

As Introduced*

**123rd General Assembly
Regular Session
1999-2000**

H. B. No. 282

Representative Thomas

A B I L L

To amend sections 125.05, 3301.80, 3301.801, 3313.21, 1
3314.02, 3314.03, 3314.06, 3314.08, 3314.09, 2
3314.11, 3316.05, 3316.06, 3317.02, 3317.022, 3
3317.023, 3317.024, 3317.029, 3317.0212, 4
3317.0216, 3317.03, 3317.033, 3317.05, 3317.051, 5
3317.06, 3317.082, 3317.11, 3317.162, 3317.51, 6
3318.01, 3318.011, 3318.05, 3318.06, 3318.08, 7
3318.081, 3318.082, 3318.13, 3318.14, 3318.15, 8
3318.16, 3318.17, 3318.18, 3318.21, 3318.25, 9
3318.26, 3318.29, 3318.35, 3319.235, 3332.05, 10
3332.07, 3333.04, 3333.12, 3333.20, 3333.27, 11
5747.01, and 5910.032; to enact new section 12
3317.16 and sections 3317.014, 3318.032, 3318.083, 13
and 3318.33; and to repeal sections 3317.0214, 14
3317.053, 3317.16, 3318.23, 3318.24, and 3318.27 15
of the Revised Code and to amend Section 45.32 of 16
Am. Sub. H.B. 117 of the 121st General Assembly, 17
as subsequently amended; to amend Section 50.52.10 18
of Am. Sub. H.B. 215 of the 122nd General 19
Assembly, as subsequently amended; to amend 20
Section 50.52.11 of Am. Sub. H.B. 215 of the 122nd 21
General Assembly; to amend Section 18 of Am. Sub. 22
H.B. 650 of the 122nd General Assembly, as 23
subsequently amended; to amend Section 39 of Am. 24
Sub. H.B. 770 of the 122nd General Assembly; and 25

to amend Sections 6, 26, 30.07, 30.10, and 31 of 26
Am. Sub. H.B. 850 of the 122nd General Assembly to 27
make appropriations for education programs for the 28
biennium beginning July 1, 1999, and ending June 29
30, 2001, and to provide authorization and 30
conditions for the operation of those programs. 31

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

Section 1. That sections 125.05, 3301.80, 3301.801, 3313.21, 32
3314.02, 3314.03, 3314.06, 3314.08, 3314.09, 3314.11, 3316.05, 33
3316.06, 3317.02, 3317.022, 3317.023, 3317.024, 3317.029, 34
3317.0212, 3317.0216, 3317.03, 3317.033, 3317.05, 3317.051, 35
3317.06, 3317.082, 3317.11, 3317.162, 3317.51, 3318.01, 3318.011, 36
3318.05, 3318.06, 3318.08, 3318.081, 3318.082, 3318.13, 3318.14, 37
3318.15, 3318.16, 3318.17, 3318.18, 3318.21, 3318.25, 3318.26, 38
3318.29, 3318.35, 3319.235, 3332.05, 3332.07, 3333.04, 3333.12, 39
3333.20, 3333.27, 5747.01, and 5910.032 be amended and new section 40
3317.16 and sections 3317.014, 3318.032, 3318.083, and 3318.33 of 41
the Revised Code be enacted to read as follows: 42

Sec. 125.05. Except as provided in division (E) of this 43
section, no state agency shall purchase any supplies or services 44
except as provided in divisions (A) to (C) of this section. 45

(A) Subject to division (D) of this section, a state agency 46
may, without competitive selection, make any purchase of services 47
that cost fifty thousand dollars or less or any purchase of 48
supplies that cost twenty-five thousand dollars or less. The 49
agency may make the purchase directly or may make the purchase 50
from or through the department of administrative services, 51
whichever the agency determines. The department shall establish 52
written procedures to assist state agencies when they make direct 53

purchases. If the agency makes the purchase directly, it shall 54
make the purchase by a term contract whenever possible. 55

(B) Subject to division (D) of this section, a state agency 56
wanting to purchase services that cost more than fifty thousand 57
dollars or supplies that cost more than twenty-five thousand 58
dollars shall, unless otherwise authorized by law, make the 59
purchase from or through the department. The department shall make 60
the purchase by competitive selection under section 125.07 of the 61
Revised Code. If the director of administrative services 62
determines that it is not possible or not advantageous to the 63
state for the department to make the purchase, the department 64
shall grant the agency a release and permit under section 125.06 65
of the Revised Code to make the purchase. Section 127.16 of the 66
Revised Code does not apply to purchases the department makes 67
under this section. 68

(C) An agency that has been granted a release and permit to 69
make a purchase may make the purchase without competitive 70
selection if after making the purchase the cumulative purchase 71
threshold as computed under division (F) of section 127.16 of the 72
Revised Code would: 73

(1) Be exceeded and the controlling board approves the 74
purchase; 75

(2) Not be exceeded and the department of administrative 76
services approves the purchase. 77

(D) Not later than January 31, 1997, the amounts specified in 78
divisions (A) and (B) of this section and, not later than the 79
thirty-first day of January of each second year thereafter, any 80
amounts computed by adjustments made under this division, shall be 81
increased or decreased by the average percentage increase or 82
decrease in the consumer price index prepared by the United States 83
bureau of labor statistics (U.S. City Average for Urban Wage 84

Earners and Clerical Workers: "All Items 1982-1984=100") for the
twenty-four calendar month period prior to the immediately
preceding first day of January over the immediately preceding
twenty-four calendar month period, as reported by the bureau. The
director of administrative services shall make this determination
and adjust the appropriate amounts accordingly.

(E) If the ~~office of information, learning, and technology
services; Ohio SchoolNet commission,~~ the department of education,
or the Ohio education computer network determines that it can
purchase software services or supplies for specified school
districts at a price less than the price for which the districts
could purchase the same software services or supplies for
themselves, the office, department, or network shall certify that
fact to the department of administrative services and, acting as
an agent for the specified school districts, shall make that
purchase without following the provisions in divisions (A) ~~through~~
to (D) of this section.

Sec. 3301.80. (A) There is hereby created the Ohio SchoolNet
commission consisting as an independent agency. The commission
shall administer programs to provide financial and other
assistance to school districts and other educational institutions
for the acquisition and utilization of educational technology.

The commission is a body corporate and politic, an agency of
the state performing essential governmental functions of the
state.

(B)(1) The commission shall consist of eleven members, seven
of whom are voting members. Of the voting members, one shall be
appointed by the speaker of the house of representatives and one
shall be appointed by the president of the senate. The members
appointed by the speaker of the house and the president of the

senate shall not be members of the general assembly. The state 116
superintendent of public instruction or a designee of the 117
superintendent, the director of ~~the office of~~ budget and 118
management or a designee of the director, the director of 119
administrative services or a designee of the director, the 120
chairperson of the public utilities commission or a designee of 121
the chairperson, and the director of the Ohio educational 122
telecommunications network commission or a designee of the 123
director shall serve on the commission as ex officio voting 124
members. Of the nonvoting members, two shall be members of the 125
house of representatives appointed by the speaker of the house ~~of~~ 126
~~representatives~~ and two shall be members of the senate appointed 127
by the president of the senate. The members appointed from each 128
house shall not be members of the same political party. 129

(2) The members shall serve without compensation. The voting 130
members appointed by the speaker of the house of representatives 131
and the president of the senate shall be reimbursed, pursuant to 132
office of budget and management guidelines, for necessary expenses 133
incurred in the performance of official duties. 134

