (also called equivalence diplomas in some instances) to persons who achieve the equivalent of a high school education. This achievement is measured by scores obtained on the Tests of General Educational Development, or the "GED test."

The bill requires ODE to approve at least two nationally recognized high school equivalency tests for the purpose of awarding high school equivalence certificates and specifies that, in order for a person to earn an equivalence certificate, scores must be obtained on one of the approved tests, rather than specifically on the GED. The bill also requires ODE to ensure that the scores required for passage on each approved test are equivalent to the scores required for passage on the other approved tests. These requirements will increase the administrative duties for ODE. Note that, outside of a current law program that provides state vouchers to assist with the cost of the GED for first-time test takers, the state does not pay the cost of the GED or any other high school equivalency exams.

Eligibility criteria for high school equivalency exams

The bill changes the eligibility criteria for individuals under 18 years of age applying to ODE to take an approved high school equivalency exam (under current law, the criteria only applies to individuals wishing to take the GED) by eliminating provisions requiring the person (1) to submit a high school transcript with the application, (2) to have been enrolled in a diploma program for one semester with at least a 75% attendance rate, (3) to show good cause, and (4) to remain enrolled in school until passing the GED or turning 18. The bill also eliminates a provision automatically qualifying an individual under 18 meeting certain other conditions to take a high school equivalency exam. As a result of the bill's changes, individuals under 18 wanting to take a high school equivalency exam need only to be officially withdrawn from school and submit written approval from the person's parent or guardian or a court official. Relaxing these test restrictions may reduce the administrative responsibilities of ODE. These changes may also increase the number of students taking the tests. Alternatively, it could mean that young applicants simply take the test earlier than they otherwise would have.

CPR and use of a defibrillator instruction and training

Beginning in the 2017-2018 school year, the bill requires public schools offering grades 9-12, other than Internet- or computer-based community schools (e-schools) and special education community schools, to provide hands-on instruction in cardiopulmonary resuscitation (CPR) and the use of an automated external defibrillator (AED). Specifically, the bill requires the use of an instructional program developed by the American Heart Association or the American Red Cross, or another nationally recognized, evidence-based program. Current law requires instruction in CPR but not in the use of a defibrillator. Furthermore, CPR instruction is not required to be hands-on, as is required by the bill.

The bill also requires school districts and community schools, other than e-schools and special education community schools, to provide training in the use of an AED for each employee of the district and requires each employee to receive the training not later than July 1, 2018, and once every five years thereafter, using one of the instructional programs described above. Current law requires districts opting to place an AED in each school to provide training in the use of an AED to a sufficient number of staff persons in the school.

Schools that do not already provide this instruction or training may experience an increase in costs to comply with the bill's provisions; however, these costs are not expected to exceed minimal. The American Heart Association offers a CPR in Schools Training Kit¹ for \$625 that fulfills the requirements outlined in the bill. This kit may be reused and shared amongst schools.

College Credit Plus funding for nonpublic school students

The College Credit Plus (CCP) Program allows qualified Ohio students to take college courses at state expense for both college and high school credit. Under continuing law, payments for chartered nonpublic school students participating in CAP are funded through a set-aside of \$2.6 million per year from GRAF line item 200511, Auxiliary Services. According to ODE, the amount set-aside in FY 2016 was insufficient to meet demand. In response, the bill allows ODE to also use a portion of the moneys in the Auxiliary Services Reimbursement Fund (Fund 5980) to make the payments. However, the bill does not increase appropriations from Fund 5980, which are currently \$1.3 million per year under H.B. 64. The current cash balance of the fund is about \$7.2 million.

Under continuing law, Fund 5980 consists of funds from the Auxiliary Services Personnel Unemployment Compensation Fund deemed to be in excess of the amount needed to pay unemployment claims. The funds are used to replace and repair mobile units that are used to provide auxiliary services, and can also be used to fund early retirement or severance pay for employees paid from auxiliary services GRAF funding.

