

# AN ACT

To amend sections 3310.02, 3310.03, 3310.031, 3310.032, 3310.035, 3313.14, 3313.482, 3313.82, 3313.903, 3314.03, 3314.19, 3319.226, 3319.301, 3326.032, 3326.17, 3333.16, 3345.81, 5709.62, 5709.63, 5709.632, 5709.82, and 5709.83; to enact sections 3301.0730, 3317.037, 3319.2211, 3345.351, 3345.481, and 6301.23; and to repeal section 3311.242 of the Revised Code with regard to career-technical education and the compensation of joint vocational school districts located in enterprise zones, with regard to student degree completion at state institutions of higher education, to make changes regarding STEM school report cards, to revise the eligibility of the Educational Choice Scholarship program, to repeal, on September 1, 2021, a law regarding transfers of school district territory located within a township split between two or more school districts, and to permit career centers to receive a STEM or STEAM school equivalent designation.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 1. That sections 3310.02, 3310.03, 3310.031, 3310.032, 3310.035, 3313.14, 3313.482, 3313.82, 3313.903, 3314.03, 3314.19, 3319.226, 3319.301, 3326.032, 3326.17, 3333.16, 3345.81, 5709.62, 5709.63, 5709.632, 5709.82, and 5709.83 be amended and sections 3301.0730, 3317.037, 3319.2211, 3345.351, 3345.481, and 6301.23 of the Revised Code be enacted to read as follows:

Sec. 3301.0730. (A) As used in this section:

(1) "Education management information system" means the integrated system of statewide data collecting, reporting, and compiling for school districts and schools prescribed under section 3301.0714 of the Revised Code.

(2) "EMIS guidelines" means any guidance issued by the department of education containing the student, staff, and financial information to be collected and reported, along with data-element definitions, procedures, and guidelines necessary to implement the education management information system.

(B) Not later than June 1, 2021, the department shall develop a procedure that permits users of the education management information system to review and provide comment on new or updated EMIS guidelines. The procedure shall satisfy all of the following conditions:

(1) The department shall post a copy of the proposed new or updated EMIS guidelines on the department's web site. The department shall solicit comment from EMIS users on the proposed guidelines for thirty consecutive days.

(2) The department shall respond to comments provided by users and may revise the proposed new or updated EMIS guidelines based on comments provided by users within thirty consecutive days after the comment period closes.

(3) The department shall post the final new or updated EMIS guidelines on its web site at the end of the response period for thirty consecutive days for a final review by EMIS users. The new or updated guidelines shall take effect after that period ends.

(C) Except as provided in division (D) of this section, if the department develops new or updated EMIS guidelines to implement a program, initiative, or policy, the department shall use the procedures prescribed under division (B) of this section. For any such new or updated guidelines proposed to be effective for the 2021-2022 school year, the department shall initiate the procedures not later than June 15, 2021. For any such new or updated guidelines proposed to be effective for a subsequent school year, the department shall initiate the procedures not later than the fifteenth day of May immediately prior to the beginning of that school year.

(D) On and after June 1, 2021, the department shall use the procedure prescribed under division (B) of this section for any new or updated EMIS guidelines developed by the department for the purposes of implementing any of the following:

(1) A newly enacted state or federal law;

(2) A new or updated federal rule;

(3) A rule or resolution adopted by the state board of education.

(E) The department shall not be required to use the procedure prescribed under division (B) of this section when issuing any of the following:

(1) Updated EMIS guidelines to address issues that are not substantive, such as correcting grammatical errors;

(2) Updated EMIS guidelines to address unforeseen technical errors;

(3) Supplemental documents regarding EMIS guidelines and the education management information system, including documents that do any of the following:

(a) Clarify the implementation of EMIS guidelines;

(b) Answer questions submitted by users of the education management system;

(c) Provide training regarding the education management information system.

(F) Additionally, the department shall establish both of the following:

(1) Uniform guidance for career-technical planning districts and information technology centers established under section 3301.075 of the Revised Code regarding the education management information system and EMIS guidelines for career-technical planning districts;

(2) Uniform training programs for all personnel employed by the department to administer the education management information system.

Sec. 3310.02. (A) The educational choice scholarship pilot program is hereby established. Under the program, the department of education annually shall pay scholarships to attend chartered nonpublic schools in accordance with section 3310.08 of the Revised Code for up to the following number of eligible students:

(1) Thirty thousand in the 2011-2012 school year;

(2) Sixty thousand in the 2012-2013 school year and thereafter.

For any school year for which the number of applications for scholarships timely submitted

for the program exceeds ninety per cent of the maximum number of scholarships permitted under division (A) of this section, the department shall increase the maximum number of scholarships permitted for the following school year by five per cent. The department shall make the increased number of scholarships available for each subsequent school year until the department is again required to increase the number of scholarships under division (A) of this section.

If the number of students who apply for a scholarship exceeds the maximum number of scholarships permitted under division (A) of this section, priority shall be given to those students applying for a scholarship under section 3310.03 of the Revised Code in accordance with division (B) of this section.

(B) The department shall award scholarships under section 3310.03 of the Revised Code in the following order of priority:

(1) First, to eligible students who received scholarships in the prior school year;

(2) Second, to eligible students with family incomes at or below two hundred per cent of the federal poverty guidelines, as defined in section 5101.46 of the Revised Code, who qualify under ~~divisions (A) and (E)~~ division (C) of section 3310.03 of the Revised Code. If the number of students described in division (B)(2) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under division (B)(1) of this section, the department shall select students described in division (B)(2) of this section by lot to receive any remaining scholarships.

(3) Third, to other eligible students who qualify under ~~divisions (A) and (E)~~ division (C) of section 3310.03 of the Revised Code. If the number of students described in division (B)(3) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B)(1) and (2) of this section, the department shall select students described in division (B)(3) of this section by lot to receive any remaining scholarships.

(4) Fourth, to eligible students with family incomes at or below two hundred per cent of the federal poverty guidelines who qualify under ~~division (D)~~ division (A) of section 3310.03 of the Revised Code. If the number of students described in division (B)(4) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B) (1) to (3) of this section, the department shall select students described in division (B)(4) of this section by lot to receive any remaining scholarships.

(5) Fifth, to other eligible students who qualify under ~~division (D)~~ division (A) of section 3310.03 of the Revised Code. If the number of students described in division (B)(5) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B) (1) to (4) of this section, the department shall select students described in division (B)(5) of this section by lot to receive any remaining scholarships.

~~(6) Sixth, to eligible students with family incomes at or below two hundred per cent of the federal poverty guidelines who qualify under division (B) of section 3310.03 of the Revised Code. If the number of students described in division (B)(6) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B)(1) to (5) of this section, the department shall select students described in division (B)(6) of this section by lot to receive any remaining scholarships.~~

~~(7) Seventh, to other eligible students who qualify under division (B) of section 3310.03 of~~

~~the Revised Code. If the number of students described in division (B)(7) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B) (1) to (6) of this section, the department shall select students described in division (B)(7) of this section by lot to receive any remaining scholarships.~~

Sec. 3310.03. A For the 2021-2022 school year and each school year thereafter, a student is an "eligible student" for purposes of the educational choice scholarship pilot program if the student's resident district is not a school district in which the pilot project scholarship program is operating under sections 3313.974 to 3313.979 of the Revised Code and the student satisfies one of the conditions in division (A), (B), or (C), ~~(D), or (E)~~ of this section, and the student maintains eligibility to receive a scholarship under division (D) of this section.

However, any student who received a scholarship for the 2020-2021 school year under this section, as it existed prior to the effective date of this amendment, shall continue to receive that scholarship until the student completes grade twelve, as long as the student maintains eligibility to receive a scholarship under division (D) of this section.

~~(A)(1) The student is enrolled in a school building operated by the student's resident district that, on the report card issued under section 3302.03 of the Revised Code published prior to the first day of July of the school year for which a scholarship is sought, did not receive a rating as described in division (I) of this section, and to which any or a combination of any of the following apply for two of the three most recent report cards published prior to the first day of July of the school year for which a scholarship is sought:~~

~~(a) The building was declared to be in a state of academic emergency or academic watch under section 3302.03 of the Revised Code as that section existed prior to March 22, 2013.~~

~~(b) The building received a grade of "D" or "F" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and for the value-added progress dimension under division (A)(1)(c) or (B)(1)(c) of section 3302.03 of the Revised Code for the 2012-2013, 2013-2014, 2014-2015, or 2015-2016 school year; or if the building serves only grades ten through twelve, the building received a grade of "D" or "F" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and had a four-year adjusted cohort graduation rate of less than seventy-five per cent.~~

~~(c) The building received an overall grade of "D" or "F" under division (C)(3) of section 3302.03 of the Revised Code or a grade of "F" for the value-added progress dimension under division (C)(1)(c) of section 3302.03 of the Revised Code for the 2016-2017 school year or any school year thereafter.~~

~~(2) The student will be enrolling in any of grades kindergarten through twelve in this state for the first time in the school year for which a scholarship is sought, will be at least five years of age by the first day of January of the school year for which a scholarship is sought, and otherwise would be assigned under section 3319.01 of the Revised Code in the school year for which a scholarship is sought, to a school building described in division (A)(1) of this section.~~

~~(3) The student is enrolled in a community school established under Chapter 3314. of the Revised Code but otherwise would be assigned under section 3319.01 of the Revised Code to a building described in division (A)(1) of this section.~~

~~(4) The student is enrolled in a school building operated by the student's resident district or in~~

~~a community school established under Chapter 3314. of the Revised Code and otherwise would be assigned under section 3319.01 of the Revised Code to a school building described in division (A)(1) of this section in the school year for which the scholarship is sought.~~

~~(5) The student will be both enrolling in any of grades kindergarten through twelve in this state for the first time and at least five years of age by the first day of January of the school year for which a scholarship is sought, or is enrolled in a community school established under Chapter 3314. of the Revised Code, and all of the following apply to the student's resident district:~~

~~(a) The district has in force an intradistrict open enrollment policy under which no student in the student's grade level is automatically assigned to a particular school building;~~

~~(b) In the most recent rating published prior to the first day of July of the school year for which scholarship is sought, the district did not receive a rating described in division (I) of this section, and in at least two of the three most recent report cards published prior to the first day of July of that school year, any or a combination of the following apply to the district:~~

~~(i) The district was declared to be in a state of academic emergency under section 3302.03 of the Revised Code as it existed prior to March 22, 2013.~~

~~(ii) The district received a grade of "D" or "F" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and for the value-added progress dimension under division (A)(1)(c) or (B)(1)(c) of section 3302.03 of the Revised Code for the 2012-2013, 2013-2014, 2014-2015, or 2015-2016 school year.~~

~~(c) The district received an overall grade of "D" or "F" under division (C)(3) of section 3302.03 of the Revised Code or a grade of "F" for the value-added progress dimension under division (C)(1)(e) of section 3302.03 of the Revised Code for the 2016-2017 school year or any school year thereafter.~~

~~(6) Beginning in the 2019-2020 school year, the student meets both of the following conditions:~~

~~(a) The student was enrolled in a public or nonpublic school or was homeschooled in the prior school year and completed any of grades eight through eleven in that school year.~~

~~(b) The student would be assigned to a building in the school year for which the scholarship is sought that either:~~

~~(i) Serves any of grades nine through twelve and that received a grade of "D" or "F" for the four-year adjusted cohort graduation rate under division (A)(1)(d), (B)(1)(d), or (C)(1)(d) of section 3302.03 of the Revised Code in two of the three most recent report cards published prior to the first day of July of the school year for which a scholarship is sought;~~

~~(ii) Is a building described in division (A)(1) of this section.~~

~~Any student who was awarded a scholarship under division (A)(6) of this section as it existed prior to the effective date of this amendment may continue to receive scholarships in subsequent school years until the student completes grade twelve, as long as the student meets the criteria prescribed by division (F) of this section.~~

~~(B)(1) The A student is eligible for a scholarship if the student is enrolled in a school building operated by the student's resident district and to which both of the following apply:~~

~~(a) The building was ranked, for at least two of the three most recent rankings prior to the first day of July of the school year for which a scholarship is sought, in the lowest ten-twenty per cent~~

of all buildings operated by city, local, and exempted village school districts according to performance index score as determined by the department of education, as follows:

(i) For a scholarship sought for the 2021-2022 or 2022-2023 school year, the building was ranked in the lowest twenty per cent of buildings for each of the 2017-2018 and 2018-2019 school years.

(ii) For a scholarship sought for the 2023-2024 school year, the building was ranked in the lowest twenty per cent of buildings for each of the 2020-2021 and 2021-2022 school years.

(iii) For a scholarship sought for the 2024-2025 school year or any school year thereafter, the building was ranked in the lowest twenty per cent of buildings for at least two of the three most recent consecutive rankings issued prior to the first day of July of the school year for which a scholarship is sought.

(b) The building was not declared to be excellent or effective, or the equivalent of such ratings as determined by the department, under section 3302.03 of the Revised Code in the most recent rating published prior to the first day of July of the school year for which a scholarship is sought is operated by a school district in which, for the three consecutive school years prior to the school year for which a scholarship is sought, an average of twenty per cent or more of the students entitled to attend school in the district, under section 3313.64 or 3313.65 of the Revised Code, were qualified to be included in the formula to distribute funds under Title I of the "Elementary and Secondary Education Act of 1965," 20 U.S.C. 6301 et seq.