(3) The terms of office for the members appointed by the 136
speaker of the house and the president of the senate shall be for 137
two years, with each term ending on the same day of the same month 138
as did the term that it succeeds. The members appointed by the 139
speaker of the house and the president of the senate may be 140
reappointed. Any member appointed from the house of 141
representatives or senate who ceases to be a member of the 142
legislative house from which the member was appointed shall cease 143
to be a member of the ~~committee~~ commission Vacancies among 144
appointed members shall be filled in the manner provided for 145
original appointments. Any member appointed to fill a vacancy 146
occurring prior to the expiration date of the term for which a 147

predecessor was appointed shall hold office as a member for the 148
remainder of that term. The members appointed by the speaker of 149
the house and the president of the senate shall continue in office 150
subsequent to the expiration date of that member's term until a 151
successor takes office or until a period of sixty days has 152
elapsed, whichever occurs first. 153

~~The Ohio SchoolNet commission shall monitor and oversee the 154
operations of, and programs administered by, the Ohio SchoolNet 155
office established under division (B) of this section. In 156
addition, the commission may develop and issue policies and 157
directives to be followed by the Ohio SchoolNet office in 158
implementing the programs under its jurisdiction. 159~~

~~(B) The Ohio SchoolNet office is hereby established as an 160
independent agency. (C)(1) The office commission shall be under 161
the supervision of a an executive director who shall be appointed 162
by the Ohio SchoolNet commission. The executive director shall 163
serve at the pleasure of the commission and shall direct ~~the~~ 164
office commission employees in the administration of all programs 165
for the provision of financial and other assistance to school 166
districts and other educational institutions for the acquisition 167
and utilization of educational technology. ~~The~~ 168~~

(2) The employees of the Ohio SchoolNet commission shall be 169
placed in the unclassified service. The commission shall fix the 170
compensation of the executive director. The executive director 171
shall employ and fix the compensation for such employees as 172
necessary to facilitate the activities and purposes of the 173
commission. The employees shall serve at the pleasure of the 174
executive director. 175

(3) The employees of the Ohio SchoolNet commission shall be 176
exempt from Chapter 4117. of the Revised Code and shall not be 177
public employees as defined in section 4117.01 of the Revised 178
Code. 179

(D) The Ohio SchoolNet ~~office~~ commission shall do all of the following: 180
181

(1) Make grants to institutions and other organizations as 182
prescribed by the general assembly for the provision of technical 183
assistance, professional development, and other support services 184
to enable school districts and other educational institutions to 185
utilize educational technology; 186

(2) Contract with the department of education, state 187
institutions of higher education, private nonprofit institutions 188
of higher education holding certificates of authorization under 189
section 1713.02 of the Revised Code, and such other public or 190
private entities, ~~and employ such persons~~ as the executive 191
director ~~of the office~~ deems necessary for the administration and 192
implementation of the programs under the ~~office's~~ commission's 193
jurisdiction; 194

(3) Establish a reporting system to which school districts 195
and other educational institutions receiving financial assistance 196
pursuant to this section for the acquisition of educational 197
technology report information as to the manner in which such 198
assistance was expended, the manner in which the equipment or 199
services purchased with the assistance is being utilized, the 200
results or outcome of this utilization, and other information as 201
may be required by the ~~office~~ commission; 202

(4) Establish necessary guidelines governing purchasing and 203
procurement by participants in programs administered by the ~~office~~ 204
commission that facilitate the timely and effective implementation 205
of such programs. 206

~~(5) Implement (E)(1) The executive director shall implement~~ 207
policies and directives issued by the Ohio SchoolNet commission 208
~~established under division (A) of this section.~~ 209

(2) The Ohio SchoolNet ~~office~~ commission may establish a 210

systems support network to facilitate the timely implementation of 211
the programs, projects, or activities for which it provides 212
assistance. 213

(3) Chapters 123., 124., 125., and 153., and sections 9.331, 214
9.332, and 9.333 of the Revised Code do not apply to contracts, 215
programs, projects, or activities of the Ohio SchoolNet commission 216
~~or Ohio SchoolNet office.~~ 217

~~For purposes of exercising collective bargaining rights under 218
Chapter 4117. of the Revised Code, the employees of the Ohio 219
SchoolNet office shall be placed in a bargaining unit separate 220
from any other unit containing employees of the state.~~ 221

Sec. 3301.801. ~~The office of information, learning, and 222
technology services~~ Ohio SchoolNet commission shall create and 223
maintain a clearinghouse for classroom teachers to easily obtain 224
lesson plans and materials and other practical resources for use 225
in classroom teaching. ~~The office~~ commission shall develop a 226
method of obtaining submissions, from classroom teachers and 227
others, of such plans, materials, and other resources that have 228
been used in the classroom and that can be readily used and 229
implemented by classroom teachers in their regular teaching 230
activities. ~~The office~~ commission also shall develop methods of 231
informing classroom teachers of both the availability of such 232
plans, materials, and other resources, and of the opportunity to 233
submit such plans, materials, and other resources and other 234
classroom teaching ideas to the clearinghouse. 235

~~The office~~ commission shall periodically report to the 236
speaker and minority leader of the house of representatives, the 237
president and minority leader of the senate, and the chairpersons 238
and ranking minority members of the education committees of the 239
senate and the house of representatives regarding the 240
clearinghouse and make recommendations for changes in state law or 241

administrative rules that may facilitate the usefulness of the 242
clearinghouse. 243

Sec. 3313.21. Notwithstanding division (D) of section 3311.19 244
and division (D) of section 3311.52 of the Revised Code, this 245
section does not apply to any joint vocational or cooperative 246
education school district. 247

(A) The board of education of each city, local, and exempted 248
village school district shall formulate a written policy detailing 249
procedures for the identification of gifted children as defined by 250
rule of the state board of education. Annually, in accordance with 251
the policy, the school board shall identify those students 252
enrolled in the district who are gifted children. 253

(B) The board of each such district shall annually report, at 254
such time and in such manner as the state board may prescribe, the 255
number of students identified as gifted and the number of students 256
receiving services ~~in units approved in accordance~~ financed with 257
payments received under division (F) of section ~~3317.05~~ 3317.022 258
of the Revised Code. 259

Sec. 3314.02. (A) As used in this chapter: 260

(1) "Sponsor" means a city, local, exempted village, or joint 261
vocational board of education or the state board of education with 262
which the governing authority of the proposed community school 263
enters into a contract pursuant to this section. 264

(2) "~~Pilot project~~ Challenged school district" means a any of 265
the following: 266

(a) A school district included in the territory of authorized 267
to establish a community school pilot project ~~established~~ by 268
Section 50.52 of Am. Sub. H.B. No. 215 of the 122nd general 269
assembly; 270

(b) <u>A school district that is in a state of academic</u>	271
<u>emergency under section 3302.03 of the Revised Code;</u>	272
(c) <u>A big eight school district.</u>	273
(3) "Big eight school district" means a school district that	274
for fiscal year 1997 had both of the following:	275
(a) A percentage of children residing in the district and	276
participating in the predecessor of Ohio works first greater than	277
thirty per cent, as reported pursuant to section 3317.10 of the	278
Revised Code;	279
(b) An average daily membership greater than twelve thousand,	280
as reported pursuant to former division (A) of section 3317.03 of	281
the Revised Code.	282
(4) "New start-up school" means a community school other than	283
one created by converting all or part of an existing public	284
school, as designated in the school's contract pursuant to	285
division (A)(17) of section 3314.03 of the Revised Code.	286
(B) Any person or group of individuals may initially propose	287
under this division the conversion of all or a portion of a public	288
school to a community school. The proposal shall be made to the	289
board of education of a city, local, or exempted village school	290
district, other than a pilot project district, in which the public	291
school is proposed to be converted. Upon receipt of a proposal, a	292
board may enter into a preliminary agreement with the person or	293
group proposing the conversion of the public school, indicating	294
the intention of the board of education to support the conversion	295
to a community school. A proposing person or group that has a	296
preliminary agreement under this division may proceed to finalize	297
plans for the school, establish a governing authority for the	298
school, and negotiate a contract with the board of education.	299
Provided the proposing person or group adheres to the preliminary	300
agreement and all provisions of this chapter, the board of	301

education shall negotiate in good faith to enter into a contract 302
in accordance with section 3314.03 of the Revised Code and 303
division (C) of this section. 304

