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H.B. 587
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Robinson and Patterson

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SUMMARY

- Prohibits the Department from accepting, processing, or awarding performance-based Educational Choice (Ed Choice) scholarships for the 2020-2021 school year, including both first-time scholarships and scholarships for students who received one in the 2019-2020 school year.
- Beginning with Ed Choice scholarships awarded for the 2021-2022 school year, does all of the following:
 - Removes the requirement that the Department of Education increase the maximum number of scholarships by 5% if the number of applicants for the scholarship exceeds 90% of the limit.
 - Removes first-time Ed Choice eligibility for a student who was enrolled in a public or nonpublic school or was homeschooled in the prior school year and has completed any of grades 8-11 and would be assigned to a designated Ed Choice building that serves grades 9-12 and, instead, qualifies a student who is enrolled or will be enrolling in such a building.
 - Limits eligibility for income-based Ed Choice scholarships for the 2021-2022 school year to students entering grades K-8 for the first time and, for each subsequent school year, provides for adding the next higher grade level until all grades are eligible for scholarships.
 - Provides that a student awarded an income-based Ed Choice scholarship for the 2020-2021 school year may continue to receive the scholarship in subsequent school years until the student completes grade 12 as long as the student satisfies all other criteria prescribed in law for receiving the scholarship.
 - Removes a provision that permits the Department, when computing a student's Ed Choice scholarship, to subtract tuition discounts for which all students attending the student's nonpublic school may be eligible.

- Requires the Department to conduct two application periods each year for the Ed Choice Scholarship Program, one in between February 1 and July 1 that runs at least 75 days and one that runs at least 30 days starting on or after July 1.
- Declares an emergency.

DETAILED ANALYSIS

Educational Choice Scholarship Program

2020-2021 school year

The bill prohibits the Department of Education from accepting, processing, or awarding performance-based Ed Choice scholarships for the 2020-2021 school year, including both first-time scholarships and scholarships for students who received one in the 2019-2020 school year.¹ However, the Department began awarding performance-based Ed Choice scholarships for the 2020-2021 school year on April 1, 2020, in accordance with H.B. 197 of the 133rd General Assembly, which took effect three days after this bill was introduced.²

It is unclear what effect, if any, this provision would have on any scholarships that might be awarded after the bill's effective date.

2021-2022 school year and each school year thereafter

The bill makes several changes regarding the Ed Choice Scholarship Program for the 2021-2022 school year and each school year thereafter.

Limit on number of scholarships

The bill removes the requirement that the Department of Education increase the maximum number of Ed Choice scholarships by 5% if the number of applicants for the scholarship exceeds 90% of the limit. Law not changed by the bill establishes an annual limit of 60,000 scholarships.³

Eligibility of high school students

The bill removes first-time Ed Choice eligibility for a student who was enrolled in a public or nonpublic school or was homeschooled in the prior school year and has completed any of grades 8-11 and would be assigned to a designated Ed Choice building that serves grades 9-12. Instead, it qualifies a student who is enrolled in or will be enrolling in such a building.⁴

¹ Section 3 of the bill.

² Section 31 of H.B. 197, effective March 27, 2020.

³ R.C. 3310.02.

⁴ R.C. 3310.03(A)(6) and (7).

Income-based scholarships – grade bands

For the 2021-2022 school year, the bill limits eligibility for income-based Ed Choice scholarships to students entering grades K-8 for the first time. For each subsequent school year, it provides for adding the next higher grade level until all grades are eligible for scholarships.⁵

The bill also provides that a student awarded an income-based Ed Choice scholarship for the 2020-2021 school year may continue to receive the scholarship in subsequent school years until the student completes grade 12 as long as the student satisfies all other criteria prescribed in law for receiving the scholarship.⁶

Scholarship computation

The bill removes a provision that permits the Department, when computing a student's Ed Choice scholarship, to subtract tuition discounts for which all students attending the student's nonpublic school may be eligible. As a result, for scholarships for the 2021-2022 school year and each school year thereafter, the scholarship amount is the lesser of the tuition of the student's nonpublic school and the maximum scholarship amount prescribed in law.

Current law specifically lists the deducted discounts as those related to the following conditions:

1. The student's family has multiple children enrolled in the same school;
2. The student's family is a member of, or affiliated with, a religious or secular organization that provides oversight of the school, or from which the school has agreed to enroll students;
3. The student's parent is a school employee; or
4. Some other qualification, not based on income or the student's athletic or academic ability, and for which all students in the school may qualify.⁷

Scholarship application periods

The bill requires the Department to conduct two applications periods each year for the Ed Choice Scholarship Program, one in between February 1 and July 1 that runs at least 75 days and one that runs at least 30 days starting on or after July 1. However, the Department is not required to conduct a second application period for income-based scholarships in a given school year if the scholarships awarded in the first application period for that school year use the entirety of the amount appropriated by the General Assembly for those scholarships for that school year.

Under current law, the Department must conduct a priority application period that begins on February 1 and runs for at least 75 days. After the priority period closes, the

⁵ R.C. 3310.032(C)(4) and (5).

⁶ R.C. 3310.032(C)(3).

⁷ R.C. 3310.08.

Department must continue awarding scholarships, prorating the amount if the student receives a scholarship after the school year begins, and in the case of income-based scholarships, award them only if the appropriated funds remain available.⁸

Background

The Ed Choice Scholarship Program operates statewide in every school district except Cleveland to provide scholarships for students who (1) are assigned or would be assigned to district school buildings that have persistently low academic achievement (known as “traditional” or “performance-based” Ed Choice) or (2) are from low-income families (known as “income-based” Ed Choice Expansion). Students may use their scholarships to enroll in participating chartered nonpublic schools. The maximum scholarship award is \$4,650 for students in grades K-8 and \$6,000 for students in grades 9-12. For students who qualify based on the performance of their resident districts’ schools, the scholarships are deducted from the districts’ state aid accounts. For students who qualify based on family income, the scholarships are paid from a specific appropriation of the General Assembly.

HISTORY

Action	Date
Introduced	03-24-20

H0587-I-133/ts

⁸ R.C. 3310.16.