When ranking school buildings under division (A)(1) of this section, the department shall not include buildings operated by a school district in which the pilot project scholarship program is operating in accordance with sections 3313.974 to 3313.979 of the Revised Code.

(2) The A student is eligible for a scholarship if the student will be enrolling in any of grades kindergarten through twelve in this state for the first time in the school year for which a scholarship is sought, will be at least five years of age, as defined in section 3321.01 of the Revised Code, by the first day of January of the school year for which a scholarship is sought, and otherwise would be assigned under section 3319.01 of the Revised Code in the school year for which a scholarship is sought, to a school building described in division (B)(1)-(A)(1) of this section.

(3) The A student is eligible for a scholarship if the student is enrolled in a community school established under Chapter 3314. of the Revised Code but otherwise would be assigned under section 3319.01 of the Revised Code to a building described in division (B)(1)-(A)(1) of this section.

(4) The A student is eligible for a scholarship if the student is enrolled in a school building operated by the student's resident district or in a community school established under Chapter 3314. of the Revised Code and otherwise would be assigned under section 3319.01 of the Revised Code to a school building described in division (B)(1)-(A)(1) of this section in the school year for which the scholarship is sought.

(C) The (B) A student is eligible for a scholarship if the student is enrolled in a nonpublic school at the time the school is granted a charter by the state board of education under section 3301.16 of the Revised Code and the student meets the standards of division (B) of section 3310.031 of the Revised Code.

(D) For the 2016-2017 school year and each school year thereafter, the student is in any of grades kindergarten through three, is enrolled in a school building that is operated by the student's

resident district or will be enrolling in any of grades kindergarten through twelve in this state for the first time in the school year for which a scholarship is sought, and to which both of the following apply:

~~(1) The building, in at least two of the three most recent ratings of school buildings published prior to the first day of July of the school year for which a scholarship is sought, received a grade of "D" or "F" for making progress in improving literacy in grades kindergarten through three under division (B)(1)(g) or (C)(1)(g) of section 3302.03 of the Revised Code;~~

~~(2) The building did not receive a grade of "A" for making progress in improving literacy in grades kindergarten through three under division (B)(1)(g) or (C)(1)(g) of section 3302.03 of the Revised Code in the most recent rating published prior to the first day of July of the school year for which a scholarship is sought.~~

~~(E)~~ (C) A student is eligible for a scholarship if the student's resident district is subject to section 3302.10 of the Revised Code and the student either:

(1) Is enrolled in a school building operated by the resident district or in a community school established under Chapter 3314. of the Revised Code;

(2) Will be both enrolling in any of grades kindergarten through twelve in this state for the first time and at least five years of age by the first day of January of the school year for which a scholarship is sought.

~~(F)~~ (D) A student who receives a scholarship under the educational choice scholarship pilot program remains an eligible student and may continue to receive scholarships in subsequent school years until the student completes grade twelve, so long as all of the following apply:

(1) The student's resident district remains the same, or the student transfers to a new resident district and otherwise would be assigned in the new resident district to a school building described in division (A)(1), ~~(B)(1)~~, ~~(D)~~, or ~~(E)~~ (C) of this section.

(2) Except as provided in divisions (K)(1) and (L) of section 3301.0711 of the Revised Code, the student takes each assessment prescribed for the student's grade level under section 3301.0710 or 3301.0712 of the Revised Code while enrolled in a chartered nonpublic school.

(3) In each school year that the student is enrolled in a chartered nonpublic school, the student is absent from school for not more than twenty days that the school is open for instruction, not including excused absences.

~~(G)(1)~~ (E)(1) The department shall cease awarding first-time scholarships pursuant to divisions (A)(1) to (4) of this section with respect to a school building that, in the most recent ratings of school buildings published under section 3302.03 of the Revised Code prior to the first day of July of the school year, ceases to meet the criteria in division (A)(1) of this section. The department shall cease awarding first-time scholarships pursuant to division (A)(5) of this section with respect to a school district that, in the most recent ratings of school districts published under section 3302.03 of the Revised Code prior to the first day of July of the school year, ceases to meet the criteria in division (A)(5) of this section.

~~(2) The department shall cease awarding first-time scholarships pursuant to divisions (B)(1) to (4) of this section with respect to a school building that, in the most recent ratings of school buildings under section 3302.03 of the Revised Code prior to the first day of July of the school year, ceases to meet the criteria in division (B)(1)~~ (A)(1) of this section.

~~(3) The department shall cease awarding first-time scholarships pursuant to division (D) of this section with respect to a school building that, in the most recent ratings of school buildings under section 3302.03 of the Revised Code prior to the first day of July of the school year, ceases to meet the criteria in division (D) of this section.~~

~~(4)(2) The department shall cease awarding first-time scholarships pursuant to division (E) (C) of this section with respect to a school district subject to section 3302.10 of the Revised Code when the academic distress commission established for the district ceases to exist.~~

~~(5)(3) However, students who have received scholarships in the prior school year remain eligible students pursuant to division (F)(D) of this section.~~

~~(H)(F) The state board of education shall adopt rules defining excused absences for purposes of division (F)(3)(D)(3) of this section.~~

~~(I)(1) A student who satisfies only the conditions prescribed in divisions (A)(1) to (4) of this section shall not be eligible for a scholarship if the student's resident building meets any of the following in the most recent rating under section 3302.03 of the Revised Code published prior to the first day of July of the school year for which a scholarship is sought:~~

~~(a) The building has an overall designation of excellent or effective under section 3302.03 of the Revised Code as it existed prior to March 22, 2013.~~

~~(b) For the 2012-2013, 2013-2014, 2014-2015, or 2015-2016 school year, the building has a grade of "A" or "B" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and for the value-added progress dimension under division (A)(1)(c) or (B)(1)(c) of section 3302.03 of the Revised Code; or if the building serves only grades ten through twelve, the building received a grade of "A" or "B" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and had a four-year adjusted cohort graduation rate of greater than or equal to seventy-five per cent.~~

~~(c) For the 2016-2017 school year or any school year thereafter, the building has a grade of "A" or "B" under division (C)(3) of section 3302.03 of the Revised Code and a grade of "A" for the value-added progress dimension under division (C)(1)(c) of section 3302.03 of the Revised Code; or if the building serves only grades ten through twelve, the building received a grade of "A" or "B" for the performance index score under division (C)(1)(b) of section 3302.03 of the Revised Code and had a four-year adjusted cohort graduation rate of greater than or equal to seventy-five per cent.~~

~~(2) A student who satisfies only the conditions prescribed in division (A)(5) of this section shall not be eligible for a scholarship if the student's resident district meets any of the following in the most recent rating under section 3302.03 of the Revised Code published prior to the first day of July of the school year for which a scholarship is sought:~~

~~(a) The district has an overall designation of excellent or effective under section 3302.03 of the Revised Code as it existed prior to March 22, 2013.~~

~~(b) The district has a grade of "A" or "B" for the performance index score under division (A) (1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and for the value-added progress dimension under division (A)(1)(c) or (B)(1)(c) of section 3302.03 of the Revised Code for the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 school years.~~

~~(c) The district has an overall grade of "A" or "B" under division (C)(3) of section 3302.03 of the Revised Code and a grade of "A" for the value-added progress dimension under division (C)(1)~~



~~(e) of section 3302.03 of the Revised Code for the 2016-2017 school year or any school year thereafter.~~

Sec. 3310.031. (A) The state board of education shall adopt rules under section 3310.17 of the Revised Code establishing procedures for granting educational choice scholarships to eligible students attending a nonpublic school at the time the state board grants the school a charter under section 3301.16 of the Revised Code. The procedures shall include at least the following:

(1) Provisions for extending the application period for scholarships for the following school year, if necessary due to the timing of the award of the nonpublic school's charter, in order for students enrolled in the school at the time the charter is granted to apply for scholarships for the following school year;

(2) Provisions for notifying the resident districts of the nonpublic school's students that the nonpublic school has been granted a charter and that educational choice scholarships may be awarded to the school's students for the following school year.

(B) A student who is enrolled in a nonpublic school at the time the school's charter is granted is an eligible student if any either of the following applies:

(1) For a scholarship sought for the 2020-2021 school year, the student satisfies division (B) of this section as it existed prior to the effective date of this amendment and any related condition prescribed by section 3310.03 of the Revised Code, as it existed prior to the effective date of this amendment.

(2) For a scholarship sought for the 2021-2022 school year or any school year thereafter, the student satisfies any of the following conditions:

(a) At the end of the last school year before the student enrolled in the nonpublic school, the student was enrolled in a school building operated by the student's resident district or in a community school established under Chapter 3314. of the Revised Code and, for the current or following school year, the student otherwise would be assigned under section 3319.01 of the Revised Code to a school building described in division (A)(1) ~~or (B)(1)~~ of section 3310.03 of the Revised Code.

~~(2) At the end of the last school year before the student enrolled in the nonpublic school, the student was enrolled in a school building operated by the student's resident district and, for the current or following school year, the student otherwise would be assigned under section 3319.01 of the Revised Code to a school building described in division (A)(6) of section 3310.03 of the Revised Code.~~

~~(3) (b) The student was not enrolled in any public or other nonpublic school before the student enrolled in the nonpublic school and, for the current or following school year, otherwise would be assigned under section 3319.01 of the Revised Code to a school building described in division (A)(1) ~~or (6)~~ ~~or (B)(1)~~ of section 3310.03 of the Revised Code.~~

~~(4) (c) At the end of the last school year before the student enrolled in the nonpublic school, the student was enrolled in a school building operated by the student's resident district and, during that school year, the building met the conditions described in division (A)(1) ~~or (6)~~ ~~or (B)(1)~~ of section 3310.03 of the Revised Code.~~

~~(5) (d) At the end of the last school year before the student enrolled in the nonpublic school, the student was enrolled in a community school established under Chapter 3314. of the Revised Code but otherwise would have been assigned under section 3319.01 of the Revised Code to a school~~

building that, during that school year, met the conditions described in division (A)(1) ~~or (B)(1)~~ of section 3310.03 of the Revised Code.

Sec. 3310.032. (A) A student is an "eligible student" for purposes of the expansion of the educational choice scholarship pilot program under this section if the student's resident district is not a school district in which the pilot project scholarship program is operating under sections 3313.974 to 3313.979 of the Revised Code, the student is not eligible for an educational choice scholarship under section 3310.03 of the Revised Code, and the student's family income is at or below two hundred fifty per cent of the federal poverty guidelines, as defined in section 5101.46 of the Revised Code.

(B) In each fiscal year for which the general assembly appropriates funds for purposes of this section, the department of education shall pay scholarships to attend chartered nonpublic schools in accordance with section 3310.08 of the Revised Code. The number of scholarships awarded under this section shall not exceed the number that can be funded with appropriations made by the general assembly for this purpose.

(C) Scholarships under this section shall be awarded as follows:

(1) For the 2013-2014 school year, to eligible students who are entering kindergarten in that school year for the first time;

(2) For each subsequent school year through the 2019-2020 school year, scholarships shall be awarded to eligible students in the next grade level above the highest grade level awarded in the preceding school year, in addition to the grade levels for which students received scholarships in the preceding school year;

(3) Beginning with the 2020-2021 school year, to eligible students who are entering any of grades kindergarten through twelve in that school year for the first time.

(D) If the number of eligible students who apply for a scholarship under this section exceeds the scholarships available based on the appropriation for this section, the department shall award scholarships in the following order of priority:

(1) First, to eligible students who received scholarships under this section in the prior school year;

(2) Second, to eligible students with family incomes at or below one hundred per cent of the federal poverty guidelines. If the number of students described in division (D)(2) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under division (D)(1) of this section, the department shall select students described in division (D)(2) of this section by lot to receive any remaining scholarships.

(3) Third, to other eligible students who qualify under this section. If the number of students described in division (D)(3) of this section exceeds the number of available scholarships after awards are made under divisions (D)(1) and (2) of this section, the department shall select students described in division (D)(3) of this section by lot to receive any remaining scholarships.

(E) Subject to divisions (E)(1) to (3) of this section, a student who receives a scholarship under this section remains an eligible student and may continue to receive scholarships under this section in subsequent school years until the student completes grade twelve, so long as the student satisfies the conditions specified in divisions ~~(F)(2)-(D)(2)~~ and (3) of section 3310.03 of the Revised Code.

Once a scholarship is awarded under this section, the student shall remain eligible for that scholarship for the current school year and subsequent school years even if the student's family income rises above the amount specified in division (A) of this section, provided the student remains enrolled in a chartered nonpublic school, however:

(1) If the student's family income is above two hundred fifty per cent but at or below three hundred per cent of the federal poverty guidelines, the student shall receive a scholarship in the amount of seventy-five per cent of the full scholarship amount.

(2) If the student's family income is above three hundred per cent but at or below four hundred per cent of the federal poverty guidelines, the student shall receive a scholarship in the amount of fifty per cent of the full scholarship amount.

(3) If the student's family income is above four hundred per cent of the federal poverty guidelines, the student is no longer eligible to receive an educational choice scholarship.

Sec. 3310.035. (A) A student who is eligible for an educational choice scholarship under both sections 3310.03 and 3310.032 of the Revised Code, and applies for a scholarship for the first time after September 29, 2013, shall receive a scholarship under section 3310.03 of the Revised Code.