(C)(1) Any person or group of individuals may propose under 305
this division the establishment of a new start-up school to be 306
located in a ~~big-eight~~ challenged school district ~~other than a~~ 307
~~pilot project district~~. ~~Such~~ The proposal may be made to any of 308
the following public entities: 309

(a) The board of education of the ~~big-eight school~~ district 310
in which the school is proposed to be located; 311

(b) The board of education of any joint vocational school 312
district with territory in the county in which is located the 313
majority of the territory of ~~that big-eight~~ the district in which 314
the school is proposed to be located; 315

(c) The board of education of any other city, local, or 316
exempted village school district having territory in the same 317
county ~~in which that big-eight~~ where the district in which the 318
school is proposed to be located has the major portion of its 319
territory; 320

(d) The state board of education. 321

Such ~~big-eight~~ district board, joint vocational board, other 322
school district board, or state board may enter into a preliminary 323
agreement pursuant to division (C)(2) of this section with the 324
proposing person or group. 325

(2) A preliminary agreement indicates the intention of a 326
public entity described in division (C)(1) of this section to 327
sponsor the community school. A proposing person or group that has 328
such a preliminary agreement may proceed to finalize plans for the 329
school, establish a governing authority for the school, and 330
negotiate a contract with the public entity. Provided the 331
proposing person or group adheres to the preliminary agreement and 332

all provisions of this chapter, the public entity shall negotiate 333
in good faith to enter into a contract in accordance with section 334
3314.03 of the Revised Code. 335

(3) A new start-up school that is established in a school 336
district while that district is in a state of academic emergency 337
under section 3302.03 of the Revised Code may continue in 338
existence once the school district is no longer in a state of 339
academic emergency, provided there is a valid contract between the 340
school and a sponsor. 341

(D) A majority vote of a sponsoring school district board and 342
a majority vote of the members of the governing authority of a 343
community school shall be required to adopt a contract and convert 344
the public school to a community school or establish the new 345
start-up school. An unlimited number of community schools may be 346
established in any school district provided that a contract is 347
entered into for each community school pursuant to this chapter. 348

Sec. 3314.03. (A) Each contract entered into under section 349
3314.02 of the Revised Code between a sponsor and the governing 350
authority of a community school shall specify the following: 351

(1) That the school shall be established as a nonprofit 352
corporation established under Chapter 1702. of the Revised Code; 353

(2) The education program of the school, including the 354
school's mission, the characteristics of the students the school 355
is expected to attract, the ages and grades of students, and the 356
focus of the curriculum; 357

(3) The academic goals to be achieved and the method of 358
measurement that will be used to determine progress toward those 359
goals, which shall include the statewide proficiency tests; 360

(4) Performance standards by which the success of the school 361
will be evaluated by the sponsor; 362

(5) The admission standards of section 3314.06 of the Revised Code;	363 364
(6) Dismissal procedures;	365
(7) The ways by which the school will achieve racial and ethnic balance reflective of the community it serves;	366 367
(8) Requirements and procedures 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 and the audits shall be conducted in accordance with section 117.10 of the Revised Code.	368 369 370 371 372 373
(9) The facility to be used and its location;	374
(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 per week pursuant to section 3319.301 of the Revised Code;	375 376 377 378 379 380
(11) That the school will comply with the following requirements:	381 382
(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;	383 384 385
(b) The governing authority will purchase liability insurance, or otherwise provide for the potential liability of the school;	386 387 388
(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;	389 390 391 392

(d) The school will comply with sections 9.90, 9.91, 109.65, 393
121.22, 149.43, 2151.358, 2151.421, 2313.18, 3301.0710, 3301.0711, 394
3301.0714, 3313.50, 3313.643, 3313.66, 3313.661, 3313.662, 395
3313.67, 3313.672, 3313.673, 3313.69, 3313.71, 3313.80, 3313.96, 396
3319.321, 3319.39, 3321.01, 3327.10, 4111.17, and 4113.52 and 397
Chapters 117., 1347., 2744., 4112., 4123., 4141., and 4167. of the 398
Revised Code as if it were a school district; 399

(e) The school shall comply with Chapter 102. of the Revised 400
Code except that nothing in that chapter shall prohibit a member 401
of the school's governing board from also being an employee of the 402
school and nothing in that chapter or section 2921.42 of the 403
Revised Code shall prohibit a member of the school's governing 404
board from having an interest in a contract into which the 405
governing board enters; 406

(f) The school will comply with sections 3313.61 and 3313.611 407
of the Revised Code, except that the requirement in those sections 408
that a person must successfully complete the curriculum in any 409
high school prior to receiving a high school diploma may be met by 410
completing the curriculum adopted by the governing authority of 411
the community school rather than the curriculum specified in Title 412
XXXVIII of the Revised Code or any rules of the state board of 413
education; 414

(g) The school governing authority will submit an annual 415
report of its activities and progress in meeting the goals and 416
standards of divisions (A)(3) and (4) of this section and its 417
financial status to the sponsor, the parents of all students 418
enrolled in the school, and the legislative office of education 419
oversight. 420

(12) Arrangements for providing health and other benefits to 421
employees; 422

(13) The length of the contract, which shall begin at the 423

beginning of an academic year and shall not exceed five years; 424

(14) The governing authority of the school, which shall be 425
responsible for carrying out the provisions of the contract; 426

(15) A financial plan detailing an estimated school budget 427
for each year of the period of the contract and specifying the 428
total estimated per pupil expenditure amount for each such year. 429
The plan shall specify for each year the base formula amount that 430
will be used for purposes of funding calculations under section 431
3314.08 of the Revised Code. This base formula amount for any year 432
shall not exceed the formula amount defined under section 3317.02 433
of the Revised Code. The plan may also specify for any year a 434
percentage figure to be used for reducing the per pupil amount of 435
disadvantaged pupil impact aid calculated pursuant to section 436
3317.029 of the Revised Code the school is to receive that year 437
under section 3314.08 of the Revised Code. 438

(16) Requirements and procedures regarding the disposition of 439
employees of the school in the event the contract is terminated or 440
not renewed pursuant to section 3314.07 of the Revised Code; 441

(17) Whether the school is to be created by converting all or 442
part of an existing public school or is to be a new start-up 443
school, and if it is a converted public school, specification of 444
any duties or responsibilities of an employer that the board of 445
education that operated the school before conversion is delegating 446
to the governing board of the community school with respect to all 447
or any specified group of employees provided the delegation is not 448
prohibited by a collective bargaining agreement applicable to such 449
employees; 450

(18) Provisions establishing procedures for resolving 451
disputes or differences of opinion between the sponsor and the 452
governing authority of the community school; 453

(19) A provision requiring the governing authority to adopt a 454

policy regarding the admission of students who reside outside the 455
district in which the school is located. That policy shall comply 456
with the admissions procedures specified in section 3314.06 of the 457
Revised Code and, at the sole discretion of the authority, shall 458
do one of the following: 459

