

**As Concurred by the Senate**

**133rd General Assembly**

**Regular Session**

**2019-2020**

**Am. Sub. S. B. No. 120**

**Senators McColley, Rulli**

**Cosponsors: Senators Brenner, Huffman, M., Roegner, Kunze, Antonio, Coley, Craig, Eklund, Gavarone, Hackett, Hoagland, Maharath, Manning, Obhof, O'Brien, Peterson, Sykes, Terhar, Uecker, Wilson, Yuko**

**Representatives Riedel, DeVitis, Fraizer, Ghanbari, Grendell, Jones, Perales, Seitz, Sheehy**

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**A BILL**

To amend sections 117.46, 3345.55, and 3365.04 of 1  
the Revised Code and to amend Sections 265.10 2  
and 265.210 of H.B. 166 of the 133rd General 3  
Assembly to authorize the Auditor of State to 4  
conduct performance audits of any and all state 5  
institutions of higher education, to modify the 6  
requirement regarding College Credit Plus 7  
informational sessions, to modify the law 8  
regarding campus housing facilities leases with 9  
nonpublic vendors, and to make an appropriation. 10

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 117.46, 3345.55, and 3365.04 of 11  
the Revised Code be amended to read as follows: 12

**Sec. 117.46.** Each biennium the auditor of state shall 13  
conduct a minimum of four performance audits under this section. 14  
Except as otherwise provided in this section, at least two of 15

the audits shall be of state agencies selected from a list 16  
comprised of the administrative departments listed in section 17  
121.02 of the Revised Code and the department of education and 18  
at least two of the audits shall be of other state agencies. At 19  
the auditor of state's discretion, the auditor of state may also 20  
conduct ~~a performance audit audits of a state institution~~ 21  
institutions of higher education ~~as one of the four required~~ 22  
~~performance audits~~. The offices of the attorney general, auditor 23  
of state, governor, secretary of state, and treasurer of state 24  
and agencies of the legislative and judicial branches are not 25  
subject to an audit under this section. 26

The auditor shall select each agency or institution to be 27  
audited and shall determine whether to audit the entire agency 28  
or institution or a portion of the agency or institution by 29  
auditing one or more programs, offices, boards, councils, or 30  
other entities within that agency or institution. The auditor 31  
shall make the selection and determination in consultation with 32  
the governor and the speaker and minority leader of the house of 33  
representatives and president and minority leader of the senate. 34

An audit of a portion of an agency or institution shall be 35  
considered an audit of one agency or institution. The authority 36  
to audit a portion of an agency or institution in no way limits 37  
the auditor's ability to audit an entire agency or institution 38  
if it is in the best interest of the state. 39

The performance audits under this section shall be 40  
conducted pursuant to sections 117.01 and 117.13 of the Revised 41  
Code. In conducting a performance audit, the auditor of state 42  
shall determine the scope of the audit, but shall consider, if 43  
appropriate, supervisory and subordinate level operations in the 44  
agency or institution. A performance audit under this section 45

shall not include review or evaluation of an institution's 46  
academic performance. 47

As used in this section and in sections 117.461, 117.462, 48  
117.463, 117.47, 117.471, and 147.472 of the Revised Code, 49  
"state institution of higher education" has the meaning defined 50  
in section 3345.011 of the Revised Code. 51

**Sec. 3345.55.** (A) For purposes of this section, 52  
"university" includes a state institution of higher education as 53  
defined in section 3345.011 of the Revised Code and a university 54  
housing commission created under section 3347.01 of the Revised 55  
Code. 56

(B) Each university may enter into a lease agreement with 57  
a nonpublic vendor to provide housing services in campus housing 58  
facilities to students of the university. The lease agreement 59  
may require the vendor to construct new campus housing 60  
facilities, or improve existing campus housing facilities, to 61  
serve students. The vendor with whom the university enters into 62  
an agreement shall be responsible for the operation and 63  
maintenance of the housing facilities. The lease shall be for a 64  
term of at least twenty years but shall not exceed ~~thirty~~ 65  
seventy-five years. The lease agreement shall specify that the 66  
vendor is required to lease housing units to students of the 67  
university. Any university housing policies shall extend to and 68  
be enforced by the vendors with whom the university contracts. 69