(B) A student who is eligible under both sections 3310.03 and 3310.032 of the Revised Code and received a scholarship in the previous school year shall continue to receive the scholarship under the section from which the student received the scholarship in the previous school year, so long as:

(1) The number of students who apply for a scholarship does not exceed the number of scholarships available under division (A) of section 3310.02 of the Revised Code.

(2) A student who receives a scholarship under section 3310.03 of the Revised Code satisfies with the conditions specified in divisions ~~(F)(1)-(D)(1)~~ to (3) of that section, and a student who receives a scholarship under section 3310.032 satisfies with the conditions specified in divisions ~~(G)(2)-(D)(2)~~ and (3) of section 3310.03 of the Revised Code.

Sec. 3313.14. The board of education of each city, exempted village, and local school district shall meet on a day occurring during the first fifteen days of January of each year, and shall organize by electing one of its members president and another vice-president, both of whom shall serve for one year. The treasurer of the board shall canvass the members of the new board no later than December thirty-first to establish the day of the organizational meeting prescribed by this section.

The board of education of a joint vocational school district shall hold its first meeting in January of each year, and shall organize by electing one of its members president and another vice-president, both of whom shall serve for one year. The treasurer of the board shall canvass the members of the new board no later than December thirty-first to establish the day of the organizational meeting prescribed by this section.

The governing board of each educational service center shall hold its first meeting in January of each year, and shall organize by electing one of its members president and another vice-president, both of whom shall serve for one year.

Sec. 3313.482. (A)(1) Prior to the first day of August of each school year, the board of education of any school district or the governing authority of any chartered nonpublic school may adopt a plan to require students to access and complete classroom lessons posted on the district's or nonpublic school's web portal or web site in order to make up hours in that school year on which it is necessary to close schools for disease epidemic, hazardous weather conditions, law enforcement

emergencies, inoperability of school buses or other equipment necessary to the school's operation, damage to a school building, or other temporary circumstances due to utility failure rendering the school building unfit for school use.

Prior to the first day of August of each school year, the governing authority of any community school established under Chapter 3314. that is not an internet- or computer-based community school, as defined in section 3314.02 of the Revised Code, may adopt a plan to require students to access and complete classroom lessons posted on the school's web portal or web site in order to make up hours in that school year on which it is necessary to close the school for any of the reasons specified in division (H)(4) of section 3314.08 of the Revised Code so that the school is in compliance with the minimum number of hours required under Chapter 3314. of the Revised Code.

A plan adopted by a school district board, chartered nonpublic school governing authority, or community school governing authority shall provide for making up any number of hours, up to a maximum of the number of hours that are the equivalent of three school days.

(2) Each plan adopted under this section by a school district board of education shall include the written consent of the teachers' employee representative designated under division (B) of section 4117.04 of the Revised Code.

(3) Each plan adopted under this section shall provide for the following:

(a) Not later than the first day of November of the school year, each classroom teacher shall develop a sufficient number of lessons for each course taught by the teacher that school year to cover the number of make-up hours specified in the plan. The teacher shall designate the order in which the lessons are to be posted on the district's, community school's, or nonpublic school's web portal or web site in the event of a school closure. Teachers may be granted up to one professional development day to create lesson plans for those lessons.

(b) To the extent possible and necessary, a classroom teacher shall update or replace, based on current instructional progress, one or more of the lesson plans developed under division (A)(3)(a) of this section before they are posted on the web portal or web site under division (A)(3)(c) of this section or distributed under division (B) of this section.

(c) As soon as practicable after a school closure, a district or school employee responsible for web portal or web site operations shall make the designated lessons available to students on the district's, community school's, or nonpublic school's portal or site. A lesson shall be posted for each course that was scheduled to meet on the day or hours of the closure.

(d) Each student enrolled in a course for which a lesson is posted on the portal or site shall be granted a two-week period from the date of posting to complete the lesson. The student's classroom teacher shall grade the lesson in the same manner as other lessons. The student may receive an incomplete or failing grade if the lesson is not completed on time.

(e) If a student does not have access to a computer at the student's residence and the plan does not include blizzard bags under division (B) of this section, the student shall be permitted to work on the posted lessons at school after the student's school reopens. If the lessons were posted prior to the reopening, the student shall be granted a two-week period from the date of the reopening, rather than from the date of posting as otherwise required under division (A)(3)(d) of this section, to complete the lessons. The district board or community school or nonpublic school governing authority may provide the student access to a computer before, during, or after the regularly scheduled school day

or may provide a substantially similar paper lesson in order to complete the lessons.

(B)(1) In addition to posting classroom lessons online under division (A) of this section, the board of education of any school district or governing authority of any community or chartered nonpublic school may include in the plan distribution of "blizzard bags," which are paper copies of the lessons posted online.

(2) If a school opts to use blizzard bags, teachers shall prepare paper copies in conjunction with the lessons to be posted online and update the paper copies whenever the teacher updates the online lesson plans.

(3) The board of education of any school district or governing authority of any community or chartered nonpublic school that opts to use blizzard bags shall specify in the plan the method of distribution of blizzard bag lessons, which may include, but not be limited to, requiring distribution by a specific deadline or requiring distribution prior to anticipated school closure as directed by the superintendent of a school district or the principal, director, chief administrative officer, or the equivalent, of a school.

(4) Students shall turn in completed lessons in accordance with division (A)(3)(d) of this section.

(C) In addition to the hours that may be made up in accordance with divisions (A) and (B) of this section, the board of education of any joint vocational school district may include in its plan adopted under this section other options to make up any number of additional hours missed as a result of one or more of the schools of its member city, exempted village, or local school districts were closed for the reasons specified in division (A)(1) of this section. Those options may include additional online lessons, planned student internships, student projects, or other options specified by the board in its plan.

(D)(1) No school district that implements a plan in accordance with this section shall be considered to have failed to comply with division (B) of section 3317.01 of the Revised Code with respect to the number of make-up hours specified in the plan.

(2) No community school that implements a plan in accordance with this section shall be considered to have failed to comply with the minimum number of hours required under Chapter 3314. of the Revised Code with respect to the number of make-up hours specified in the plan.

Sec. 3313.82. ~~The (A)~~ Subject to division (D) of this section, the board of education of each school district and the governing board of each educational service center shall appoint a business advisory council, except that a school district that has entered into an agreement under section 3313.843 or 3313.845 of the Revised Code to receive any services from an educational service center is not required to appoint a council if the school district and educational service center agree that the educational service center's council will represent the business of the district. ~~The~~

(B) The council shall advise and provide recommendations to the board on matters specified by the board including, but not necessarily limited to, ~~the all of the following:~~

(1) ~~The delineation of employment skills and the development of curriculum to instill these skills; changes-~~

(2) ~~Changes in the economy and in the job market, and the types of employment in which future jobs are most likely to be available; and suggestions-~~

(3) ~~Suggestions for developing a working relationship among businesses, labor organizations,~~

and educational personnel. ~~Each~~

~~(C) Each board shall determine the membership and organization of its council. Notwithstanding~~

(D) A school district shall not be required to appoint a council under division (A) of this section if the school district has entered into an agreement with the business advisory committee of a joint vocational school district that allows the business advisory committee to represent the business of the school district in accordance with this section.

(E) Notwithstanding division (D) of section 3311.19 and division (D) of section 3311.52 of the Revised Code, this section shall not apply to the board of education of any joint vocational school district or any cooperative education school district created pursuant to divisions (A) to (C) of section 3311.52 of the Revised Code.

Sec. 3313.903. Except as otherwise required under federal law, the department of education shall consider an industry-recognized credential, as ~~described under division (B)(2)(d) of section 3302.03~~ approved under section 3313.6113 of the Revised Code, or a license issued by a state agency or board for practice in a vocation that requires an examination for issuance of that license as an acceptable measure of technical skill attainment and shall not require a student with such credential or license to take additional technical assessments.

Additionally, the department shall not require a student who has participated in or will be participating in a credentialing assessment aligned to the student's career-technical education program or has participated in or will be participating in taking an examination for issuance of such a license aligned to the student's career-technical education program to take additional technical assessments.

However, if the student does not participate in the credentialing assessment or license examination, the student shall take the applicable technical assessments prescribed by the department.

The department shall develop, in consultation with the Ohio association for career and technical education, the Ohio association of career-technical superintendents, the Ohio association of city career-technical schools, and other stakeholders, procedures for identifying industry-recognized credentials and licenses aligned to a student's career-technical education program that can be used as an acceptable measure of technical skill, and for identifying students in the process of earning such credentials and licenses. The department shall consider the possibility of attaining college credit as a factor when identifying an acceptable measure of technical skill.

Not later than the thirty-first day of May of each year, the department shall, in consultation with the Ohio association for career and technical education, the Ohio association of career-technical superintendents, and the Ohio association of comprehensive and compact career-technical schools, update a list developed by the department regarding technical assessments subject to this section.

As used in this section, "technical assessments" shall not include the nationally recognized job skills assessment prescribed under division (G) of section 3301.0712 of the Revised Code.

Nothing in this section shall exempt a student who wishes to qualify for a high school diploma under division (A)(3) of section 3313.618 of the Revised Code from the requirement to attain a specified score on that assessment in order to qualify for a high school diploma under that section.

Sec. 3314.03. A copy of every contract entered into under this section shall be filed with the superintendent of public instruction. The department of education shall make available on its web site a copy of every approved, executed contract filed with the superintendent under this section.

(A) Each contract entered into between a sponsor and the governing authority of a community school shall specify the following:

(1) That the school shall be established as either of the following:

(a) A nonprofit corporation established under Chapter 1702. of the Revised Code, if established prior to April 8, 2003;

(b) A public benefit corporation established under Chapter 1702. of the Revised Code, if established after April 8, 2003.

(2) The education program of the school, including the school's mission, the characteristics of the students the school is expected to attract, the ages and grades of students, and the focus of the curriculum;

(3) The academic goals to be achieved and the method of measurement that will be used to determine progress toward those goals, which shall include the statewide achievement assessments;

(4) Performance standards, including but not limited to all applicable report card measures set forth in section 3302.03 or 3314.017 of the Revised Code, by which the success of the school will be evaluated by the sponsor;

(5) The admission standards of section 3314.06 of the Revised Code and, if applicable, section 3314.061 of the Revised Code;

(6)(a) Dismissal procedures;

(b) A requirement that the governing authority adopt an attendance policy that includes a procedure for automatically withdrawing a student from the school if the student without a legitimate excuse fails to participate in seventy-two consecutive hours of the learning opportunities offered to the student.

(7) The ways by which the school will achieve racial and ethnic balance reflective of the community it serves;

(8) Requirements for financial audits by the auditor of state. The contract shall require financial records of the school to be maintained in the same manner as are financial records of school districts, pursuant to rules of the auditor of state. Audits shall be conducted in accordance with section 117.10 of the Revised Code.

(9) An addendum to the contract outlining the facilities to be used that contains at least the following information:

(a) A detailed description of each facility used for instructional purposes;

(b) The annual costs associated with leasing each facility that are paid by or on behalf of the school;

(c) The annual mortgage principal and interest payments that are paid by the school;

(d) The name of the lender or landlord, identified as such, and the lender's or landlord's relationship to the operator, if any.

(10) Qualifications of teachers, including a requirement that the school's classroom teachers be licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except that a community school may engage noncertificated persons to teach up to twelve hours or forty hours per

week pursuant to section 3319.301 of the Revised Code.

(11) That the school will comply with the following requirements:

(a) The school will provide learning opportunities to a minimum of twenty-five students for a minimum of nine hundred twenty hours per school year.

(b) The governing authority will purchase liability insurance, or otherwise provide for the potential liability of the school.

(c) The school will be nonsectarian in its programs, admission policies, employment practices, and all other operations, and will not be operated by a sectarian school or religious institution.

(d) The school will comply with sections 9.90, 9.91, 109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710, 3301.0711, 3301.0712, 3301.0715, 3301.0729, 3301.948, 3313.472, 3313.50, 3313.536, 3313.539, 3313.5310, 3313.608, 3313.609, 3313.6012, 3313.6013, 3313.6014, 3313.6015, 3313.6020, 3313.6024, 3313.643, 3313.648, 3313.6411, 3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.668, 3313.67, 3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716, 3313.718, 3313.719, 3313.7112, 3313.721, 3313.80, 3313.814, 3313.816, 3313.817, 3313.818, 3313.86, 3313.89, 3313.96, 3319.073, 3319.321, 3319.39, 3319.391, 3319.41, 3319.46, 3321.01, 3321.041, 3321.13, 3321.14, 3321.141, 3321.17, 3321.18, 3321.19, 3321.191, 3327.10, 4111.17, 4113.52, and 5705.391 and Chapters 117., 1347., 2744., 3365., 3742., 4112., 4123., 4141., and 4167. of the Revised Code as if it were a school district and will comply with section 3301.0714 of the Revised Code in the manner specified in section 3314.17 of the Revised Code.

(e) The school shall comply with Chapter 102. and section 2921.42 of the Revised Code.