(a) Prohibit the enrollment of students who reside outside 460
the district in which the school is located; 461

(b) Permit the enrollment of students who reside in districts 462
adjacent to the district in which the school is located; 463

(c) Permit the enrollment of students who reside in any other 464
district in the state. 465

(B) The community school shall also submit to the sponsor a 466
comprehensive plan for the school. The plan shall specify the 467
following: 468

(1) The process by which the governing authority of the 469
school will be selected in the future; 470

(2) The management and administration of the school; 471

(3) If the community school is a currently existing public 472
school, alternative arrangements for current public school 473
students who choose not to attend the school and teachers who 474
choose not to teach in the school after conversion; 475

(4) The instructional program and educational philosophy of 476
the school; 477

(5) Internal financial controls. 478

(C) A contract entered into under section 3314.02 of the 479
Revised Code between a sponsor and the governing authority of a 480
community school may provide for the community school governing 481
authority to make payments to the sponsor, which is hereby 482
authorized to receive such payments as set forth in the contract 483
between the governing authority and the sponsor. 484

Sec. 3314.06. The governing authority of each community 485
school established under this chapter shall adopt admission 486
procedures that specify the following: 487

(A) That except as otherwise provided in this section, 488
admission to the school shall be open ~~only~~ to any individual age 489
five to twenty-two entitled to attend school pursuant to section 490
3313.64 or 3313.65 of the Revised Code in ~~the a~~ school district in 491
~~which the school is located or who was enrolled in the converted~~ 492
~~school during the school year preceding the year of its conversion~~ 493
~~to a community school~~ the state. 494

(B) That admission to the school may be limited to students 495
who have attained a specific grade level or are within a specific 496
age group; to students that meet a definition of "at-risk," as 497
defined in the contract; or to residents of a specific geographic 498
area within the district, as defined in the contract, ~~that is~~ 499
~~within the school district in which the school is located.~~ 500

(C) Whether enrollment is limited to students who reside in 501
the district in which the school is located or is open to 502
residents of other districts, as provided in the policy adopted 503
pursuant to the contract. 504

(D) That there will be no discrimination in the admission of 505
students to the school on the basis of race, creed, color, 506
handicapping condition, or sex; and that, upon admission of any 507
handicapped student, the community school will comply with all 508
federal and state laws regarding the education of handicapped 509
students. 510

~~(D)~~(E) That the school may not limit admission to students on 511
the basis of intellectual ability, measures of achievement or 512
aptitude, or athletic ability. 513

~~(E)~~(F) That the community school will admit the number of 514

students that does not exceed the capacity of the school's 515
programs, classes, grade levels, or facilities. 516

~~(F)~~(G) That, except as otherwise provided under division (B) 517
of this section, if the number of applicants exceeds the capacity 518
restrictions of division ~~(E)~~(F) of this section, students shall be 519
admitted by lot from all those submitting applications, except 520
preference shall be given to students attending the school the 521
previous year and to students who reside in the district in which 522
the school is located. Preference may be given to siblings of ~~such~~ 523
students attending the school the previous year. 524

Notwithstanding divisions (A) through ~~(F)~~(G) of this section, 525
in the event the racial composition of the enrollment of the 526
community school is violative of a federal desegregation order, 527
the community school shall take any and all corrective measures to 528
comply with the desegregation order. 529

Sec. 3314.08. (A) As used in this section: 530

(1) "Base formula amount" means the amount specified as such 531
in a community school's financial plan for a school year pursuant 532
to division (A)(15) of section 3314.03 of the Revised Code. 533

(2) "Cost-of-doing-business factor" has the same meaning as 534
in section 3317.02 of the Revised Code. 535

(3) "IEP" means an individualized education program defined 536
~~by division (E) of~~ in section 3323.01 of the Revised Code. 537

(4) "Average county cost" means the cost, averaged among 538
school districts within a county, of providing special education 539
and related services to similarly handicapped children, as 540
calculated in a manner acceptable to the superintendent of public 541
instruction. 542

(5) "DPIA reduction factor" means the percentage figure, if 543
any, ~~specified~~ for reducing the per pupil amount of disadvantaged 544

pupil impact aid a community school is entitled to receive 545
pursuant to division (D)(3) of this section in any year, as 546
specified in the school's financial plan for the year pursuant to 547
division (A)(15) of section 3314.03 of the Revised Code. 548

(B) The state board of education shall adopt rules requiring 549
both of the following: 550

(1) The board of education of each city, exempted village, 551
and local school district to annually report the number of 552
students entitled to attend school in the district pursuant to 553
section 3313.64 or 3313.65 of the Revised Code who are enrolled in 554
grades one through twelve and one-half of the kindergarten 555
students enrolled in a community school established under this 556
chapter and for each child the community school in which the child 557
is enrolled. In addition, for each such child receiving special 558
education and related services enrolled in grades kindergarten 559
through twelve or in a preschool handicapped unit in a community 560
school pursuant to an IEP, the board shall report the average 561
county cost for such child. If the district receives disadvantaged 562
pupil impact aid pursuant to division (B) or divisions (C) and (E) 563
of section 3317.029 of the Revised Code, it also shall report the 564
amount received for each such child. 565

(2) The governing authority of each community school 566
established under this chapter to annually report the number of 567
students enrolled in grades one through twelve and one-half the 568
number of kindergarten students in the school who are not 569
receiving special education and related services pursuant to an 570
IEP; the number of enrolled students in grades one through twelve 571
and one-half the number of kindergarten students who are receiving 572
special education and related services pursuant to an IEP; the 573
number of enrolled preschool handicapped students receiving 574
special education services in a state-funded unit; the community 575
school's base formula amount; and for each student the city, 576

exempted village, or local school district ~~in which the school~~ 577
~~student is located~~ entitled to attend under section 3313.64 or 578
3313.65 of the Revised Code. Each governing authority shall also 579
report any DPIA reduction factor that applies to a school year. 580

(C) From the payments made to a city, exempted village, or 581
local school district under Chapter 3317. of the Revised Code and, 582
if necessary, sections 321.14 and 323.156 of the Revised Code, the 583
department of education shall annually subtract all of the 584
following: 585

(1) An amount equal to the sum of the amounts obtained when, 586
for each community school where the district's students are 587
enrolled, the number of the district's students reported under 588
division (B)(2) of this section who are enrolled in grades one 589
through twelve and one-half the number of kindergarten students in 590
that community school and are not receiving special education and 591
related services pursuant to an IEP is multiplied by the base 592
formula amount of that community school as adjusted by the school 593
district's cost-of-doing-business factor. 594

(2) The sum of the average county costs for all district 595
students reported under division (B)(2) of this section who are to 596
be receiving special education and related services pursuant to an 597
IEP in their respective community schools, less the sum of the 598
prorated share for each such student of any amounts received from 599
state preschool handicapped unit funding or from federal funds to 600
provide special education and related services to students in the 601
respective community schools. This prorated share of state or 602
federal funds received for each such student shall be determined 603
on the basis of all such funds received by a community school for 604
students receiving similar services, as calculated in a manner 605
acceptable to the superintendent of public instruction. 606

(3) An amount equal to the sum of the amounts obtained when, 607
for each community school where the district's students are 608

enrolled, the number of the district's students enrolled in that
community school and residing in the district in a family
participating in Ohio works first under Chapter 5107. of the
Revised Code is multiplied by the per pupil amount of
disadvantaged pupil impact aid the school district receives that
year pursuant to division (B) or divisions (C) and (E) of section
3317.029 of the Revised Code, as adjusted by any DPIA reduction
factor of that community school.