(C) If the vendors with whom the university has entered 70  
into a lease agreement violate the terms of the lease, the 71  
university may revoke the lease and regain operational control 72  
over the dormitory. 73

(D) Any campus housing facilities included in a lease 74

agreement entered into under this section, including campus 75  
housing facilities constructed by a nonpublic vendor under a 76  
lease agreement, shall retain an exemption from property taxes 77  
and assessments in accordance with division (M) of section 78  
3345.12 of the Revised Code. 79

**Sec. 3365.04.** Each public and participating nonpublic 80  
secondary school shall do all of the following with respect to 81  
the college credit plus program: 82

(A) Provide information about the program prior to the 83  
first day of February of each year to all students enrolled in 84  
grades six through eleven; 85

(B) Provide counseling services to students in grades six 86  
through eleven and to their parents before the students 87  
participate in the program under this chapter to ensure that 88  
students and parents are fully aware of the possible 89  
consequences and benefits of participation. Counseling 90  
information shall include: 91

(1) Program eligibility; 92

(2) The process for granting academic credits; 93

(3) Any necessary financial arrangements for tuition, 94  
textbooks, and fees; 95

(4) Criteria for any transportation aid; 96

(5) Available support services; 97

(6) Scheduling; 98

(7) Communicating the possible consequences and benefits 99  
of participation, including all of the following: 100

(a) The consequences of failing or not completing a course 101

under the program, including the effect on the student's ability	102
to complete the secondary school's graduation requirements;	103
(b) The effect of the grade attained in a course under the	104
program being included in the student's grade point average, as	105
applicable;	106
(c) The benefits to the student for successfully	107
completing a course under the program, including the ability to	108
reduce the overall costs of, and the amount of time required	109
for, a college education.	110
(8) The academic and social responsibilities of students	111
and parents under the program;	112
(9) Information about and encouragement to use the	113
counseling services of the college in which the student intends	114
to enroll;	115
(10) The standard packet of information for the program	116
developed by the chancellor of higher education pursuant to	117
section 3365.15 of the Revised Code;	118
For a participating nonpublic secondary school, counseling	119
information shall also include an explanation that funding may	120
be limited and that not all students who wish to participate may	121
be able to do so.	122
(C) Promote the program on the school's web site,	123
including the details of the school's current agreements with	124
partnering colleges;	125
(D) Schedule at least one informational session per school	126
year to allow each <del>partnering</del> <u>participating</u> college that is	127
located within thirty miles of the school to meet with	128
interested students and parents. The session shall include the	129

benefits and consequences of participation and shall outline any 130  
changes or additions to the requirements of the program. If 131  
there are no ~~partnering-participating~~ colleges located within 132  
thirty miles of the school, the school shall coordinate with the 133  
closest ~~partnering-participating~~ college to offer an 134  
informational session. 135

For the purposes of division (D) of this section, 136  
"participating college" shall include both of the following: 137

(1) A partnering college; 138

(2) Any public college, private college, or eligible out- 139  
of-state college to which both of the following applies: 140

(a) The college participates in the college credit plus 141  
program. 142

(b) The college submits to the public or participating 143  
nonpublic secondary school a request to attend an informational 144  
session. 145

(E) Implement a policy for the awarding of grades and the 146  
calculation of class standing for courses taken under division 147  
(A) (2) or (B) of section 3365.06 of the Revised Code. The policy 148  
adopted under this division shall be equivalent to the school's 149  
policy for courses taken under the advanced standing programs 150  
described in divisions (A) (2) and (3) of section 3313.6013 of 151  
the Revised Code or for other courses designated as honors 152  
courses by the school. If the policy includes awarding a 153  
weighted grade or enhancing a student's class standing for these 154  
courses, the policy adopted under this section shall also 155  
provide for these procedures to be applied to courses taken 156  
under the college credit plus program. 157