(f) The school will comply with sections 3313.61, 3313.611, 3313.614, 3313.617, 3313.618, and 3313.6114 of the Revised Code, except that for students who enter ninth grade for the first time before July 1, 2010, the requirement in sections 3313.61 and 3313.611 of the Revised Code that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma may be met by completing the curriculum adopted by the governing authority of the community school rather than the curriculum specified in Title XXXIII of the Revised Code or any rules of the state board of education. Beginning with students who enter ninth grade for the first time on or after July 1, 2010, the requirement in sections 3313.61 and 3313.611 of the Revised Code that a person must successfully complete the curriculum of a high school prior to receiving a high school diploma shall be met by completing the requirements prescribed in division (C) of section 3313.603 of the Revised Code, unless the person qualifies under division (D) or (F) of that section. Each school shall comply with the plan for awarding high school credit based on demonstration of subject area competency, and beginning with the 2017-2018 school year, with the updated plan that permits students enrolled in seventh and eighth grade to meet curriculum requirements based on subject area competency adopted by the state board of education under divisions (J)(1) and (2) of section 3313.603 of the Revised Code. Beginning with the 2018-2019 school year, the school shall comply with the framework for granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education developed by the department under division (J)(3) of section 3313.603 of the Revised Code.

(g) The school governing authority will submit within four months after the end of each school year a report of its activities and progress in meeting the goals and standards of divisions (A)



(3) and (4) of this section and its financial status to the sponsor and the parents of all students enrolled in the school.

(h) The school, unless it is an internet- or computer-based community school, will comply with section 3313.801 of the Revised Code as if it were a school district.

(i) If the school is the recipient of moneys from a grant awarded under the federal race to the top program, Division (A), Title XIV, Sections 14005 and 14006 of the "American Recovery and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115, the school will pay teachers based upon performance in accordance with section 3317.141 and will comply with section 3319.111 of the Revised Code as if it were a school district.

(j) If the school operates a preschool program that is licensed by the department of education under sections 3301.52 to 3301.59 of the Revised Code, the school shall comply with sections 3301.50 to 3301.59 of the Revised Code and the minimum standards for preschool programs prescribed in rules adopted by the state board under section 3301.53 of the Revised Code.

(k) The school will comply with sections 3313.6021 and 3313.6023 of the Revised Code as if it were a school district unless it is either of the following:

(i) An internet- or computer-based community school;

(ii) A community school in which a majority of the enrolled students are children with disabilities as described in division (A)(4)(b) of section 3314.35 of the Revised Code.

(12) Arrangements for providing health and other benefits to employees;

(13) The length of the contract, which shall begin at the beginning of an academic year. No contract shall exceed five years unless such contract has been renewed pursuant to division (E) of this section.

(14) The governing authority of the school, which shall be responsible for carrying out the provisions of the contract;

(15) A financial plan detailing an estimated school budget for each year of the period of the contract and specifying the total estimated per pupil expenditure amount for each such year.

(16) Requirements and procedures regarding the disposition of employees of the school in the event the contract is terminated or not renewed pursuant to section 3314.07 of the Revised Code;

(17) Whether the school is to be created by converting all or part of an existing public school or educational service center building or is to be a new start-up school, and if it is a converted public school or service center building, specification of any duties or responsibilities of an employer that the board of education or service center governing board that operated the school or building before conversion is delegating to the governing authority of the community school with respect to all or any specified group of employees provided the delegation is not prohibited by a collective bargaining agreement applicable to such employees;

(18) Provisions establishing procedures for resolving disputes or differences of opinion between the sponsor and the governing authority of the community school;

(19) A provision requiring the governing authority to adopt a policy regarding the admission of students who reside outside the district in which the school is located. That policy shall comply with the admissions procedures specified in sections 3314.06 and 3314.061 of the Revised Code and, at the sole discretion of the authority, shall do one of the following:

(a) Prohibit the enrollment of students who reside outside the district in which the school is

located;

(b) Permit the enrollment of students who reside in districts adjacent to the district in which the school is located;

(c) Permit the enrollment of students who reside in any other district in the state.

(20) A provision recognizing the authority of the department of education to take over the sponsorship of the school in accordance with the provisions of division (C) of section 3314.015 of the Revised Code;

(21) A provision recognizing the sponsor's authority to assume the operation of a school under the conditions specified in division (B) of section 3314.073 of the Revised Code;

(22) A provision recognizing both of the following:

(a) The authority of public health and safety officials to inspect the facilities of the school and to order the facilities closed if those officials find that the facilities are not in compliance with health and safety laws and regulations;

(b) The authority of the department of education as the community school oversight body to suspend the operation of the school under section 3314.072 of the Revised Code if the department has evidence of conditions or violations of law at the school that pose an imminent danger to the health and safety of the school's students and employees and the sponsor refuses to take such action.

(23) A description of the learning opportunities that will be offered to students including both classroom-based and non-classroom-based learning opportunities that is in compliance with criteria for student participation established by the department under division (H)(2) of section 3314.08 of the Revised Code;

(24) The school will comply with sections 3302.04 and 3302.041 of the Revised Code, except that any action required to be taken by a school district pursuant to those sections shall be taken by the sponsor of the school. However, the sponsor shall not be required to take any action described in division (F) of section 3302.04 of the Revised Code.

(25) Beginning in the 2006-2007 school year, the school will open for operation not later than the thirtieth day of September each school year, unless the mission of the school as specified under division (A)(2) of this section is solely to serve dropouts. In its initial year of operation, if the school fails to open by the thirtieth day of September, or within one year after the adoption of the contract pursuant to division (D) of section 3314.02 of the Revised Code if the mission of the school is solely to serve dropouts, the contract shall be void.

(26) Whether the school's governing authority is planning to seek designation for the school as a STEM school equivalent under section 3326.032 of the Revised Code;

(27) That the school's attendance and participation policies will be available for public inspection;

(28) That the school's attendance and participation records shall be made available to the department of education, auditor of state, and school's sponsor to the extent permitted under and in accordance with the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended, and any regulations promulgated under that act, and section 3319.321 of the Revised Code;

(29) If a school operates using the blended learning model, as defined in section 3301.079 of the Revised Code, all of the following information:

- (a) An indication of what blended learning model or models will be used;
  - (b) A description of how student instructional needs will be determined and documented;
  - (c) The method to be used for determining competency, granting credit, and promoting students to a higher grade level;
  - (d) The school's attendance requirements, including how the school will document participation in learning opportunities;
  - (e) A statement describing how student progress will be monitored;
  - (f) A statement describing how private student data will be protected;
  - (g) A description of the professional development activities that will be offered to teachers.
- (30) A provision requiring that all moneys the school's operator loans to the school, including facilities loans or cash flow assistance, must be accounted for, documented, and bear interest at a fair market rate;
- (31) A provision requiring that, if the governing authority contracts with an attorney, accountant, or entity specializing in audits, the attorney, accountant, or entity shall be independent from the operator with which the school has contracted.
- (32) A provision requiring the governing authority to adopt an enrollment and attendance policy that requires a student's parent to notify the community school in which the student is enrolled when there is a change in the location of the parent's or student's primary residence.
- (33) A provision requiring the governing authority to adopt a student residence and address verification policy for students enrolling in or attending the school.
- (B) The community school shall also submit to the sponsor a comprehensive plan for the school. The plan shall specify the following:
- (1) The process by which the governing authority of the school will be selected in the future;
  - (2) The management and administration of the school;
  - (3) If the community school is a currently existing public school or educational service center building, alternative arrangements for current public school students who choose not to attend the converted school and for teachers who choose not to teach in the school or building after conversion;
  - (4) The instructional program and educational philosophy of the school;
  - (5) Internal financial controls.
- When submitting the plan under this division, the school shall also submit copies of all policies and procedures regarding internal financial controls adopted by the governing authority of the school.
- (C) A contract entered into under section 3314.02 of the Revised Code between a sponsor and the governing authority of a community school may provide for the community school governing authority to make payments to the sponsor, which is hereby authorized to receive such payments as set forth in the contract between the governing authority and the sponsor. The total amount of such payments for monitoring, oversight, and technical assistance of the school shall not exceed three per cent of the total amount of payments for operating expenses that the school receives from the state.
- (D) The contract shall specify the duties of the sponsor which shall be in accordance with the written agreement entered into with the department of education under division (B) of section 3314.015 of the Revised Code and shall include the following:
- (1) Monitor the community school's compliance with all laws applicable to the school and

with the terms of the contract;

(2) Monitor and evaluate the academic and fiscal performance and the organization and operation of the community school on at least an annual basis;

(3) Report on an annual basis the results of the evaluation conducted under division (D)(2) of this section to the department of education and to the parents of students enrolled in the community school;

(4) Provide technical assistance to the community school in complying with laws applicable to the school and terms of the contract;

(5) Take steps to intervene in the school's operation to correct problems in the school's overall performance, declare the school to be on probationary status pursuant to section 3314.073 of the Revised Code, suspend the operation of the school pursuant to section 3314.072 of the Revised Code, or terminate the contract of the school pursuant to section 3314.07 of the Revised Code as determined necessary by the sponsor;

(6) Have in place a plan of action to be undertaken in the event the community school experiences financial difficulties or closes prior to the end of a school year.

(E) Upon the expiration of a contract entered into under this section, the sponsor of a community school may, with the approval of the governing authority of the school, renew that contract for a period of time determined by the sponsor, but not ending earlier than the end of any school year, if the sponsor finds that the school's compliance with applicable laws and terms of the contract and the school's progress in meeting the academic goals prescribed in the contract have been satisfactory. Any contract that is renewed under this division remains subject to the provisions of sections 3314.07, 3314.072, and 3314.073 of the Revised Code.

(F) If a community school fails to open for operation within one year after the contract entered into under this section is adopted pursuant to division (D) of section 3314.02 of the Revised Code or permanently closes prior to the expiration of the contract, the contract shall be void and the school shall not enter into a contract with any other sponsor. A school shall not be considered permanently closed because the operations of the school have been suspended pursuant to section 3314.072 of the Revised Code.

Sec. 3314.19. The sponsor of each community school shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school's first year of operation or, if the school is not an internet- or computer-based community school and it changes the building from which it operates, the opening of the first year it operates from the new building:

(A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that contract will be filed with the department;

(B) That the school has submitted to the sponsor a plan for providing special education and related services to students with disabilities and has demonstrated the capacity to provide those services in accordance with Chapter 3323. of the Revised Code and federal law;

(C) That the school has a plan and procedures for administering the achievement and diagnostic assessments prescribed by sections 3301.0710, 3301.0712, and 3301.0715 of the Revised Code;

(D) That school personnel have the necessary training, knowledge, and resources to properly use and submit information to all databases maintained by the department for the collection of education data, including the education management information system established under section 3301.0714 of the Revised Code in accordance with methods and timelines established under section 3314.17 of the Revised Code;

(E) That all required information about the school has been submitted to the Ohio education directory system or any successor system;

(F) That the school will enroll at least the minimum number of students required by division (A)(11)(a) of section 3314.03 of the Revised Code in the school year for which the assurances are provided;

(G) That all classroom teachers are licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except for noncertificated persons engaged to teach up to twelve hours or forty hours per week pursuant to section 3319.301 of the Revised Code;

(H) That the school's fiscal officer is in compliance with section 3314.011 of the Revised Code;

(I) That the school has complied with sections 3319.39 and 3319.391 of the Revised Code with respect to all employees and that the school has conducted a criminal records check of each of its governing authority members;

(J) That the school holds all of the following:

(1) Proof of property ownership or a lease for the facilities used by the school;

(2) A certificate of occupancy;

(3) Liability insurance for the school, as required by division (A)(11)(b) of section 3314.03 of the Revised Code, that the sponsor considers sufficient to indemnify the school's facilities, staff, and governing authority against risk;

(4) A satisfactory health and safety inspection;

(5) A satisfactory fire inspection;

(6) A valid food permit, if applicable.

(K) That the sponsor has conducted a pre-opening site visit to the school for the school year for which the assurances are provided;

(L) That the school has designated a date it will open for the school year for which the assurances are provided that is in compliance with division (A)(25) of section 3314.03 of the Revised Code;

(M) That the school has met all of the sponsor's requirements for opening and any other requirements of the sponsor.

(N) That, for any school that operates using the blended learning model, as defined in section 3301.079 of the Revised Code, the sponsor has reviewed the following information, submitted by the school:

(1) An indication of what blended learning model or models will be used;

(2) A description of how student instructional needs will be determined and documented;

(3) The method to be used for determining competency, granting credit, and promoting students to a higher grade level;

(4) The school's attendance requirements, including how the school will document

participation in learning opportunities;

- (5) A statement describing how student progress will be monitored;
- (6) A statement describing how private student data will be protected;
- (7) A description of the professional development activities that will be offered to teachers.

Sec. 3317.037. (A) As used in this section:

(1) "Contracting district" means a school district that has entered into a contract to provide career-technical education services that meet standards set by the state board of education to one or more other school districts.

(2) "Career-technical planning district" has the same meaning as in section 3317.023 of the Revised Code.

(3) "Home district" means any city, local, or exempted village school district that is also not a lead district or a contracting district.

(4) "Lead district" means a lead district, as defined in section 3317.023 of the Revised Code, which is designated by the department of education to provide primary career-technical education leadership within a career-technical planning district.

(B) For the purposes of maintaining student enrollment records under section 3317.03 of the Revised Code, the superintendent of each home district shall provide to the lead district or contracting district the attendance records for each student who receives career-technical education services provided by the lead district or contracting district in facilities operated by the student's home district.