(D) The department shall annually pay to a community school
established under this chapter all of the following:

(1) An amount equal to the sum of the amounts obtained when
the number of students enrolled in grades one through twelve plus
one-half of the kindergarten students in the school as reported
under division (B)(2) of this section who are not receiving
special education and related services pursuant to an IEP is
multiplied by the community school's base formula amount, as
adjusted by the cost-of-doing-business factor of the school
district ~~in which the school student is located~~ entitled to attend
under section 3313.64 or 3313.65 of the Revised Code;

(2) For each student enrolled in the school receiving special
education and related services pursuant to an IEP, an amount equal
to the average county cost for such student, less a prorated share
for the student of any amount received from state preschool
handicapped unit funding or federal funds to provide special
education and related services to students in the community
school. This prorated share shall be determined as described under
division (C)(2) of this section.

(3) An amount equal to the sum of the amounts obtained when,
for each school district where the community school's students are
entitled to attend school under section 3313.64 or 3313.65 of the
Revised Code, the number of that district's students enrolled in

the community school and ~~residing in the school district in a~~ 640
~~family~~ participating in Ohio works first is multiplied by the per 641
pupil amount of disadvantaged pupil impact aid that school 642
district receives that year pursuant to division (B) or divisions 643
(C) and (E) of section 3317.029 of the Revised Code, as adjusted 644
by any DPIA reduction factor of the community school. 645

(E) A community school may apply to the department of 646
education for any gifted or preschool handicapped ~~or gifted unit~~ 647
funding the school would receive if it were a school district. 648
Upon request of its governing authority, a community school that 649
received unit funding as a school district-operated school before 650
it became a community school shall retain any units awarded to it 651
as a school district-operated school provided the school continues 652
to meet eligibility standards for the unit. 653

A community school shall be considered a school district and 654
its governing authority shall be considered a board of education 655
for the purpose of applying to any state or federal agency for 656
grants that a school district may receive under federal or state 657
law or any appropriations act of the general assembly. The 658
governing authority of a community school may apply to any private 659
entity for additional funds. 660

(F) A board of education sponsoring a community school may 661
utilize local funds to make enhancement grants to the school or 662
may agree, either as part of the contract or separately, to 663
provide any specific services to the community school at no cost 664
to the school. 665

(G) A community school may not levy taxes or issue bonds 666
secured by tax revenues. 667

(H) No community school shall charge tuition for the 668
enrollment of any student. 669

(I) A community school may borrow money to pay any necessary 670

and actual expenses of the school in anticipation of the receipt 671
of any portion of the payments to be received by the school 672
pursuant to division (D) of this section. The school may issue 673
notes to evidence such borrowing to mature no later than the end 674
of the fiscal year in which such money was borrowed. The proceeds 675
of the notes shall be used only for the purposes for which the 676
anticipated receipts may be lawfully expended by the school. 677

(J) For purposes of determining the number of students for 678
which division (D)(3) of this section applies in any school year, 679
a community school may submit to the state department of human 680
services, no later than the first day of March, a list of the 681
students enrolled in the school. For each student on the list, the 682
community school shall indicate the student's name, address, and 683
date of birth and the school district where the student is 684
entitled to attend school under section 3313.64 or 3313.65 of the 685
Revised Code. Upon receipt of a list under this division, the 686
department of human services shall determine, for each school 687
district where one or more students on the list is entitled to 688
attend school under section 3313.64 or 3313.65 of the Revised 689
Code, the number of students residing in that school district who 690
were included in the department's report under section 3317.10 of 691
the Revised Code. The department shall make this determination on 692
the basis of information readily available to it. Upon making this 693
determination and no later than ninety days after submission of 694
the list by the community school, the department shall report to 695
the state department of education the number of students on the 696
list who reside in each school district who were included in the 697
department's report under section 3317.10 of the Revised Code. In 698
complying with this division, the department of human services 699
shall not report to the state department of education any 700
personally identifiable information on any student. 701

(K) The department of education shall adjust the amounts 702

subtracted and paid under divisions (C) and (D) of this section to
reflect any enrollment of students in community schools for less
than the equivalent of a full school year.

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Sec. 3314.09. The As used in this section, "native student"
means a student entitled to attend school in the school district
under section 3313.64 or 3313.65 of the Revised Code.

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The board of education of the each city, local, or and
exempted village school district in which a community school is
located shall provide transportation to and from school for its
district's native students enrolled in the a community school,
except that the board shall be required to pick up and drop off a
nonhandicapped student only at a regular school bus stop
designated in accordance with the board's transportation policy
located in that district or another district on the same basis
that it provides transportation for its native students enrolled
in schools to which they are assigned by the board of education at
the same grade level and who live the same distance from school
except when, in the judgment of the board, confirmed by the state
board of education, the transportation is unnecessary or
unreasonable. A board shall not be required to transport
nonhandicapped students to and from a community school located in
another school district if the transportation would require more
than thirty minutes of direct travel time as measured by school
bus from the collection point designated by the district's
coordinator of school transportation.

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Where it is impractical to transport a pupil to and from a
community school by school conveyance, a board may, in lieu of
providing the transportation, pay a parent, guardian, or other
person in charge of the child, but only with the consent of the
parent, guardian, or other person. The amount paid per pupil shall
in no event exceed the average transportation cost per pupil,

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which shall be based on the cost of transportation of children by 734
all boards of education in this state during the next preceding 735
year. 736

Sec. 3314.11. The department of education shall establish a 737
the state ~~community school commission~~ office of school options to 738
provide advice and services for the community schools program, 739
established pursuant to Chapter 3314. of the Revised Code, and the 740
pilot project scholarship program, established pursuant to 741
sections 3313.974 to 3313.979 of the Revised Code. The ~~commission~~ 742
office shall provide services that facilitate the management of 743
the community schools program and the pilot project scholarship 744
program, including providing technical assistance and information 745
to persons or groups considering proposing a community school, to 746
governing authorities of community schools, and to school district 747
boards sponsoring or considering sponsoring a community school. 748

Sec. 3316.05. (A) Pursuant to the powers of the general 749
assembly and for the purposes of this chapter, upon the 750
declaration of a fiscal emergency in any school district pursuant 751
to division (B) of section 3316.03 of the Revised Code, there is 752
established, with respect to that school district, a body both 753
corporate and politic constituting an agency and instrumentality 754
of the state and performing essential governmental functions of 755
the state to be known as the "financial planning and supervision 756
commission for (name of school district)," which, in that 757
name, may exercise all authority vested in such a commission by 758
this chapter. A separate commission is established with respect to 759
each school district as to which there is a fiscal emergency as 760
determined under this chapter. 761

(B) A commission appointed after July 1, 1999, shall consist 762
of ~~seven~~ five voting members, including women and at least one 763

Hispanic or African American if Hispanic and African Americans 764
together constitute at least twenty per cent of the student 765
population of the district, as follows: 766

(1) ~~Four~~ Two ex officio members: the director of budget and 767
management, or a designee of the director, and the superintendent 768
of public instruction, or a designee of the superintendent ~~of the~~ 769
~~school district, and the mayor of the municipal corporation with~~ 770
~~the largest number of residents living within the school district,~~ 771
~~except that if more than fifty per cent of the residents of the~~ 772
~~district reside outside the municipal corporation containing the~~ 773
~~greatest number of district residents or if there is no municipal~~ 774
~~corporation located in the school district, the county auditor of~~ 775
~~the county with the largest number of residents living within the~~ 776
~~school district shall be a member of the commission in lieu of a~~ 777
~~mayor.~~ 778