(F) Develop model course pathways, pursuant to section 158

3365.13 of the Revised Code, and publish the course pathways 159  
among the school's official list of course offerings for the 160  
program. 161

(G) Annually collect, report, and track specified data 162  
related to the program according to data reporting guidelines 163  
adopted by the chancellor and the superintendent of public 164  
instruction pursuant to section 3365.15 of the Revised Code. 165

**Section 2.** That existing sections 117.46, 3345.55, and 166  
3365.04 of the Revised Code are hereby repealed. 167

**Section 3.** That Sections 265.10 and 265.210 of H.B. 166 of 168  
the 133rd General Assembly be amended to read as follows: 169

**Sec. 265.10.** 170

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1	2	3	4	5
A		EDU DEPARTMENT OF EDUCATION		
B	General Revenue Fund			
C	GRF 200321	Operating Expenses	\$ 15,153,032	\$ 16,565,951
D	GRF 200408	Early Childhood Education	\$ 68,116,789	\$ 68,116,789
E	GRF 200420	Information Technology Development and Support	\$ 4,004,299	\$ 4,026,960

F	GRF	200422	School Management Assistance	\$	2,385,580	\$	2,408,711
G	GRF	200424	Policy Analysis	\$	458,232	\$	457,676
H	GRF	200426	Ohio Educational Computer Network	\$	15,457,000	\$	15,457,000
I	GRF	200427	Academic Standards	\$	4,434,215	\$	4,483,525
J	GRF	200437	Student Assessment	\$	56,906,893	\$	56,948,365
K	GRF	200439	Accountability/ Report Cards	\$	7,517,406	\$	7,565,320
L	GRF	200442	Child Care Licensing	\$	2,156,322	\$	2,227,153
M	GRF	200446	Education Management Information System	\$	8,112,987	\$	8,174,415
N	GRF	200448	Educator Preparation	\$	11,785,384	\$	7,285,384
O	GRF	200455	Community Schools and	\$	4,867,763	\$	4,912,546



Choice Programs						
P	GRF	200465	Education Technology Resources	\$	5,179,664	\$ 5,179,664
Q	GRF	200478	Industry- Recognized Credentials High School Students	\$	25,000,000	\$ 25,000,000
R	GRF	200502	Pupil Transportation	\$	527,129,809	\$ 527,129,809
S	GRF	200505	School Lunch Match	\$	8,963,500	\$ 8,963,500
T	GRF	200511	Auxiliary Services	\$	154,939,134	\$ 154,939,134
U	GRF	200532	Nonpublic Administrative Cost Reimbursement	\$	69,997,735	\$ 69,997,735
V	GRF	200540	Special Education Enhancements	\$	152,600,000	\$ 152,850,000
W	GRF	200545	Career- Technical Education	\$	9,750,892	\$ 9,750,892

		Enhancements			
X	GRF	200550	Foundation Funding	\$ 6,942,880,845	\$ <del>6,774,618,845</del> <u>6,784,618,845</u>
Y	GRF	200566	Literacy Improvement	\$ 1,452,876	\$ 1,452,172
Z	GRF	200572	Adult Education Programs	\$ 10,207,674	\$ 10,207,674
AA	GRF	200573	EdChoice Expansion	\$ 57,223,340	\$ 121,017,418
AB	GRF	200574	Half-Mill Maintenance Equalization	\$ 18,849,207	\$ 18,128,526
AC	GRF	200576	Adaptive Sports Program	\$ 250,000	\$ 250,000
AD	GRF	200597	Program and Project Support	\$ 1,125,000	\$ 625,000
AE	GRF	657401	Medicaid in Schools	\$ 297,978	\$ 297,978
AF	TOTAL GRF		General Revenue Fund	\$ 8,187,203,556	\$ <del>8,079,038,142</del> <u>8,089,038,142</u>
AG Dedicated Purpose Fund Group					
AH	4520	200638	Charges and	\$ 1,000,000	\$ 1,000,000

