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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 67  
(with AMO101)  
134<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 67's Bill Analysis](#)

**Version:** In House Primary and Secondary Education

**Primary Sponsors:** Reps. Koehler and Bird

**Local Impact Statement Procedure Required:** No

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### Highlights

- GRF expenditures for elementary and secondary education state tests are likely to decrease in FY 2021 due to the bill's testing waiver. The decrease will depend on whether a federal waiver is granted, the number of school districts and schools that utilize the bill's 2020-2021 school year testing waiver, if any, as well as the timing of such waivers and the extent of work already completed by the state's contracted testing companies on test development, administration, scoring, and reporting.

### Detailed Analysis

The bill (1) waives, for the 2020-2021 school year only, requirements in current law that school districts and other public schools administer elementary and secondary state tests and requires the Ohio Department of Education (ODE) to seek a waiver from the U.S. Secretary of Education for tests required under federal law, (2) permits the use of final course grades in lieu of end-of-course examination scores for the 2020-2021 school year, and (3) declares an emergency so these provisions will go into immediate effect.

### State tests

The costs of administering elementary and secondary state tests are largely funded by the GRF in line item 200437, Student Assessment. Overall, assessment costs include development, field testing, printing, distribution, collecting, scoring, and reporting of assessment results. For FY 2021, ODE reports an overall assessment budget of \$51.8 million from GRF funds, with federal funds providing an additional \$12.3 million in support for federally required tests. Of the overall testing budget of \$64.2 million, the majority (\$44.4 million, or 69.2%) supports state tests in English language arts, mathematics, science, and social studies.

As a result of the bill, GRF-funded testing costs are likely to decrease. The amount of the decrease ultimately depends on whether a waiver of federally required tests is granted by the U.S. Department of Education, whether or not school districts utilize the waiver permitted under the bill, as well as the timing of such waivers, the amount of work already performed by the vendors pursuant to the contracts, and administrative decisions made by ODE. Some 2020-2021 school year assessments have already been administered. The assessment window for the third grade English language arts assessment was from October 19 to November 6 of 2020, and some high school end-of-course assessments occurred between November 30, 2020 and January 15, 2021.<sup>1</sup> On the other hand, some costs may not increase or decrease, but shift to future years, as is the case for the ACT and SAT. Students who did not take either assessment in the spring of FY 2020 as a result of the COVID-19 pandemic and subsequent assessment waivers for that school year enacted under H.B. 197 of the 133<sup>rd</sup> General Assembly, were offered the opportunity to take either test in the fall of the 2020-2021 school year.

If all tests remaining to be administered for the 2020-2021 school year are waived under the bill and public schools generally do not administer them, GRF-supported testing costs may decrease by up to \$13 million or so, with additional savings accruing to the accountability system. This figure is based on the amount that GRF-supported testing costs decreased due to the suspension of spring and summer tests in 2020 under H.B. 197. The decrease will be considerably less if a federal waiver is not granted, since federally required tests in English language arts, mathematics, and science would still be administered. ODE may incur some minimal administrative costs to seek the federal testing waiver required under the bill.

## **School districts and other public schools**

The bill's waiver of certain 2020-2021 school year assessments appears to have no direct fiscal effect on school districts or other public schools, as state tests are furnished and overseen by ODE. The bill prohibits a student not administered assessments in the 2020-2021 school year from being (1) excluded from their resident school district's 2021-2022 school year enrollment for funding purposes, (2) if an e-school student, subject to withdrawal from school, or (3) if a state scholarship recipient, deemed ineligible for scholarship renewal.

## **Graduation requirements**

H.B. 164 of the 133<sup>rd</sup> General Assembly permitted students who were scheduled to take or retake an end-of-course examination in the 2019-2020 school year, but did not do so because the administration of that examination was canceled, to use a final course grade to satisfy graduation requirements prescribed under continuing law in lieu of an examination score. The bill extends this provision to also cover the 2020-2021 school year. The bill allows students to take the relevant end-of-course examination in a subsequent year if they so choose. Thus, the bill may increase a school district or other public school's administrative workload to inform and advise students of their options. It also may decrease state test costs by avoiding a potentially large shift in end-of-course examinations to a subsequent school year for a course taken during the 2020-2021 school year. The table below shows the bill's designated achievement levels for

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<sup>1</sup> 2020-2021 Testing Dates <http://education.ohio.gov/Topics/Testing/Test-Dates/2020-2021-Test-Dates>.

each corresponding course grade. The first column includes any corresponding letter grade for each letter (e.g., “A” includes both “A-” and “A+,” and so on).

2019-2020 School Year Final Course Grade and End-of-Course Examination Equivalent Achievement Levels	
Final Course Grade	End-of-Course Examination Performance Level Equivalent
A	Advanced
B	Accelerated
C	Proficient
D	Basic
F	Limited

Any grades “C” or higher are deemed equivalent to a competency score for purposes of graduation requirements. For pass-fail courses, the bill specifies that failure is equivalent to an “F” grade and limited level of skill, while passing is equivalent to a level of skill that the student’s district or school determines, though a pass designation is equivalent to a competency score.

### **Current law safe harbor provisions for 2020-2021 school year**

H.B. 404 and H.B. 409, both of the 133<sup>rd</sup> General Assembly, previously enacted various “safe harbor” provisions for the 2020-2021 school year. Specifically, H.B. 409 prohibits ODE from publishing state report card ratings for the 2020-2021 school year, prohibits any report card ratings for this school year from being considered in determining whether a district or school is subject to sanctions or penalties, generally prohibits schools from retaining a student in the third grade under the third-grade reading guarantee based on reading performance in the 2020-2021 school year, and creates a safe harbor period from community school sponsor penalties and sanctions based on ratings for the 2020-2021 school year. H.B. 404, in part, waived certain requirements with respect to school employee evaluations for the 2020-2021 school year.