~~The director of budget and management may designate an~~ 779
~~individual within the office of budget and management; the mayor~~ 780
~~may designate a responsible official within his office or the~~ 781
~~fiscal officer of the municipal corporation; the superintendent of~~ 782
~~public instruction may designate an employee within the department~~ 783
~~of education; and the superintendent of the school district may~~ 784
~~designate an employee of the school district to attend the~~ 785
~~meetings of the commission when the ex officio member making the~~ 786
~~designation is absent or unable for any reason to attend. A~~ 787
designee, when present, shall be counted in determining whether a 788
quorum is present at any meeting of the commission and may vote 789
and participate in all proceedings and actions of the commission. 790
The designations shall be in writing, executed by the member 791
making the designation, and filed with the secretary of the 792
commission. The designations may be changed from time to time in 793
like manner, but due regard shall be given to the need for 794
continuity. 795

(2) Three appointed members, who shall be appointed within
fifteen days after the declaration of the fiscal emergency, one by
the governor, one by the superintendent of public instruction, and
one by the mayor ~~or county auditor who is a member of the~~
commission of the municipal corporation with the largest number of
residents living within the school district, except that if more
than fifty per cent of the residents of the district reside
outside the municipal corporation containing the greatest number
of district residents or if there is no municipal corporation
located in the school district, the county auditor of the county
with the largest number of residents living within the school
district shall make the appointment in lieu of a mayor. All of the
appointed members shall serve at the pleasure of the appointing
authority during the life of the commission. In the event of the
death, resignation, incapacity, removal, or ineligibility to serve
of an appointed member, the appointing authority shall appoint a
successor within fifteen days after the vacancy occurs.

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(a) The member appointed by the governor and the member
appointed by the mayor or county auditor shall be an individual:

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(i) Who has knowledge and experience in financial matters,
financial management, or business organization or operations,
including at least five years of experience in the public or
private sector in the management of business or financial
enterprise, or in management consulting, public accounting, or
other similar professional activity;

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(ii) Whose residency, office, or principal place of
professional or business activity is situated within the school
district.

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(b) The member appointed by the superintendent of public
instruction shall be a parent of a child currently enrolled in a

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public school within the district. 827

(C) Immediately after appointment of the initial appointed 828
members of the commission, the superintendent of public 829
instruction shall call the first meeting of the commission and 830
shall cause written notice of the time, date, and place of the 831
first meeting to be given to each member of the commission at 832
least forty-eight hours in advance of the meeting. 833

(D) The superintendent of public instruction shall serve as 834
the commission's chairperson and the commission shall elect one of 835
its members as vice-chairperson and may appoint a secretary and 836
any other officers, who need not be members of the commission, as 837
it considers necessary. 838

(E) The commission may adopt and alter bylaws and rules, 839
which shall not be subject to section 111.15 or Chapter 119. of 840
the Revised Code, for the conduct of its affairs and for the 841
manner, subject to this chapter, in which its powers and functions 842
shall be exercised and embodied. 843

(F) ~~Four~~ Three members of the commission constitute a quorum 844
of the commission. The affirmative vote of ~~four~~ three members of 845
the commission is necessary for any action taken by vote of the 846
commission. No vacancy in the membership of the commission shall 847
impair the rights of a quorum by such vote to exercise all the 848
rights and perform all the duties of the commission. Members of 849
the commission, and their designees, are not disqualified from 850
voting by reason of the functions of the other office they hold 851
and are not disqualified from exercising the functions of the 852
other office with respect to the school district, its officers, or 853
the commission. 854

(G) The auditor of state shall act as the financial 855
supervisor for the school district under contract with the 856
commission unless the auditor of state elects to contract for that 857

service. At the request of the commission the auditor of state 858
shall designate employees of the auditor of state's office to 859
assist the commission and to coordinate the work of the auditor of 860
state's office. Upon the declaration of a fiscal emergency in any 861
school district, the school district shall provide the commission 862
with such reasonable office space in the principal building 863
housing the administrative offices of the school district, where 864
feasible, as the commission determines is necessary to carry out 865
its duties under this chapter. 866

The attorney general shall serve as the legal counsel for the 867
commission. 868

(H) The members of the commission, the superintendent of 869
public instruction, the auditor of state, and any person 870
authorized to act on behalf of or assist them shall not be 871
personally liable or subject to any suit, judgment, or claim for 872
damages resulting from the exercise of or failure to exercise the 873
powers, duties, and functions granted to them in regard to their 874
functioning under this chapter, but the commission, the 875
superintendent of public instruction, the auditor of state, and 876
such other persons shall be subject to mandamus proceedings to 877
compel performance of their duties under this chapter. 878

(I) At the request of the commission the administrative head 879
of any state agency shall temporarily assign personnel skilled in 880
accounting and budgeting procedures to assist the commission in 881
its duties. 882

(J) The appointed members of the commission are not subject 883
to section 102.02 of the Revised Code, each appointed member of 884
the commission shall file with the commission a signed written 885
statement setting forth the general nature of sales of goods, 886
property, or services or of loans to the school district with 887
respect to which that commission is established, in which the 888
appointed member has a pecuniary interest or in which any member 889

of the appointed member's immediate family, as defined in section 890
102.01 of the Revised Code, or any corporation, partnership, or 891
enterprise of which the appointed member is an officer, director, 892
or partner, or of which the appointed member or a member of the 893
appointed member's immediate family, as so defined, owns more than 894
a five per cent interest, has a pecuniary interest, and of which 895
sale, loan, or interest such member has knowledge. The statement 896
shall be supplemented from time to time to reflect changes in the 897
general nature of any such sales or loans. 898

(K) Meetings of the commission shall be subject to section 899
121.22 of the Revised Code except that division (C) of such 900
section requiring members to be physically present to be part of a 901
quorum or vote does not apply if the commission holds a meeting by 902
teleconference and if provisions are made for public attendance at 903
any location involved in such teleconference. 904

Sec. 3316.06. (A) Within ~~sixty~~ one hundred twenty days after 905
the first meeting of a school district financial planning and 906
supervision commission, the commission shall adopt a financial 907
recovery plan regarding the school district for which the 908
commission was created. During the formulation of the plan, the 909
commission shall seek appropriate input from the school district 910
board and from the community. This plan shall contain the 911
following: 912

(1) Actions to be taken to: 913

(a) Eliminate all fiscal emergency conditions declared to 914
exist pursuant to division (B) of section 3316.03 of the Revised 915
Code; 916

(b) Satisfy any judgments, past~~_~~due accounts payable, and all 917
past~~_~~due and payable payroll and fringe benefits; 918

(c) Eliminate the deficits in all deficit funds; 919

(d) Restore to special funds any moneys from such funds that 920
were used for purposes not within the purposes of such funds, or 921
borrowed from such funds by the purchase of debt obligations of 922
the school district with the moneys of such funds, or missing from 923
the special funds and not accounted for, if any; 924

(e) Balance the budget, avoid future deficits in any funds, 925
and maintain on a current basis payments of payroll, fringe 926
benefits, and all accounts; 927

(f) Avoid any fiscal emergency condition in the future; 928

(g) Restore the ability of the school district to market 929
long-term general obligation bonds under provisions of law 930
applicable to school districts generally. 931

(2) The management structure that will enable the school 932
district to take the actions enumerated in division (A)(1) of this 933
section. The plan shall specify the level of fiscal and management 934
control that the commission will exercise within the school 935
district during the period of fiscal emergency, and shall 936
enumerate respectively, the powers and duties of the commission 937
and the powers and duties of the school board during that period. 938
The commission may elect to assume any of the powers and duties of 939
the school board it considers necessary, including all powers 940
related to personnel, curriculum, and legal issues in order to 941
successfully implement the actions described in division (A)(1) of 942
this section. 943