Reimbursements

AI 4550	200608	Commodity Foods	\$	1,000,000	\$	1,000,000
AJ 4L20	200681	Teacher Certification and Licensure	\$	13,795,827	\$	14,000,000
AK 5980	200659	Auxiliary Services Reimbursement	\$	1,300,000	\$	1,300,000
AL 5H30	200687	School District Solvency Assistance	\$	2,000,000	\$	2,000,000
AM 5KX0	200691	Ohio School Sponsorship Program	\$	1,250,000	\$	1,250,000
AN 5MM0	200677	Child Nutrition Refunds	\$	550,000	\$	550,000
AO 5U20	200685	National Education Statistics	\$	170,675	\$	175,000
AP 5VS0	200604	Student Wellness and Success	\$	275,000,000	\$	400,000,000
AQ 5VU0	200663	School Bus Purchase	\$	0	\$	20,000,000

AR 6200 200615	Educational Improvement Grants	\$	594,443	\$	600,000
AS TOTAL DPF Dedicated Purpose Fund Group		\$	296,660,945	\$	441,875,000
AT Internal Service Activity Fund Group					
AU 1380 200606	Information Technology Development and Support	\$	7,939,104	\$	8,047,645
AV 4R70 200695	Indirect Operational Support	\$	7,856,766	\$	7,856,766
AW 4V70 200633	Interagency Program Support	\$	5,497,938	\$	5,500,000
AX TOTAL ISA Internal Service Activity Fund Group		\$	21,293,808	\$	21,404,411
AY State Lottery Fund Group					
AZ 7017 200602	School Climate Grants	\$	2,000,000	\$	2,000,000
BA 7017 200612	Foundation Funding	\$	1,081,400,000	\$	1,249,900,000
BB 7017 200614	Accelerate Great Schools	\$	1,500,000	\$	1,500,000

BC 7017 200631	Quality Community Schools Support	\$	30,000,000	\$	30,000,000
BD 7017 200636	Enrollment Growth Supplement	\$	15,500,000	\$	23,000,000
BE 7017 200684	Community School Facilities	\$	20,600,000	\$	20,600,000
BF TOTAL SLF State Lottery Fund Group		\$	1,151,000,000	\$	1,327,000,000
BG Federal Fund Group					
BH 3670 200607	School Food Services	\$	11,469,730	\$	11,897,473
BI 3700 200624	Education of Exceptional Children	\$	2,000,000	\$	2,000,000
BJ 3AF0 657601	Schools Medicaid Administrative Claims	\$	295,500	\$	295,500
BK 3AN0 200671	School Improvement Grants	\$	17,000,000	\$	17,000,000

BL 3C50	200661	Early Childhood Education	\$	12,555,000	\$	12,555,000
BM 3EH0	200620	Migrant Education	\$	2,700,000	\$	2,700,000
BN 3EJ0	200622	Homeless Children Education	\$	3,295,203	\$	3,300,000
BO 3FE0	200669	Striving Readers	\$	12,507,905	\$	12,511,000
BP 3GE0	200674	Summer Food Service Program	\$	15,599,467	\$	16,342,299
BQ 3GG0	200676	Fresh Fruit and Vegetable Program	\$	4,911,207	\$	5,145,074
BR 3HF0	200649	Federal Education Grants	\$	7,049,677	\$	7,056,327
BS 3HI0	200634	Student Support and Academic Enrichment	\$	40,042,720	\$	40,042,720
BT 3L60	200617	Federal School Lunch	\$	418,643,500	\$	430,837,000
BU 3L70	200618	Federal School Breakfast	\$	158,726,966	\$	163,350,081