(C) Any lead district of a career-technical planning district may enter into an agreement with another school district within that career-technical planning district under which the lead district and the other school district may establish a method to determine the full-time equivalency for each student attending school in both districts for the purposes of calculating each district's enrollment under section 3317.03 of the Revised Code.

Sec. 3319.226. (A) Beginning July 1, 2019, the state board of education shall issue educator licenses for substitute teaching only under this section.

(B) The state board shall adopt rules establishing standards and requirements for obtaining a license under this section and for renewal of the license. Except as provided in division (F) of section 3319.229 of the Revised Code, the rules shall require an applicant to hold a post-secondary degree, but not in any specified subject area. The rules also shall allow the holder of a license issued under this section to work:

(1) For an unlimited number of school days if the license holder has a post-secondary degree in either education or a subject area directly related to the subject of the class the license holder will teach;

(2) For one full semester, subject to the approval of the employing school district board of education, if the license holder has a post-secondary degree in a subject area that is not directly related to the subject of the class that the license holder will teach.

The district superintendent may request that the board approve one or more additional subsequent semester-long periods of teaching for the license holder.

(C) The rules adopted under division (B) of this section shall permit a substitute career-technical teaching license holder to teach outside the license holder's certified career field for up to

one semester, subject to approval of the employing school district superintendent.

(D) Any license issued or renewed under former section 3319.226 of the Revised Code that was still in force ~~on the effective date of this section November 2, 2018,~~ shall remain in force for the remainder of the term for which it was issued or renewed. Upon the expiration of that term, the holder of that license shall be subject to licensure under the rules adopted under this section.

Sec. 3319.2211. (A) An individual who holds an adult education permit may be employed by any school district and shall not be limited to employment solely by the district that recommended and employed that individual at the time of the initial issuance of the individual's permit.

(B) Notwithstanding anything to the contrary in section 3319.226 of the Revised Code, an individual who holds an adult education permit issued by the state board of education may be assigned as a substitute teacher for any of grades nine through twelve, in the same manner as the holder of a substitute career-technical teaching license issued under section 3319.226 of the Revised Code, to teach courses offered by the individual's employing district.

Sec. 3319.301. (A) As used in this ~~section,~~ section:

(1) "Dropout recovery community school" means a community school established under Chapter 3314. of the Revised Code in which a majority of the students are enrolled in a dropout prevention and recovery program that is operated by the school.

(2) "Industry-recognized credential program" means a career-technical course in which a student may earn an industry-recognized credential approved under section 3313.6113 of the Revised Code.

(3) "STEM school" means a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code.

(B) The state board of education shall issue permits to individuals who are not licensed as required by sections 3319.22 to 3319.30 of the Revised Code, but who are otherwise qualified, to teach classes for not more than a total of twelve hours a week, except that an individual teaching in a STEM school or an individual teaching an industry-recognized credential program offered at a dropout recovery community school may teach classes for not more than a total of forty hours a week. The state board, by rule, shall set forth the qualifications, other than licensure under sections 3319.22 to 3319.30 of the Revised Code, to be met by individuals in order to be issued a permit as provided in this section. Such qualifications shall include the possession of a baccalaureate, master's, or doctoral degree in, or significant experience related to, the subject the individual is to teach. For an individual assigned to teach a career-technical class, significant experience related to a subject shall include career-technical experience. Applications for permits pursuant to this section shall be made in accordance with section 3319.29 of the Revised Code. A permit issued under this section shall be renewable.

The state board, by rule, shall authorize the board of education of each school district and each STEM school to engage individuals holding permits issued under this section to teach classes for not more than the total number of hours a week specified in the permit. The rules shall include provisions with regard to each of the following:

(1) That a board of education or STEM school shall engage a nonlicensed individual to teach pursuant to this section on a volunteer basis, or by entering into a contract with the individual or the individual's employer on such terms and conditions as are agreed to between the board or school and

the individual or the individual's employer;

(2) That an employee of the board of education or STEM school who is licensed under sections 3319.22 to 3319.30 of the Revised Code shall directly supervise a nonlicensed individual who is engaged to teach pursuant to this section until the superintendent of the school district or the chief administrative officer of the STEM school is satisfied that the nonlicensed individual has sufficient understanding of, and experience in, effective teaching methods to teach without supervision.

(C) A nonlicensed individual engaged to teach pursuant to this section is a teacher for the purposes of Title XXXIII of the Revised Code except for the purposes of Chapters 3307. and 3317. and sections 3319.07 to 3319.31 of the Revised Code. Such an individual is not an employee of the board of education or STEM school for the purpose of Titles I or XLI or Chapter 3309. of the Revised Code.

(D) Students enrolled in a class taught by a nonlicensed individual pursuant to this section and rules adopted thereunder shall receive the same credit as if the class had been taught by an employee licensed pursuant to sections 3319.22 to 3319.30 of the Revised Code.

(E) No board of education of any school district shall engage any one or more nonlicensed individuals if such employment displaces from employment an existing licensed employee of the district.

Sec. 3326.032. (A) The STEM committee may grant a designation of STEM school equivalent to a community school established under Chapter 3314. of the Revised Code, to a career center, or to a chartered nonpublic school. In order to be eligible for this designation, a community school, a career center, or chartered nonpublic school shall submit a proposal that satisfies the requirements of this section.

The committee shall determine the criteria for proposals, establish procedures for the submission of proposals, accept and evaluate proposals, and choose which proposals warrant a community school, career center, or chartered nonpublic school to be designated as a STEM school equivalent.

(B) A proposal for designation as a STEM school equivalent shall include at least the following:

(1) Assurances that the community school, career center, or chartered nonpublic school submitting the proposal has a working partnership with both public and private entities, including higher education entities and business organizations. If the proposal is for a STEAM school equivalent, it also shall include evidence that this partnership includes arts organizations.

(2) Assurances that the school or career center submitting the proposal will operate in compliance with this section and the provisions of the proposal as accepted by the committee;

(3) Evidence that the school or career center submitting the proposal will offer a rigorous, diverse, integrated, and project-based curriculum to students in any of grades kindergarten through twelve, with the goal to prepare those students for college, the workforce, and citizenship, and that does all of the following:

(a) Emphasizes the role of science, technology, engineering, and mathematics in promoting innovation and economic progress;

(b) Incorporates scientific inquiry and technological design;



(c) Includes the arts and humanities. If the proposal is for a STEAM school equivalent, it also shall include evidence that the curriculum will integrate arts and design into the study of science, technology, engineering, and mathematics to foster creative thinking, problem-solving, and new approaches to scientific invention.

(d) Emphasizes personalized learning and teamwork skills.

(4) Evidence that the school or career center submitting the proposal will attract school leaders who support the curriculum principles of division (B)(3) of this section;

(5) A description of how each school's or career center's curriculum will be developed and approved in accordance with section 3326.09 of the Revised Code;

(6) Evidence that the school or career center submitting the proposal will utilize an established capacity to capture and share knowledge for best practices and innovative professional development;

(7) Assurances that the school or career center submitting the proposal has received commitments of sustained and verifiable fiscal and in-kind support from regional education and business entities. If the proposal is for a STEAM school equivalent, it also shall include assurances that the school or career center has received commitments of sustained and verifiable fiscal and in-kind support from arts organizations.

(C)(1) A community school, career center, or chartered nonpublic school that is designated as a STEM school equivalent under this section shall not be subject to the requirements of Chapter 3326. of the Revised Code, except that the school or career center shall be subject to the requirements of this section and to the curriculum requirements of section 3326.09 of the Revised Code.

Nothing in this section, however, shall relieve a community school of the applicable requirements of Chapter 3314. of the Revised Code. Nor shall anything in this section relieve a chartered nonpublic school of any provisions of law outside of this chapter that are applicable to chartered nonpublic schools.

(2) A community school, career center, or chartered nonpublic school that is designated as a STEM school equivalent under this section shall not be eligible for operating funding under sections 3326.31 to 3326.37, 3326.39 to 3326.40, and 3326.51 of the Revised Code.

(3) A community school, career center, or chartered nonpublic school that is designated as a STEM school equivalent under this section may apply for any of the grants and additional funds described in section 3326.38 of the Revised Code for which the school or career center is eligible.

(D) If a community school, a career center, or chartered nonpublic school that is designated as a STEM school equivalent under this section intends to close or intends to no longer be designated as a STEM school equivalent, it shall notify the STEM committee of that fact.

(E) If a community school, a career center, or chartered nonpublic school that is designated as a STEM school equivalent wishes to be designated as a STEAM school equivalent, it may change its existing proposal to include the items required under divisions (B)(1), (B)(3)(c), and (B)(7) of this section and submit the revised proposal to the STEM committee for approval.

(F) As used in this section, "career center" means a school building that enrolls students in any of grades nine through twelve and in which a career-technical planning district, as defined in section 3317.023 of the Revised Code, provides career-technical education services that meet standards adopted by the state board of education.

Sec. 3326.17. (A) The department of education shall issue an annual report card for each science, technology, engineering, and mathematics school that includes all information applicable to school buildings under section 3302.03 of the Revised Code.

(B) ~~For Beginning with the report cards issued for the 2020-2021 school year, for each student enrolled in a STEM school that is not a STEM school governed by a STEM school sponsoring district, as defined in section 3326.51 of the Revised Code,~~ the department shall combine data regarding the academic performance of that student with comparable data from the school district in which the student is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code for the purpose of calculating the performance of the district as a whole on the report card issued for the district under section 3302.03 of the Revised Code.

(C) The department also shall compute a rating for each group of STEM schools that is under the direction of the same governing body, as authorized under section 3326.031 of the Revised Code, and issue a distinct report card for the group as a whole.

(D) Each STEM school and its governing body shall comply with sections 3302.04 and 3302.041 of the Revised Code, except that any action required to be taken by a school district pursuant to those sections shall be taken by the school. However, the school shall not be required to take any action described in division (F) of section 3302.04 of the Revised Code.

Sec. 3333.16. (A) As used in this section—"state:

(1) "State institution of higher education" means an institution of higher education as defined in section 3345.12 of the Revised Code.

(2) "State university" has the same meaning as in section 3345.011 of the Revised Code.

~~(A)-(B)~~ The chancellor of higher education shall do all of the following:

(1) Establish policies and procedures applicable to all state institutions of higher education that ensure that students can begin higher education at any state institution of higher education and transfer coursework and degrees to any other state institution of higher education without unnecessary duplication or institutional barriers. The purpose of this requirement is to allow students to attain their highest educational aspirations in the most efficient and effective manner for the students and the state. These policies and procedures shall require state institutions of higher education to make changes or modifications, as needed, to strengthen course content so as to ensure equivalency for that course at any state institution of higher education.

(2) Develop and implement a universal course equivalency classification system for state institutions of higher education so that the transfer of students and the transfer and articulation of equivalent courses or specified learning modules or units completed by students are not inhibited by inconsistent judgment about the application of transfer credits. Coursework completed within such a system at one state institution of higher education and transferred to another institution shall be applied to the student's degree objective in the same manner as equivalent coursework completed at the receiving institution.

(3) Develop an electronic equivalency management tool to assist in the transfer of coursework and degrees between state institutions of higher education without unnecessary duplication or institutional barriers, to help minimize inconsistent judgment about the application of transfer credits, and to assist in allowing transfer credits to be applied to a student's degree objective in the same manner at each state institution of higher education. The electronic equivalency

management tool shall include the universal documentation of course and program equivalencies statewide. Additionally, the electronic equivalency management tool shall be incorporated into a web site.

(4) Develop a system of transfer policies that ensure that graduates with associate degrees which include completion of approved transfer modules shall be admitted to a state institution of higher education, shall be able to compete for admission to specific programs on the same basis as students native to the institution, and shall have priority over out-of-state associate degree graduates and transfer students. To assist a student in advising and transferring, all state institutions of higher education shall fully implement the information system for advising and transferring selected by, contracted for, or developed by the chancellor.

~~(4)~~-(5) Examine the feasibility of developing a transfer marketing agenda that includes materials and interactive technology to inform the citizens of Ohio about the availability of transfer options at state institutions of higher education and to encourage adults to return to colleges and universities for additional education;

~~(5)~~-(6) Study, in consultation with the state board of career colleges and schools, and in light of existing criteria and any other criteria developed by the articulation and transfer advisory council, the feasibility of credit recognition and transferability to state institutions of higher education for graduates who have received associate degrees from a career college or school with a certificate of registration from the state board of career colleges and schools under Chapter 3332. of the Revised Code.

~~(B)~~-(C) All provisions of the existing articulation and transfer policy developed by the chancellor shall remain in effect except where amended by this section.

~~(C)~~-(D) Not later than December 1, 2018, the chancellor shall update and implement the policies and procedures established pursuant to this section to ensure that any associate degree offered at a state institution of higher education may be transferred and applied to a bachelor degree program in an equivalent field at any other state institution of higher education without unnecessary duplication or institutional barriers. The policies and procedures shall ensure that each transferred associate degree applies to the student's degree objective in the same manner as equivalent coursework completed by the student at the receiving institution.

When updating and implementing the policies and procedures pursuant to this division, the chancellor shall seek input from faculty and academic leaders in each academic field or discipline.

(E) If a state university refuses to accept and grant credit for any general education coursework that is both completed at a different state institution of higher education and subject to the policies, procedures, or systems prescribed under division (B) of this section, the state university shall provide the student that did not receive college credit for the completed general education coursework information to utilize the institution's transfer appeal process and information to utilize the department of higher education's student complaint portal.