(3) The target dates for the commencement, progress upon, and 944
completion of the actions enumerated in division (A)(1) of this 945
section and a reasonable period of time expected to be required to 946
implement the plan. The commission shall prepare a reasonable time 947
schedule for progress toward and achievement of the requirements 948
for the plan, and the plan shall be consistent with that time 949
schedule. 950

(4) The amount and purpose of any issue of debt obligations 951
that will be issued, together with assurances that any such debt 952
obligations that will be issued will not exceed debt limits 953
supported by appropriate certifications by the fiscal officer of 954
the school district and the county auditor. Debt obligations 955
issued pursuant to section 133.301 of the Revised Code shall 956
include assurances that such debt shall be in an amount not to 957
exceed the amount certified under division (B) of such section. If 958
the commission considers it necessary in order to maintain or 959
improve educational opportunities of pupils in the school 960
district, the plan may include a proposal to restructure or 961
refinance outstanding debt obligations incurred by the board under 962
section 3313.483 of the Revised Code contingent upon the approval, 963
during the period of the fiscal emergency, by district voters of a 964
tax levied under section 718.09, 718.10, 5705.194, 5705.21, 965
5748.02, or 5748.08 of the Revised Code, that is not a renewal or 966
replacement levy and that will provide new operating revenue. 967
Notwithstanding any provision of Chapter 133. or sections 3313.483 968
~~through~~ to 3313.4811 of the Revised Code, following the required 969
approval of the district voters and with the approval of the 970
commission, the school district may issue securities to evidence 971
the restructuring or refinancing. Those securities may extend the 972
original period for repayment, not to exceed ten years, and may 973
alter the frequency and amount of repayments, interest or other 974
financing charges, and other terms of agreements under which the 975
debt originally was contracted, at the discretion of the 976
commission, provided that any loans received pursuant to section 977
3313.483 of the Revised Code shall be paid from funds the district 978
would otherwise receive under sections 3317.022 to 3317.025 of the 979
Revised Code, as required under division (E)(3) of section 980
3313.483 of the Revised Code. The securities issued for the 981
purpose of restructuring or refinancing the debt shall be repaid 982
in equal payments and at equal intervals over the term of the debt 983

and are not eligible to be included in any subsequent proposal for 984
the purpose of restructuring or refinancing debt under this 985
section. 986

(B) Any financial recovery plan may be amended subsequent to 987
its adoption. Each financial recovery plan shall be updated 988
annually. 989

Sec. 3317.014. The average vocational education additional 990
cost per pupil can be expressed as a multiple of the base cost per 991
pupil calculated under section 3317.012 of the Revised Code. the 992
multiples for the following categories of vocational education 993
programs are as follows: 994

(A) A multiple of 0.60 for students enrolled in vocational 995
education job-training and workforce development programs approved 996
by the department of education in accordance with rules adopted 997
under section 3313.90 of the Revised Code. 998

(B) A multiple of 0.30 for students enrolled in vocational 999
education classes other than job-training and workforce 1000
development programs. 1001

Sec. 3317.02. As used in this chapter: 1002

(A) Unless otherwise specified, "school district" means city, 1003
local, and exempted village school districts. 1004

(B) "Formula amount" means the base cost for the fiscal year 1005
specified in section 3317.012 of the Revised Code, except that to 1006
allow for the orderly phase-in of the increased funding specified 1007
in that section, the formula amount for fiscal year 1999 shall be 1008
\$3,851; the formula amount for fiscal year 2000 shall be \$4,038; 1009
and the formula amount for fiscal year 2001 shall be \$4,226. 1010
Thereafter, the formula amount shall be as specified in that 1011
section. 1012

(C) "FTE basis" means a count of students based on full-time 1013
equivalency, in accordance with rules adopted by the department of 1014
education pursuant to section 3317.03 of the Revised Code. In 1015
adopting its rules under this division, the department shall 1016
provide for counting any student in ~~a district's~~ category one, 1017
two, or three special education ADM or in category one or two 1018
vocational education ADM in the same proportion the student is 1019
counted in formula ADM. 1020

(D)(1) "Formula ADM" means, for a city, local, or exempted 1021
village school district, the number reported pursuant to division 1022
(A) of section 3317.03 of the Revised Code, and for a joint 1023
vocational school district, the number reported pursuant to 1024
division (D) of that section. 1025

(2) "Three-year average formula ADM" means the average of a 1026
school district's formula ADMs for the current and preceding two 1027
fiscal years. However, as applicable in fiscal years 1999 and 1028
2000, the three-year average shall be determined utilizing the FY 1029
1997 ADM or FY 1998 ADM in lieu of formula ADM for fiscal year 1030
1997 or 1998. 1031

(E) "FY 1997 ADM" or "FY 1998 ADM" means the school 1032
district's average daily membership reported for the applicable 1033
fiscal year under the version of division (A) of section 3317.03 1034
of the Revised Code in effect during that fiscal year, adjusted as 1035
follows: 1036

(1) Minus the average daily membership of handicapped 1037
preschool children; 1038

(2) Minus one-half of the average daily membership attending 1039
kindergarten; 1040

(3) Minus three-fourths of the average daily membership 1041
attending a joint vocational school district; 1042

(4) Plus the average daily membership entitled under section 1043
3313.64 or 3313.65 of the Revised Code to attend school in the 1044
district but receiving educational services in approved units from 1045
an educational service center or another school district under a 1046
compact or a cooperative education agreement, as determined by the 1047
department; 1048

(5) Minus the average daily membership receiving educational 1049
services from the district in approved units but entitled under 1050
section 3313.64 or 3313.65 of the Revised Code to attend school in 1051
another school district, as determined by the department. 1052

(F)(1) "Category one special education ADM" means the average 1053
daily membership of handicapped children receiving special 1054
education services for those handicaps specified in division (A) 1055
of section 3317.013 of the Revised Code and reported under 1056
division (B)(5) or (D)(2)(b) of section 3317.03 of the Revised 1057
Code. 1058

(2) "Category two special education ADM" means the average 1059
daily membership of handicapped children receiving special 1060
education services for those handicaps specified in division (B) 1061
of section 3317.013 of the Revised Code and reported under 1062
division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised 1063
Code. 1064

(3) "Category three special education ADM" means the average 1065
daily membership of students receiving special education services 1066
for students identified as autistic, having traumatic brain 1067
injuries, or as both visually and hearing disabled as these terms 1068
are defined pursuant to Chapter 3323. of the Revised Code, and 1069
reported under division (B)(7) or (D)(2)(d) of section 3317.03 of 1070
the Revised Code. 1071

(4) "Category one vocational education ADM" means the average 1072
daily membership of students receiving vocational education 1073

services described in division (A) of section 3317.014 of the 1074
Revised Code and reported under division (B)(8) or (D)(2)(e) of 1075
section 3317.03 of the Revised Code. 1076

(5) "Category two vocational education ADM" means the average 1077
daily membership of students receiving vocational education 1078
services described in division (B) of section 3317.014 of the 1079
Revised Code and reported under division (B)(9) or (D)(2)(f) of 1080
section 3317.03 of the Revised Code. 1081

(G) "Handicapped preschool child" means a handicapped child, 1082
as defined in section 3323.01 of the Revised Code, who is at least 1083
age three but is not of compulsory school age, as defined in 1084
section 3321.01 of the Revised Code, and who has not entered 1085
kindergarten. 1086