BV 3L80	200619	Child/Adult Food Programs	\$	110,121,168	\$	113,328,580
BW 3L90	200621	Career- Technical Education Basic Grant	\$	45,946,927	\$	46,000,000
BX 3M00	200623	ESEA Title 1A	\$	600,000,000	\$	600,000,000
BY 3M20	200680	Individuals with Disabilities Education Act	\$	454,770,591	\$	455,000,000
BZ 3T40	200613	Public Charter Schools	\$	7,000,000	\$	7,000,000
CA 3Y20	200688	21st Century Community Learning Centers	\$	47,500,000	\$	47,500,000
CB 3Y60	200635	Improving Teacher Quality	\$	85,000,000	\$	85,000,000
CC 3Y70	200689	English Language Acquisition	\$	10,500,000	\$	10,500,000
CD 3Y80	200639	Rural and Low Income Technical	\$	3,600,000	\$	3,600,000

	Assistance				
CE 3Z20 200690	State	\$	12,000,000	\$	12,000,000
	Assessments				
CF 3Z30 200645	Consolidated	\$	10,701,635	\$	10,900,000
	Federal Grant				
	Administration				
CG TOTAL FED	Federal Fund Group	\$	2,093,937,196	\$	2,115,861,054
CH TOTAL ALL BUDGET FUND GROUPS		\$	11,750,095,505	\$	<del>11,985,178,607</del>
					<u>11,995,178,607</u>

**Sec. 265.210.** FOUNDATION FUNDING 172

Of the foregoing appropriation item 200550, Foundation 173  
 Funding, up to \$40,000,000 in each fiscal year shall be used to 174  
 provide additional state aid to school districts, joint 175  
 vocational school districts, community schools, and STEM schools 176  
 for special education students under division (C) (3) of section 177  
 3314.08, section 3317.0214 and division (B) of section 3317.16 178  
 in accordance with the section of ~~this act~~ H.B. 166 of the 133rd 179  
General Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 180  
 2020 and 2021," and section 3326.34 of the Revised Code, except 181  
 that the Controlling Board may increase these amounts if 182  
 presented with such a request from the Department of Education 183  
 at the final meeting of the fiscal year. 184

Of the foregoing appropriation item 200550, Foundation 185  
 Funding, up to \$3,800,000 in each fiscal year shall be used to 186  
 fund gifted education at educational service centers. The 187  
 Department shall distribute the funding through the unit-based 188



funding methodology in place under division (L) of section 189  
3317.024, division (E) of section 3317.05, and divisions (A), 190  
(B), and (C) of section 3317.053 of the Revised Code as they 191  
existed prior to fiscal year 2010. 192

Of the foregoing appropriation item 200550, Foundation 193  
Funding, up to \$40,000,000 in each fiscal year shall be reserved 194  
to fund the state reimbursement of educational service centers 195  
under the section of ~~this act~~ H.B. 166 of the 133rd General 196  
Assembly entitled "EDUCATIONAL SERVICE CENTERS FUNDING." 197

Of the foregoing appropriation item 200550, Foundation 198  
Funding, up to \$3,500,000 in each fiscal year shall be 199  
distributed to educational service centers for School 200  
Improvement Initiatives and for the provision of technical 201  
assistance to schools and districts consistent with requirements 202  
of section 3312.01 of the Revised Code. The Department may 203  
distribute these funds through a competitive grant process. 204

Of the foregoing appropriation item 200550, Foundation 205  
Funding, up to \$7,000,000 in each fiscal year shall be reserved 206  
for payments under section 3317.029 of the Revised Code, in 207  
accordance with the section of ~~this act~~ H.B. 166 of the 133rd 208  
General Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 209  
2020 and 2021." If this amount is not sufficient, the 210  
Superintendent of Public Instruction may reallocate excess funds 211  
for other purposes supported by this appropriation item in order 212  
to fully pay the amounts required by that section, provided that 213  
the aggregate amount appropriated in appropriation item 200550, 214  
Foundation Funding, is not exceeded. 215