(F) The Ohio articulation and transfer network oversight board established by the chancellor shall conduct a study of current rules regarding the transfer of college credit between state institutions of higher education. Not later than one year after the effective date of this amendment, the board shall issue a report to the general assembly, in accordance with section 101.68 of the Revised Code, that includes the findings of the board's study, as well as any recommendations.

regarding changes to the rules.

Sec. 3345.351. (A) As used in this section, "state university" has the same meaning as in section 3345.011 of the Revised Code.

(B) Beginning two years after the effective date of this section, and every two years thereafter, each state university shall review the university's student records to identify any student to whom all of the following apply:

(1) The student disenrolled from the state university within the five years immediately prior to the first review under this section. For each subsequent review under this section, the student disenrolled within two years immediately prior to that review.

(2) The student has been disenrolled for four or more semesters, including summer sessions.

(3) The student did not complete a bachelor's degree.

(4) The student has a grade point average of 2.0 or higher on a 4.0 scale.

(5) The student completed at least forty-five credit hours.

(C) Each state university shall determine if each student identified in the review is eligible or close to being eligible for an associate degree from that university. If a student identified in the review is determined to be eligible or close to being eligible for an associate degree, the state university shall inform the student of such potential eligibility using the most recent contact information the university has on file.

(D) Each state university shall report the findings of each review conducted under this section to the chancellor of higher education.

(E) The chancellor shall adopt rules as necessary to implement this section.

Sec. 3345.481. (A) As used in this section:

(1) "Eligible student" means an undergraduate student enrolled in a bachelor's degree program at a state institution of higher education.

(2) "Final year" means the last academic year of full-time study that a bachelor's degree program is typically designed to require, as determined by the chancellor of higher education.

(3) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

(B) The board of trustees of a state institution of higher education shall waive an eligible student's general and instructional fees for a course necessary to complete the student's bachelor's degree program if all of the following apply:

(1) The necessary course is not a general elective.

(2) The eligible student was enrolled full time, as defined by the chancellor, in the student's final year.

(3) The eligible student was unable to register for the necessary course in the student's final year because of either of the following:

(a) The course was not offered by the state institution of higher education in the eligible student's final year.

(b) Circumstances beyond the eligible student's control made registration for the necessary course unfeasible, as determined by the chancellor.

(4) The eligible student successfully paid all general and instructional fees and did not receive a refund for the courses for which the student registered in the student's final year at the start

of that year.

(5) The eligible student successfully registers for the necessary course in the next academic year in which the course is offered.

(6) The eligible student did not enroll in the maximum amount of credit hours in the student's final year, as determined by the state institution of higher education.

(C) Qualifying for a waiver of fees under division (B) of this section shall not grant an eligible student guaranteed or priority registration for the necessary course described in that division.

(D) The chancellor shall establish rules to implement this section.

Sec. 3345.81. ~~Not later than June 30, 2014, the~~ (A) As used in this section, "institution of higher education" has the same meaning as in section 3345.12 of the Revised Code.

(B) The board of trustees of each institution of higher education, as defined by section 3345.12 of the Revised Code, shall adopt an institution-specific strategic completion plan designed to increase the number of degrees and certificates awarded to students. The plan shall be consistent with the mission and strategic priorities of the institution, include measurable student completion goals, and align with the state's workforce development priorities. Upon adoption by the board of trustees, each institution of higher education shall provide a copy of its plan to the chancellor of higher education.

(C) The board of trustees of each institution of higher education shall update its plan at least once every two years and provide a copy of their updated plan to the chancellor upon adoption.

(D) Each updated plan shall contain a report prepared by the institution of higher education regarding the institution's collaboration with other institutions of higher education through an initiative of the chancellor to assist students who have some college experience, but no degree, in earning an associate degree, certificate, or credential. The report shall include information about the institution's efforts to assist students in attaining an associate degree, certificate, or credential while earning a bachelor's degree or using college credit transferred between institutions of higher education.

Sec. 5709.62. (A) In any municipal corporation that is defined by the United States office of management and budget as a principal city of a metropolitan statistical area, the legislative authority of the municipal corporation may designate one or more areas within its municipal corporation as proposed enterprise zones. Upon designating an area, the legislative authority shall petition the director of development services for certification of the area as having the characteristics set forth in division (A)(1) of section 5709.61 of the Revised Code as amended by Substitute Senate Bill No. 19 of the 120th general assembly. Except as otherwise provided in division (E) of this section, on and after July 1, 1994, legislative authorities shall not enter into agreements under this section unless the legislative authority has petitioned the director and the director has certified the zone under this section as amended by that act; however, all agreements entered into under this section as it existed prior to July 1, 1994, and the incentives granted under those agreements shall remain in effect for the period agreed to under those agreements. Within sixty days after receiving such a petition, the director shall determine whether the area has the characteristics set forth in division (A)(1) of section 5709.61 of the Revised Code, and shall forward the findings to the legislative authority of the municipal corporation. If the director certifies the area as having those characteristics, and thereby certifies it as a zone, the legislative authority may enter into an agreement with an enterprise under

division (C) of this section.

(B) Any enterprise that wishes to enter into an agreement with a municipal corporation under division (C) of this section shall submit a proposal to the legislative authority of the municipal corporation on a form prescribed by the director of development services, together with the application fee established under section 5709.68 of the Revised Code. The form shall require the following information:

(1) An estimate of the number of new employees whom the enterprise intends to hire, or of the number of employees whom the enterprise intends to retain, within the zone at a facility that is a project site, and an estimate of the amount of payroll of the enterprise attributable to these employees;

(2) An estimate of the amount to be invested by the enterprise to establish, expand, renovate, or occupy a facility, including investment in new buildings, additions or improvements to existing buildings, machinery, equipment, furniture, fixtures, and inventory;

(3) A listing of the enterprise's current investment, if any, in a facility as of the date of the proposal's submission.

The enterprise shall review and update the listings required under this division to reflect material changes, and any agreement entered into under division (C) of this section shall set forth final estimates and listings as of the time the agreement is entered into. The legislative authority may, on a separate form and at any time, require any additional information necessary to determine whether an enterprise is in compliance with an agreement and to collect the information required to be reported under section 5709.68 of the Revised Code.

(C) Upon receipt and investigation of a proposal under division (B) of this section, if the legislative authority finds that the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and improve the economic climate of the municipal corporation, the legislative authority may do one of the following:

(1) Enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility and hire new employees, or preserve employment opportunities for existing employees, in return for one or more of the following incentives:

(a) Exemption for a specified number of years, not to exceed fifteen, of a specified portion, up to seventy-five per cent, of the assessed value of tangible personal property first used in business at the project site as a result of the agreement. If an exemption for inventory is specifically granted in the agreement pursuant to this division, the exemption applies to inventory required to be listed pursuant to sections 5711.15 and 5711.16 of the Revised Code, except that, in the instance of an expansion or other situations in which an enterprise was in business at the facility prior to the establishment of the zone, the inventory that is exempt is that amount or value of inventory in excess of the amount or value of inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year in which the agreement is entered into.

(b) Exemption for a specified number of years, not to exceed fifteen, of a specified portion, up to seventy-five per cent, of the increase in the assessed valuation of real property constituting the project site subsequent to formal approval of the agreement by the legislative authority;

(c) Provision for a specified number of years, not to exceed fifteen, of any optional services

or assistance that the municipal corporation is authorized to provide with regard to the project site.

(2) Enter into an agreement under which the enterprise agrees to remediate an environmentally contaminated facility, to spend an amount equal to at least two hundred fifty per cent of the true value in money of the real property of the facility prior to remediation as determined for the purposes of property taxation to establish, expand, renovate, or occupy the remediated facility, and to hire new employees or preserve employment opportunities for existing employees at the remediated facility, in return for one or more of the following incentives:

(a) Exemption for a specified number of years, not to exceed fifteen, of a specified portion, not to exceed fifty per cent, of the assessed valuation of the real property of the facility prior to remediation;

(b) Exemption for a specified number of years, not to exceed fifteen, of a specified portion, not to exceed one hundred per cent, of the increase in the assessed valuation of the real property of the facility during or after remediation;

(c) The incentive under division (C)(1)(a) of this section, except that the percentage of the assessed value of such property exempted from taxation shall not exceed one hundred per cent;

(d) The incentive under division (C)(1)(c) of this section.

(3) Enter into an agreement with an enterprise that plans to purchase and operate a large manufacturing facility that has ceased operation or announced its intention to cease operation, in return for exemption for a specified number of years, not to exceed fifteen, of a specified portion, up to one hundred per cent, of the assessed value of tangible personal property used in business at the project site as a result of the agreement, or of the assessed valuation of real property constituting the project site, or both.

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this section, the portion of the assessed value of tangible personal property or of the increase in the assessed valuation of real property exempted from taxation under those divisions may exceed seventy-five per cent in any year for which that portion is exempted if the average percentage exempted for all years in which the agreement is in effect does not exceed sixty per cent, or if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a percentage in excess of seventy-five per cent.

(2) Notwithstanding any provision of the Revised Code to the contrary, the exemptions described in divisions (C)(1)(a), (b), and (c), (C)(2)(a), (b), and (c), and (C)(3) of this section may be for up to fifteen years if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a number of years in excess of ten.

(3) For the purpose of obtaining the approval of a city, local, or exempted village school district under division (D)(1) or (2) of this section, the legislative authority shall deliver to the board of education a notice not later than forty-five days prior to approving the agreement, excluding Saturdays, Sundays, and legal holidays as defined in section 1.14 of the Revised Code. The notice shall state the percentage to be exempted, an estimate of the true value of the property to be exempted, and the number of years the property is to be exempted. The board of education, by resolution adopted by a majority of the board, shall approve or disapprove the agreement and certify a copy of the resolution to the legislative authority not later than fourteen days prior to the date

stipulated by the legislative authority as the date upon which approval of the agreement is to be formally considered by the legislative authority. The board of education may include in the resolution conditions under which the board would approve the agreement, including the execution of an agreement to compensate the school district under division (B) of section 5709.82 of the Revised Code. The legislative authority may approve the agreement at any time after the board of education certifies its resolution approving the agreement to the legislative authority, or, if the board approves the agreement conditionally, at any time after the conditions are agreed to by the board and the legislative authority. If an agreement is negotiated between the legislative authority and the board to compensate the school district for all or part of the taxes exempted, the legislative authority shall compensate the joint vocational school district within which the property is located at the same rate and under the same terms received by the city, local, or exempted village school district.

If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board is not required under this division. If a board of education has adopted a resolution allowing a legislative authority to deliver the notice required under this division fewer than forty-five business days prior to the legislative authority's approval of the agreement, the legislative authority shall deliver the notice to the board not later than the number of days prior to such approval as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority.

(4) The legislative authority shall comply with section 5709.83 of the Revised Code unless the board of education has adopted a resolution under that section waiving its right to receive such notice.

(E) This division applies to zones certified by the director of development services under this section prior to July 22, 1994.

The legislative authority that designated a zone to which this division applies may enter into an agreement with an enterprise if the legislative authority finds that the enterprise satisfies one of the criteria described in divisions (E)(1) to (5) of this section:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development services has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

The agreement shall require the enterprise to agree to establish, expand, renovate, or occupy a



facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for one or more of the incentives described in division (C) of this section.

(F) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement is entered into under this section, if the legislative authority revokes its designation of a zone, or if the director of development services revokes a zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(G) Except as otherwise provided in this division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the legislative authority once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the legislative authority and shall be used by the legislative authority exclusively for the purpose of complying with section 5709.68 of the Revised Code and by the tax incentive review council created under section 5709.85 of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The legislative authority may waive or reduce the amount of the fee charged against an enterprise, but such a waiver or reduction does not affect the obligations of the legislative authority or the tax incentive review council to comply with section 5709.68 or 5709.85 of the Revised Code.

(H) When an agreement is entered into pursuant to this section, the legislative authority authorizing the agreement shall forward a copy of the agreement to the director of development services and to the tax commissioner within fifteen days after the agreement is entered into. If any agreement includes terms not provided for in section 5709.631 of the Revised Code affecting the revenue of a city, local, ~~or~~ exempted village, or joint vocational school district or causing revenue to be forgone by the district, including any compensation to be paid to the school district pursuant to section 5709.82 of the Revised Code, those terms also shall be forwarded in writing to the director of development services along with the copy of the agreement forwarded under this division.

(I) After an agreement is entered into, the enterprise shall file with each personal property tax return required to be filed, or annual report required to be filed under section 5727.08 of the Revised Code, while the agreement is in effect, an informational return, on a form prescribed by the tax commissioner for that purpose, setting forth separately the property, and related costs and values, exempted from taxation under the agreement.

(J) Enterprises may agree to give preference to residents of the zone within which the agreement applies relative to residents of this state who do not reside in the zone when hiring new employees under the agreement.

(K) An agreement entered into under this section may include a provision requiring the enterprise to create one or more temporary internship positions for students enrolled in a course of study at a school or other educational institution in the vicinity, and to create a scholarship or provide another form of educational financial assistance for students holding such a position in exchange for the student's commitment to work for the enterprise at the completion of the internship.