¹ http://www.heart.org/HEARTORG/CPRAndECC/CommunityCPRandFirstAid/CPRinSchools/CPR-in-Schools_UCM_453682_SubHomePage.jsp.

Joint Education Oversight Committee

The bill makes various changes to the powers and duties of the Joint Education Oversight Committee (JEOC), a panel created in H.B. 64 of the 131st General Assembly to review and evaluate education programs at school districts, public schools, and state institutions of higher education and report the results of such reviews and evaluations to the General Assembly. Among other changes, the bill:

- Requires JEOC to authorize a plan of work, to include research, review, study, and analysis of current or emerging education policy issues important to the state, the available policy options to address those issues, and the available data and research to support such analysis and options;
- Makes permissive the current law requirements for the committee to select, for review and evaluation, education programs at school districts, other public schools, and state institutions of higher education, and to prepare a report of the results of each review and evaluation; and
- Permits the chairperson of JEOC to request any state agency or political subdivision to provide to the committee such data, statistics, and other information that is determined to be useful to the work of the committee.

Any additional activities undertaken by JEOC must be supported by the committee's existing funding levels, as the bill does not alter its current GRF appropriation of \$350,000 in FY 2016 and \$500,000 in FY 2017. As a result of the bill, state agencies and political subdivisions may experience an increase in administrative duties to comply with any requests for information made by JEOC.

Joint vocational school board membership

The bill allows a joint vocational school district board of education with more than 30 members to submit an application to the Superintendent of Public Instruction for approval to revise its membership plan to stagger the members' terms of office. Each eligible board may submit an application only one time and the application must include the proposed revisions to be made to members' terms, the manner by which the terms will be staggered, and any other information the Superintendent requires. This provision minimally increases the administrative responsibilities of ODE.

Economically disadvantaged funds for employment of Bright New Leaders Program principals and assistant principals

Under current law, economically disadvantaged funds distributed through the school funding formula are restricted in their use by city, local, exempted village, or joint vocational school districts, community schools, or STEM schools to eight specified initiatives. The bill adds to the list of eligible initiatives by permitting a district or school to use these funds to employ principals and assistant principals who completed the Bright New Leaders for Ohio Schools Program. This program provides an alternative path for individuals to receive training and development in the administration of primary and secondary education and leadership, enables those individuals to earn

degrees and obtain licenses in public school administration, and promotes the placement of those individuals in public schools that have a poverty percentage greater than 50%. There are 32 fellows participating for the 2015-2016 school year, the first year the program has been in operation.

While the bill provides an additional option for districts with respect to the use of economically disadvantaged funds, it does not alter the formula used to calculate this component of the formula, which is based on a per-pupil amount of \$272 as well as the number and concentration students in the district's ADM identified as economically disadvantaged. Statewide, economically disadvantaged aid amounts to about \$375.0 million for school districts in FY 2016.

Waiver of career-technical education spending requirement for certain community schools

Under current law, community schools must spend at least 75% of allocated career-technical education funds on costs directly associated with career-technical education programs while no more than 25% of the funds may be used for personnel expenditures. Law unchanged by the bill applies this requirement to traditional and joint vocational districts and STEM schools as well. The bill allows ODE to waive the career-technical spending requirements for any community school that exclusively provides one or more career-technical workforce development programs in arts and communications that are not equipment-intensive, providing such community schools with more flexibility in spending career-technical education funds.

Community school teacher licensure

The bill prohibits community school teachers from terminating the teacher's contract after July 10 of any school year or during the school year, prior to the termination of the annual session, without the consent of the community school's governing authority or operator. A teacher may terminate the teacher's contract at any other time by giving five days' written notice to the employing governing authority or operator. The bill specifies that a community school teacher terminating a contract in any other manner may be subject to license suspension for up to one year. An identical provision of current law applies to teachers and other licensed education professionals employed by school districts. This bill's provisions provide a disincentive for community school teachers to break a contract during the course of a school year, which may result in decreased administrative costs for community schools.