Of the foregoing appropriation item 200550, Foundation 216  
Funding, up to \$26,400,000 in each fiscal year shall be used to 217  
support school choice programs. 218

Of the portion of the funds distributed to the Cleveland  
Municipal School District under this section, up to \$23,501,887  
in each fiscal year shall be used to operate the school choice  
program in the Cleveland Municipal School District under  
sections 3313.974 to 3313.979 of the Revised Code.  
Notwithstanding divisions (B) and (C) of section 3313.978 and  
division (C) of section 3313.979 of the Revised Code, up to  
\$1,000,000 in each fiscal year of this amount shall be used by  
the Cleveland Municipal School District to provide tutorial  
assistance as provided in division (H) of section 3313.974 of  
the Revised Code. The Cleveland Municipal School District shall  
report the use of these funds in the district's three-year  
continuous improvement plan as described in section 3302.04 of  
the Revised Code in a manner approved by the Department.

Of the foregoing appropriation item 200550, Foundation  
Funding, up to \$2,000,000 in each fiscal year may be used for  
payment of the College Credit Plus Program for students  
instructed at home pursuant to section 3321.04 of the Revised  
Code. An amount equal to the unexpended, unencumbered balance of  
this earmark at the end of fiscal year 2020 is hereby  
reappropriated for the same purpose for fiscal year 2021.

Of the foregoing appropriation item 200550, Foundation  
Funding, an amount shall be available in each fiscal year to be  
paid to joint vocational school districts in accordance with the  
section of ~~this act~~ H.B. 166 of the 133rd General Assembly  
entitled "FUNDING FOR JOINT VOCATIONAL SCHOOL DISTRICTS."

Of the foregoing appropriation item 200550, Foundation  
Funding, up to \$700,000 in each fiscal year shall be used by the  
Department for a program to pay for educational services for  
youth who have been assigned by a juvenile court or other

authorized agency to any of the facilities described in division 249  
(A) of the section of ~~this act~~ H.B. 166 of the 133rd General 250  
Assembly entitled "PRIVATE TREATMENT FACILITY PROJECT." 251

Of the foregoing appropriation item 200550, Foundation 252  
Funding, a portion may be used to pay college-preparatory 253  
boarding schools the per pupil boarding amount pursuant to 254  
section 3328.34 of the Revised Code. 255

Of the foregoing appropriation item 200550, Foundation 256  
Funding, a portion in each fiscal year shall be used to pay 257  
community schools and STEM schools the amounts calculated for 258  
the graduation and third-grade reading bonuses under sections 259  
3314.085 and 3326.41 of the Revised Code, in accordance with the 260  
sections of ~~this act~~ H.B. 166 of the 133rd General Assembly 261  
entitled "FUNDING FOR COMMUNITY SCHOOLS" and "FUNDING FOR STEM 262  
SCHOOLS." 263

Of the foregoing appropriation item 200550, Foundation 264  
Funding, up to \$1,172,000 in fiscal year 2020 and up to 265  
\$1,760,000 in fiscal year 2021 may be used by the Department for 266  
duties and activities related to the establishment of academic 267  
distress commissions under section 3302.10 of the Revised Code, 268  
to provide support and assistance to academic distress 269  
commissions to further their duties under Chapter 3302. of the 270  
Revised Code, and to provide technical assistance and tools to 271  
support districts subject to academic distress commissions. 272

Of the foregoing appropriation item 200550, Foundation 273  
Funding, up to \$350,000 in fiscal year 2020 shall be used by the 274  
Department of Education to conduct return on investment studies 275  
for programming funded through student success and wellness 276  
funds and to provide technical assistance to school districts on 277  
implementing these strategies. 278

Of the foregoing appropriation item 200550, Foundation 279  
Funding, up to \$100,000 in each fiscal year shall be used to 280  
make payments under section 3314.06 of the Revised Code to each 281  
community school that operates a program that uses the 282  
Montessori method endorsed by the American Montessori society, 283  
the Montessori Accreditation Council for Teacher Education, or 284  
the Association Montessori Internationale as its primary method 285  
of instruction for students younger than four years of age who 286  
are enrolled in the school. 287