(L) The tax commissioner's authority in determining the accuracy of any exemption granted

by an agreement entered into under this section is limited to divisions (C)(1)(a) and (b), (C)(2)(a), (b), and (c), (C)(3), (D), and (I) of this section and divisions (B)(1) to (10) of section 5709.631 of the Revised Code and, as authorized by law, to enforcing any modification to, or revocation of, that agreement by the legislative authority of a municipal corporation or the director of development services.

Sec. 5709.63. (A) With the consent of the legislative authority of each affected municipal corporation or of a board of township trustees, a board of county commissioners may, in the manner set forth in section 5709.62 of the Revised Code, designate one or more areas in one or more municipal corporations or in unincorporated areas of the county as proposed enterprise zones. A board of county commissioners may designate no more than one area within a township, or within adjacent townships, as a proposed enterprise zone. The board shall petition the director of development services for certification of the area as having the characteristics set forth in division (A)(1) or (2) of section 5709.61 of the Revised Code as amended by Substitute Senate Bill No. 19 of the 120th general assembly. Except as otherwise provided in division (D) of this section, on and after July 1, 1994, boards of county commissioners shall not enter into agreements under this section unless the board has petitioned the director and the director has certified the zone under this section as amended by that act; however, all agreements entered into under this section as it existed prior to July 1, 1994, and the incentives granted under those agreements shall remain in effect for the period agreed to under those agreements. The director shall make the determination in the manner provided under section 5709.62 of the Revised Code.

Any enterprise wishing to enter into an agreement with the board under division (B) or (D) of this section shall submit a proposal to the board on the form and accompanied by the application fee prescribed under division (B) of section 5709.62 of the Revised Code. The enterprise shall review and update the estimates and listings required by the form in the manner required under that division. The board may, on a separate form and at any time, require any additional information necessary to determine whether an enterprise is in compliance with an agreement and to collect the information required to be reported under section 5709.68 of the Revised Code.

(B) If the board of county commissioners finds that an enterprise submitting a proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, the board, with the consent of the legislative authority of each affected municipal corporation or of the board of township trustees, may do either of the following:

(1) Enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(a) When the facility is located in a municipal corporation, the board may enter into an agreement for one or more of the incentives provided in division (C) of section 5709.62 of the Revised Code, subject to division (D) of that section;

(b) When the facility is located in an unincorporated area, the board may enter into an agreement for one or more of the following incentives:

(i) Exemption for a specified number of years, not to exceed fifteen, of a specified portion, up

to sixty per cent, of the assessed value of tangible personal property first used in business at a project site as a result of the agreement. If an exemption for inventory is specifically granted in the agreement pursuant to this division, the exemption applies to inventory required to be listed pursuant to sections 5711.15 and 5711.16 of the Revised Code, except, in the instance of an expansion or other situations in which an enterprise was in business at the facility prior to the establishment of the zone, the inventory that is exempt is that amount or value of inventory in excess of the amount or value of inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year in which the agreement is entered into.

(ii) Exemption for a specified number of years, not to exceed fifteen, of a specified portion, up to sixty per cent, of the increase in the assessed valuation of real property constituting the project site subsequent to formal approval of the agreement by the board;

(iii) Provision for a specified number of years, not to exceed fifteen, of any optional services or assistance the board is authorized to provide with regard to the project site;

(iv) The incentive described in division (C)(2) of section 5709.62 of the Revised Code.

(2) Enter into an agreement with an enterprise that plans to purchase and operate a large manufacturing facility that has ceased operation or has announced its intention to cease operation, in return for exemption for a specified number of years, not to exceed fifteen, of a specified portion, up to one hundred per cent, of tangible personal property used in business at the project site as a result of the agreement, or of real property constituting the project site, or both.

(C)(1)(a) Notwithstanding divisions (B)(1)(b)(i) and (ii) of this section, the portion of the assessed value of tangible personal property or of the increase in the assessed valuation of real property exempted from taxation under those divisions may exceed sixty per cent in any year for which that portion is exempted if the average percentage exempted for all years in which the agreement is in effect does not exceed fifty per cent, or if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a percentage in excess of sixty per cent.

(b) Notwithstanding any provision of the Revised Code to the contrary, the exemptions described in divisions (B)(1)(b)(i), (ii), (iii), and (iv) and (B)(2) of this section may be for up to fifteen years if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a number of years in excess of ten.

(c) For the purpose of obtaining the approval of a city, local, or exempted village school district under division (C)(1)(a) or (b) of this section, the board of county commissioners shall deliver to the board of education a notice not later than forty-five days prior to approving the agreement, excluding Saturdays, Sundays, and legal holidays as defined in section 1.14 of the Revised Code. The notice shall state the percentage to be exempted, an estimate of the true value of the property to be exempted, and the number of years the property is to be exempted. The board of education, by resolution adopted by a majority of the board, shall approve or disapprove the agreement and certify a copy of the resolution to the board of county commissioners not later than fourteen days prior to the date stipulated by the board of county commissioners as the date upon which approval of the agreement is to be formally considered by the board of county commissioners. The board of education may include in the resolution conditions under which the board would approve the agreement, including the execution of an agreement to compensate the school district

under division (B) of section 5709.82 of the Revised Code. The board of county commissioners may approve the agreement at any time after the board of education certifies its resolution approving the agreement to the board of county commissioners, or, if the board of education approves the agreement conditionally, at any time after the conditions are agreed to by the board of education and the board of county commissioners. If an agreement is negotiated between the legislative authority and the board to compensate the school district for all or part of the taxes exempted, the legislative authority shall compensate the joint vocational school district within which the property is located at the same rate and under the same terms received by the city, local, or exempted village school district.

If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board of education is not required under division (C) of this section. If a board of education has adopted a resolution allowing a board of county commissioners to deliver the notice required under this division fewer than forty-five business days prior to approval of the agreement by the board of county commissioners, the board of county commissioners shall deliver the notice to the board of education not later than the number of days prior to such approval as prescribed by the board of education in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board of education shall certify a copy of the resolution to the board of county commissioners. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the board of county commissioners.

(2) The board of county commissioners shall comply with section 5709.83 of the Revised Code unless the board of education has adopted a resolution under that section waiving its right to receive such notice.

(D) This division applies to zones certified by the director of development services under this section prior to July 22, 1994.

With the consent of the legislative authority of each affected municipal corporation or board of township trustees of each affected township, the board of county commissioners that designated a zone to which this division applies may enter into an agreement with an enterprise if the board finds that the enterprise satisfies one of the criteria described in divisions (D)(1) to (5) of this section:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development services has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

The agreement shall require the enterprise to agree to establish, expand, renovate, or occupy a

facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for one or more of the incentives described in division (B) of this section.

(E) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement under this section is entered into, if the board of county commissioners revokes its designation of a zone, or if the director of development services revokes a zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(F) Except as otherwise provided in this division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the board of county commissioners once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the board and shall be used by the board exclusively for the purpose of complying with section 5709.68 of the Revised Code and by the tax incentive review council created under section 5709.85 of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The board may waive or reduce the amount of the fee charged against an enterprise, but such waiver or reduction does not affect the obligations of the board or the tax incentive review council to comply with section 5709.68 or 5709.85 of the Revised Code, respectively.

(G) With the approval of the legislative authority of a municipal corporation or the board of township trustees of a township in which a zone is designated under division (A) of this section, the board of county commissioners may delegate to that legislative authority or board any powers and duties of the board of county commissioners to negotiate and administer agreements with regard to that zone under this section.

(H) When an agreement is entered into pursuant to this section, the board of county commissioners authorizing the agreement or the legislative authority or board of township trustees that negotiates and administers the agreement shall forward a copy of the agreement to the director of development services and to the tax commissioner within fifteen days after the agreement is entered into. If any agreement includes terms not provided for in section 5709.631 of the Revised Code affecting the revenue of a city, local, ~~or~~-exempted village, or joint vocational school district or causing revenue to be foregone by the district, including any compensation to be paid to the school district pursuant to section 5709.82 of the Revised Code, those terms also shall be forwarded in writing to the director of development services along with the copy of the agreement forwarded under this division.

(I) After an agreement is entered into, the enterprise shall file with each personal property tax return required to be filed, or annual report that is required to be filed under section 5727.08 of the Revised Code, while the agreement is in effect, an informational return, on a form prescribed by the tax commissioner for that purpose, setting forth separately the property, and related costs and values, exempted from taxation under the agreement.

(J) Enterprises may agree to give preference to residents of the zone within which the agreement applies relative to residents of this state who do not reside in the zone when hiring new

employees under the agreement.

(K) An agreement entered into under this section may include a provision requiring the enterprise to create one or more temporary internship positions for students enrolled in a course of study at a school or other educational institution in the vicinity, and to create a scholarship or provide another form of educational financial assistance for students holding such a position in exchange for the student's commitment to work for the enterprise at the completion of the internship.

(L) The tax commissioner's authority in determining the accuracy of any exemption granted by an agreement entered into under this section is limited to divisions (B)(1)(b)(i) and (ii), (B)(2), (C), and (I) of this section, division (B)(1)(b)(iv) of this section as it pertains to divisions (C)(2)(a), (b), and (c) of section 5709.62 of the Revised Code, and divisions (B)(1) to (10) of section 5709.631 of the Revised Code and, as authorized by law, to enforcing any modification to, or revocation of, that agreement by the board of county commissioners or the director of development services or, if the board's powers and duties are delegated under division (G) of this section, by the legislative authority of a municipal corporation or board of township trustees.

Sec. 5709.632. (A)(1) The legislative authority of a municipal corporation defined by the United States office of management and budget as a principal city of a metropolitan statistical area may, in the manner set forth in section 5709.62 of the Revised Code, designate one or more areas in the municipal corporation as a proposed enterprise zone.

(2) With the consent of the legislative authority of each affected municipal corporation or of a board of township trustees, a board of county commissioners may, in the manner set forth in section 5709.62 of the Revised Code, designate one or more areas in one or more municipal corporations or in unincorporated areas of the county as proposed urban jobs and enterprise zones, except that a board of county commissioners may designate no more than one area within a township, or within adjacent townships, as a proposed urban jobs and enterprise zone.

(3) The legislative authority or board of county commissioners may petition the director of development services for certification of the area as having the characteristics set forth in division (A)(3) of section 5709.61 of the Revised Code. Within sixty days after receiving such a petition, the director shall determine whether the area has the characteristics set forth in that division and forward the findings to the legislative authority or board of county commissioners. If the director certifies the area as having those characteristics and thereby certifies it as a zone, the legislative authority or board may enter into agreements with enterprises under division (B) of this section. Any enterprise wishing to enter into an agreement with a legislative authority or board of county commissioners under this section and satisfying one of the criteria described in divisions (B)(1) to (5) of this section shall submit a proposal to the legislative authority or board on the form prescribed under division (B) of section 5709.62 of the Revised Code and shall review and update the estimates and listings required by the form in the manner required under that division. The legislative authority or board may, on a separate form and at any time, require any additional information necessary to determine whether an enterprise is in compliance with an agreement and to collect the information required to be reported under section 5709.68 of the Revised Code.

(B) Prior to entering into an agreement with an enterprise, the legislative authority or board of county commissioners shall determine whether the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities

in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, and whether the enterprise satisfies one of the following criteria:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development services has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

(C) If the legislative authority or board determines that the enterprise is so qualified and satisfies one of the criteria described in divisions (B)(1) to (5) of this section, the legislative authority or board may, after complying with section 5709.83 of the Revised Code and, in the case of a board of commissioners, with the consent of the legislative authority of each affected municipal corporation or of the board of township trustees, enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(1) When the facility is located in a municipal corporation, a legislative authority or board of commissioners may enter into an agreement for one or more of the incentives provided in division (C) of section 5709.62 of the Revised Code, subject to division (D) of that section;

(2) When the facility is located in an unincorporated area, a board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (B)(1)(b), (B)(2), and (B)(3) of section 5709.63 of the Revised Code, subject to division (C) of that section.

(D) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement under this section is entered into, if the legislative authority or board of county commissioners revokes its designation of the zone, or if the director of development services revokes the zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(E) Except as otherwise provided in this division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the legislative authority or board of commissioners once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the legislative authority or board and shall be used by the legislative authority or board exclusively

for the purpose of complying with section 5709.68 of the Revised Code and by the tax incentive review council created under section 5709.85 of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The legislative authority or board may waive or reduce the amount of the fee charged against an enterprise, but such waiver or reduction does not affect the obligations of the legislative authority or board or the tax incentive review council to comply with section 5709.68 or 5709.85 of the Revised Code, respectively.

(F) With the approval of the legislative authority of a municipal corporation or the board of township trustees of a township in which a zone is designated under division (A)(2) of this section, the board of county commissioners may delegate to that legislative authority or board any powers and duties of the board to negotiate and administer agreements with regard to that zone under this section.

(G) When an agreement is entered into pursuant to this section, the legislative authority or board of commissioners authorizing the agreement shall forward a copy of the agreement to the director of development services and to the tax commissioner within fifteen days after the agreement is entered into. If any agreement includes terms not provided for in section 5709.631 of the Revised Code affecting the revenue of a city, local, ~~or~~ exempted village, or joint vocational school district or causing revenue to be forgone by the district, including any compensation to be paid to the school district pursuant to section 5709.82 of the Revised Code, those terms also shall be forwarded in writing to the director of development services along with the copy of the agreement forwarded under this division.

(H) After an agreement is entered into, the enterprise shall file with each personal property tax return required to be filed while the agreement is in effect, an informational return, on a form prescribed by the tax commissioner for that purpose, setting forth separately the property, and related costs and values, exempted from taxation under the agreement.