Of the foregoing appropriation item 200550, Foundation 288  
Funding, up to \$10,000,000 in fiscal year 2021 shall be used to 289  
pay scholarships awarded as follows. Notwithstanding anything in 290  
the Revised Code to the contrary, for applications for the 2020- 291  
2021 school year, the Department of Education shall accept, 292  
process, and award performance-based Educational Choice 293  
scholarships under section 3310.03 of the Revised Code as 294  
follows. An application period for students who are eligible for 295  
the first time for the 2020-2021 school year shall open April 1, 296  
2020, and run not less than sixty days or to the extent funds 297  
appropriated by the General Assembly under Section 265.10 of 298  
H.B. 166 of the 133rd General Assembly and this section remain 299  
available. The Department shall award scholarships in the order 300  
that it receives applications and shall continue to award 301  
scholarships to the extent the funds appropriated by the General 302  
Assembly under Section 265.10 of H.B. 166 of the 133rd General 303  
Assembly and this section remain available. An application 304  
period for students who were eligible for scholarships for the 305  
2019-2020 school year, regardless of whether the students 306  
received scholarships for that school year, and remain eligible 307  
for the 2020-2021 school year shall open April 1, 2020, and run 308  
not less than sixty days. These scholarships shall be funded and 309

paid in accordance with section 3310.08 of the Revised Code. 310

The remainder of the foregoing appropriation item 200550, 311  
Foundation Funding, shall be used to fund the payments included 312  
in the state funding allocation under division (A)(1) of the 313  
section of ~~this act~~ H.B. 166 of the 133rd General Assembly 314  
entitled "FUNDING FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL 315  
DISTRICTS." 316

Appropriation items 200502, Pupil Transportation, 200540, 317  
Special Education Enhancements, and 200550, Foundation Funding, 318  
other than specific set-asides, are collectively used in each 319  
fiscal year to pay state formula aid obligations for school 320  
districts, community schools, STEM schools, college preparatory 321  
boarding schools, and joint vocational school districts under 322  
this act. The first priority of these appropriation items, with 323  
the exception of specific set-asides, is to fund state formula 324  
aid obligations. It may be necessary to reallocate funds among 325  
these appropriation items or use excess funds from other general 326  
revenue fund appropriation items in the Department of 327  
Education's budget, including appropriation item 200903, 328  
Property Tax Reimbursement - Education, in each fiscal year in 329  
order to meet state formula aid obligations. If it is determined 330  
that it is necessary to transfer funds among these appropriation 331  
items or to transfer funds from other General Revenue Fund 332  
appropriations in the Department's budget to meet state formula 333  
aid obligations, the Superintendent of Public Instruction shall 334  
seek approval from the Director of Budget and Management to 335  
transfer funds as needed. 336

The Superintendent of Public Instruction shall make 337  
payments, transfers, and deductions, as authorized by Title 338  
XXXVIII of the Revised Code in amounts substantially equal to 339

those made in the prior year, or otherwise, at the discretion of 340  
the Superintendent, until at least the effective date of the 341  
amendments and enactments made to Title XXXVIII by ~~this act~~ H.B. 342  
166 of the 133rd General Assembly. Any funds paid to districts 343  
or schools under this section shall be credited toward the 344  
annual funds calculated for the district or school after the 345  
changes made to Title XXXVIII in ~~this act~~ H.B. 166 of the 133rd 346  
General Assembly are effective. Upon the effective date of 347  
changes made to Title XXXVIII in ~~this act~~ H.B. 166 of the 133rd 348  
General Assembly, funds shall be calculated as an annual amount. 349

**Section 4.** That existing Sections 265.10 and 265.210 of 350  
H.B. 166 of the 133rd General Assembly are hereby repealed. 351