(I) An agreement entered into under this section may include a provision requiring the enterprise to create one or more temporary internship positions for students enrolled in a course of study at a school or other educational institution in the vicinity, and to create a scholarship or provide another form of educational financial assistance for students holding such a position in exchange for the student's commitment to work for the enterprise at the completion of the internship.

Sec. 5709.82. (A) As used in this section:

(1) "New employee" means both of the following:

(a) Persons employed in the construction of real property exempted from taxation under the chapters or sections of the Revised Code enumerated in division (B) of this section;

(b) Persons not described by division (A)(1)(a) of this section who are first employed at the site of such property and who within the two previous years have not been subject, prior to being employed at that site, to income taxation by the municipal corporation within whose territory the site is located on income derived from employment for the person's current employer. "New employee" does not include any person who replaces a person who is not a new employee under division (A)(1) of this section.

(2) "Infrastructure costs" means costs incurred by a municipal corporation in a calendar year to acquire, construct, reconstruct, improve, plan, or equip real or tangible personal property that directly benefits or will directly benefit the exempted property. If the municipal corporation finances



the acquisition, construction, reconstruction, improvement, planning, or equipping of real or tangible personal property that directly benefits the exempted property by issuing debt, "infrastructure costs" means the annual debt charges incurred by the municipal corporation from the issuance of such debt. Real or tangible personal property directly benefits exempted property only if the exempted property places or will place direct, additional demand on the real or tangible personal property for which such costs were or will be incurred.

(3) "Taxing unit" has the same meaning as in division (H) of section 5705.01 of the Revised Code.

(B)(1) Except as otherwise provided under division (C) of this section, the legislative authority of any political subdivision that has acted under the authority of Chapter 725. or 1728., sections 3735.65 to 3735.70, or section 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 5709.84, or 5709.88 of the Revised Code to grant an exemption from taxation for real or tangible personal property may negotiate with the board of education of each city, local, exempted village, or joint vocational school district or other taxing unit within the territory of which the exempted property is located, and enter into an agreement whereby the school district or taxing unit is compensated for tax revenue foregone by the school district or taxing unit as a result of the exemption. Except as otherwise provided in division (B)(1) of this section, if a political subdivision enters into more than one agreement under this section with respect to a tax exemption, the political subdivision shall provide to each school district or taxing unit with which it contracts the same percentage of tax revenue foregone by the school district or taxing unit, which may be based on a good faith projection made at the time the exemption is granted. Such percentage shall be calculated on the basis of amounts paid by the political subdivision and any amounts paid by an owner under division (B)(2) of this section. A political subdivision may provide a school district or other taxing unit with a smaller percentage of foregone tax revenue than that provided to other school districts or taxing units only if the school district or taxing unit expressly consents in the agreement to receiving a smaller percentage. If a subdivision has acted under the authority of section 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, or 5709.78 of the Revised Code and enters into a compensation agreement with a city, local, or exempted village school district, the subdivision shall provide compensation to the joint vocational school district within the territory of which the exempted property is located at the same rate and under the same terms as received by the city, local, or exempted village school district.

(2) An owner of property exempted from taxation under the authority described in division (B)(1) of this section may, by becoming a party to an agreement described in division (B)(1) of this section or by entering into a separate agreement with a school district or other taxing unit, agree to compensate the school district or taxing unit by paying cash or by providing property or services by gift, loan, or otherwise. If the owner's property is exempted under the authority of section 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, or 5709.78 of the Revised Code and the owner enters into a compensation agreement with a city, local, or exempted village school district, the owner shall provide compensation to the joint vocational school district within the territory of which the owner's property is located at the same rate and under the same terms as received by the city, local, or exempted village school district.

(C) This division does not apply to the following:

(1) The legislative authority of a municipal corporation that has acted under the authority of division (H) of section 715.70 or division (U) of section 715.72 of the Revised Code to consent to the granting of an exemption from taxation for real or tangible personal property in a joint economic development district.

(2) The legislative authority of a municipal corporation that has specified in an ordinance adopted under section 5709.40, 5709.41, or 5709.45 of the Revised Code that payments in lieu of taxes provided for under section 5709.42 or 5709.46 of the Revised Code shall be paid to the city, local, or exempted village school district in which the improvements are located in the amount of taxes that would have been payable to the school district if the improvements had not been exempted from taxation, as directed in the ordinance.

If the legislative authority of any municipal corporation has acted under the authority of Chapter 725. or 1728. or section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, or 5709.88, or a housing officer under section 3735.67 of the Revised Code, to grant or consent to the granting of an exemption from taxation for real or tangible personal property on or after July 1, 1994, the municipal corporation imposes a tax on incomes, and the payroll of new employees resulting from the exercise of that authority equals or exceeds one million dollars in any tax year for which such property is exempted, the legislative authority and the board of education of each city, local, or exempted village school district within the territory of which the exempted property is located shall attempt to negotiate an agreement providing for compensation to the school district for all or a portion of the tax revenue the school district would have received had the property not been exempted from taxation. The agreement may include as a party the owner of the property exempted or to be exempted from taxation and may include provisions obligating the owner to compensate the school district by paying cash or providing property or services by gift, loan, or otherwise. Such an obligation is enforceable by the board of education of the school district pursuant to the terms of the agreement.

If the legislative authority and board of education fail to negotiate an agreement that is mutually acceptable within six months of formal approval by the legislative authority of the instrument granting the exemption, the legislative authority shall compensate the school district in the amount and manner prescribed by division (D) of this section.

(D) Annually, the legislative authority of a municipal corporation subject to this division shall pay to the city, local, or exempted village school district within the territory of which the exempted property is located an amount equal to fifty per cent of the difference between the amount of taxes levied and collected by the municipal corporation on the incomes of new employees in the calendar year ending on the day the payment is required to be made, and the amount of any infrastructure costs incurred in that calendar year. For purposes of such computation, the amount of infrastructure costs shall not exceed thirty-five per cent of the amount of those taxes unless the board of education of the school district, by resolution adopted by a majority of the board, approves an amount in excess of that percentage. If the amount of those taxes or infrastructure costs must be estimated at the time the payment is made, payments in subsequent years shall be adjusted to compensate for any departure of those estimates from the actual amount of those taxes.

A municipal corporation required to make a payment under this section shall make the payment from its general fund or a special fund established for the purpose. The payment is payable

on the thirty-first day of December of the tax year for or in which the exemption from taxation commences and on that day for each subsequent tax year property is exempted and the legislative authority and board fail to negotiate an acceptable agreement under division (C) of this section.

Sec. 5709.83. (A) Except as otherwise provided in division (B) or (C) of this section, prior to taking formal action to adopt or enter into any instrument granting a tax exemption under section 725.02, 1728.06, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 5709.84, or 5709.88 of the Revised Code or formally approving an agreement under section 3735.671 of the Revised Code, or prior to forwarding an application for a tax exemption for residential property under section 3735.67 of the Revised Code to the county auditor, the legislative authority of the political subdivision or housing officer shall notify the board of education of each city, local, exempted village, or joint vocational school district in which the proposed tax-exempted property is located. The notice shall include a copy of the instrument or application. The notice shall be delivered not later than fourteen days prior to the day the legislative authority takes formal action to adopt or enter into the instrument, or not later than fourteen days prior to the day the housing officer forwards the application to the county auditor. If the board of education comments on the instrument or application to the legislative authority or housing officer, the legislative authority or housing officer shall consider the comments. If the board of education of the city, local, exempted village, or joint vocational school district so requests, the legislative authority or the housing officer shall meet in person with a representative designated by the board of education to discuss the terms of the instrument or application.

(B) The notice otherwise required to be provided to boards of education under division (A) of this section is not required if the board has adopted a resolution waiving its right to receive such notices, and that resolution remains in effect. If a board of education adopts such a resolution, the board shall cause a copy of the resolution to be certified to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority. A board of education may adopt such a resolution with respect to any one or more counties, townships, or municipal corporations situated in whole or in part within the school district.

(C) If a legislative authority is required to provide notice to a city, local, or exempted village school district of its intent to grant such an exemption as required by section 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, or 5709.78 of the Revised Code, the legislative authority, before adopting a resolution or ordinance under that section, shall notify the board of education of each joint vocational school district in which the property to be exempted is located using the same time requirements for the notice that applies to notices to city, local, and exempted village school districts. The content of the notice and procedures for responding to the notice are the same as required in division (A) of this section.

Sec. 6301.23. (A) As used in this section:

(1) "Ohio career-technical associations" includes all of the following:

(a) The Ohio association of career and technical education;

(b) The Ohio association of career-technical superintendents;

(c) The Ohio association of comprehensive and compact career-technical schools.

(2) "Other public school" has the same meaning as in section 3301.0711 of the Revised Code.

(3) "State agency" has the same meaning as in section 1.60 of the Revised Code.

(B) Not later than July 1, 2021, the governor's office of workforce transformation, the department of education, and the chancellor of higher education, in consultation with Ohio career-technical associations and other appropriate stakeholders, shall develop model guidance for maintaining a statewide inventory of industry-recognized credentials. The guidance shall address the following:

(1) Methods for state agencies to efficiently and effectively organize the different categories of industry-recognized credentials in a manner that allows students, school districts, other public schools, chartered nonpublic schools, and institutions of higher education to easily understand available credentialing options, based on the unique circumstances of each individual student;

(2) The potential creation of a centralized, inter-agency database of information on all industry-recognized credentials that is accessible to the public;

(3) Methods to streamline the process to add career-technical programs to the various approved credentialing lists;

(4) Methods to increase transparency in the approval process for industry-recognized credentials.

SECTION 2. That existing sections 3310.02, 3310.03, 3310.031, 3310.032, 3310.035, 3313.14, 3313.482, 3313.82, 3313.903, 3314.03, 3314.19, 3319.226, 3319.301, 3326.032, 3326.17, 3333.16, 3345.81, 5709.62, 5709.63, 5709.632, 5709.82, and 5709.83 of the Revised Code are hereby repealed.

SECTION 3. The amendment by this act of sections 5709.62, 5709.63, 5709.632, 5709.82, and 5709.83 of the Revised Code applies to agreements entered into under sections 5709.62, 5709.63, and 5709.632 of the Revised Code on or after the effective date of this act.

SECTION 4. Notwithstanding section 3310.16 of the Revised Code, the priority application period for Educational Choice Scholarships awarded under section 3310.03 of the Revised Code for the 2021-2022 school year shall open on March 1, 2021.

SECTION 5. (A) Notwithstanding anything to the contrary in section 3310.03 of the Revised Code, a student is eligible for an Educational Choice Scholarship for the 2021-2022 school year if the student satisfies all of the following conditions:

(1) The student was enrolled in a public or nonpublic school in any of grades kindergarten through twelve, or was homeschooled for the equivalent of those grades, in the 2020-2021 school year.

(2) The student was eligible for a scholarship for the 2020-2021 school year under Section 31 of H.B. 197 of the 133rd General Assembly.

(3) For the 2021-2022 school year, the student would be enrolled in a building that, in the 2019-2020 school year, met one of the conditions described in division (A), (B), (D), or (E) of section 3310.03 of the Revised Code, as it existed prior to the effective date of this section.

(B) If the number of students who apply for an Educational Choice Scholarship exceeds the maximum number of scholarships permitted under division (A) of section 3310.02 of the Revised Code, priority shall first be given to those students applying for a scholarship under section 3310.03 of the Revised Code in accordance with division (B) of section 3310.02 of the Revised Code. If the number of available scholarships has not been exceeded after scholarships are awarded in accordance with section 3310.02 of the Revised Code, the Department of Education shall award scholarships under this section in the following order of priority:

(1) First, to eligible students with family incomes at or below two hundred per cent of the federal poverty guidelines who qualify under this section. If the number of students described in division (B)(1) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B)(1) to (5) of section 3310.02 of the Revised Code, the Department shall select students described in division (B)(1) of this section by lot to receive any remaining scholarships.

(2) Second, to other eligible students who qualify under this section. If the number of students described in division (B)(2) of this section who apply for a scholarship exceeds the number of available scholarships after awards are made under divisions (B)(1) to (5) of section 3310.02 of the Revised Code and division (B)(1) of this section, the Department shall select students described in division (B)(2) of this section by lot to receive any remaining scholarships.

(C) A student who receives an Educational Choice Scholarship under this section remains an eligible student and may continue to receive a scholarship in subsequent school years until the student completes grade twelve, so long as the student satisfies the conditions specified in divisions (D)(1) to (3) of section 3310.03 of the Revised Code.

SECTION 6. That section 3311.242 of the Revised Code is hereby repealed.

SECTION 7. The repeal of section 3311.242 of the Revised Code in Section 6 of this act shall take effect on September 1, 2021.

SECTION 8. If a school district has begun the transfer process in accordance with division (B) of section 3311.242 of the Revised Code prior to the repeal of that section by this act, the transfer process shall continue in accordance with the provisions of that section as it existed prior to its repeal. School districts shall not, however, be permitted to take action under that section if they have not begun the transfer process prior to the section's repeal by this act.

SECTION 9. Section 5709.82 of the Revised Code is presented in this act as a composite of the section as amended by both H.B. 182 and H.B. 233 of the 131st General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_\_ day of \_\_\_\_\_, A. D. 20 \_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_