(H) "County MR/DD board" means a county board of mental 1087
retardation and developmental disabilities. 1088

(I) "Recognized valuation" means the amount calculated for a 1089
school district pursuant to section 3317.015 of the Revised Code. 1090

(J) "Transportation ADM" means the number of children 1091
reported under division (B)~~(9)~~(10) of section 3317.03 of the 1092
Revised Code. 1093

(K) "~~Most~~ Average efficient transportation use cost per 1094
~~transported~~ student" for a school district means a statistical 1095
representation of transportation costs as calculated under 1096
division (D)~~(4)~~(3) of section 3317.022 of the Revised Code. 1097

(L) "Taxes charged and payable" means the taxes charged and 1098
payable against real and public utility property after making the 1099
reduction required by section 319.301 of the Revised Code, plus 1100
the taxes levied against tangible personal property. 1101

(M) "Total taxable value" means the sum of the amounts 1102
certified for a city, local, exempted village, or joint vocational 1103

school district under divisions (A)(1) and (2) of section 3317.021 1104
of the Revised Code. 1105

(N)(1) "Cost-of-doing-business factor" means the amount 1106
indicated in this division for the county in which ~~the a city,~~ 1107
local, exempted village, or joint vocational school district is 1108
located, adjusted in accordance with division (N)(2) of this 1109
section. If ~~the a city, local, or exempted village school~~ district 1110
is located in more than one county, the factor is the amount 1111
indicated for the county to which the district is assigned by the 1112
state department of education. If a joint vocational school 1113
district is located in more than one county, the factor is the 1114
amount indicated for the county in which the joint vocational 1115
school with the greatest formula ADM operated by the district is 1116
located. 1117

COST-OF-DOING-BUSINESS 1118

COUNTY	FACTOR AMOUNT	
		1119
		1120
Adams	1.0100	1121
Allen	1.0272	1122
Ashland	1.0362	1123
Ashtabula	1.0540	1124
Athens	1.0040	1125
Auglaize	1.0300	1126
Belmont	1.0101	1127
Brown	1.0218	1128
Butler	1.0662	1129
Carroll	1.0180	1130
Champaign	1.0432	1131
Clark	1.0489	1132
Clermont	1.0498	1133
Clinton	1.0287	1134
Columbiana	1.0320	1135

Coshocton	1.0224	1136
Crawford	1.0174	1137
Cuyahoga	1.0725	1138
Darke	1.0360	1139
Defiance	1.0214	1140
Delaware	1.0512	1141
Erie	1.0414	1142
Fairfield	1.0383	1143
Fayette	1.0281	1144
Franklin	1.0548	1145
Fulton	1.0382	1146
Gallia	1.0000	1147
Geauga	1.0608	1148
Greene	1.0418	1149
Guernsey	1.0091	1150
Hamilton	1.0750	1151
Hancock	1.0270	1152
Hardin	1.0384	1153
Harrison	1.0111	1154
Henry	1.0389	1155
Highland	1.0177	1156
Hocking	1.0164	1157
Holmes	1.0275	1158
Huron	1.0348	1159
Jackson	1.0176	1160
Jefferson	1.0090	1161
Knox	1.0276	1162
Lake	1.0627	1163
Lawrence	1.0154	1164
Licking	1.0418	1165
Logan	1.0376	1166
Lorain	1.0573	1167
Lucas	1.0449	1168

Madison	1.0475	1169
Mahoning	1.0465	1170
Marion	1.0289	1171
Medina	1.0656	1172
Meigs	1.0016	1173
Mercer	1.0209	1174
Miami	1.0456	1175
Monroe	1.0152	1176
Montgomery	1.0484	1177
Morgan	1.0168	1178
Morrow	1.0293	1179
Muskingum	1.0194	1180
Noble	1.0150	1181
Ottawa	1.0529	1182
Paulding	1.0216	1183
Perry	1.0185	1184
Pickaway	1.0350	1185
Pike	1.0146	1186
Portage	1.0595	1187
Preble	1.0523	1188
Putnam	1.0308	1189
Richland	1.0232	1190
Ross	1.0111	1191
Sandusky	1.0361	1192
Scioto	1.0082	1193
Seneca	1.0265	1194
Shelby	1.0274	1195
Stark	1.0330	1196
Summit	1.0642	1197
Trumbull	1.0465	1198
Tuscarawas	1.0109	1199
Union	1.0488	1200
Van Wert	1.0181	1201

Vinton	1.0065	1202
Warren	1.0678	1203
Washington	1.0124	1204
Wayne	1.0446	1205
Williams	1.0316	1206
Wood	1.0431	1207
Wyandot	1.0227	1208

(2) As used in this division, "multiplier" means the number
for the corresponding fiscal year as follows:

FISCAL YEAR OF THE COMPUTATION	MULTIPLIER	
1998	9.6/7.5	1213
1999	11.0/7.5	1214
2000	12.4/7.5	1215
2001	13.8/7.5	1216
2002	15.2/7.5	1217
2003	16.6/7.5	1218
2004 and thereafter	18.0/7.5	1219

Beginning in fiscal year 1998, the department shall annually
adjust the cost-of-doing-business factor for each county in
accordance with the following formula:

[(The cost-of-doing-business factor specified under
division (N)(1) of this section - 1) X (the multiplier
for the fiscal year of the calculation)] + 1

The result of such formula shall be the adjusted
cost-of-doing-business factor for that fiscal year.

(O) "Tax exempt value" of a school district means the amount
certified for a school district under division (A)(4) of section
3317.021 of the Revised Code.

(P) "Potential value" of a school district means the adjusted
total taxable value of a school district plus the tax exempt value

of the district. 1233

(Q) "District median income" means the median Ohio adjusted 1234
gross income certified for a school district. On or before the 1235
first day of July of each year, the tax commissioner shall certify 1236
to the department of education for each city, exempted village, 1237
and local school district the median Ohio adjusted gross income of 1238
the residents of the school district determined on the basis of 1239
tax returns filed for the second preceding tax year by the 1240
residents of the district. 1241

(R) "Statewide median income" means the median district 1242
median income of all city, exempted village, and local school 1243
districts in the state. 1244

(S) "Income factor" for a city, exempted village, or local 1245
school district means the quotient obtained by dividing that 1246
district's median income by the statewide median income. 1247

(T) Except as provided in division (B)(3) of section 3317.012 1248
of the Revised Code, "valuation per pupil" for a city, exempted 1249
village, or local school district means the district's recognized 1250
valuation divided by the greater of the district's formula ADM or 1251
three-year average formula ADM. 1252

(U) Except as provided in section 3317.0213 of the Revised 1253
Code, "adjusted valuation per pupil" means the amount calculated 1254
in accordance with the following formula: 1255

District valuation per pupil - [\$60,000 X 1256
(1 - district income factor)] 1257

If the result of such formula is negative, the adjusted 1258
valuation per pupil shall be zero. 1259

(V) "Income adjusted valuation" means the product obtained by 1260
multiplying the school district's adjusted valuation per pupil by 1261
the greater of the district's formula ADM or three-year average 1262

formula ADM.	1263
(W) Except as provided in division (A)(2) of section 3317.022	1264
of the Revised Code, "adjusted total taxable value" means one of	1265
the following:	1266
(1) In any fiscal year that a <u>school</u> district's income factor	1267
is less than or equal to one, the amount calculated under the	1268
following formula:	1269
(Income adjusted valuation X 1/5) +	1270
(recognized valuation X 4/5)	1271
(2) In fiscal year 1999, if a <u>school</u> district's income factor	1272
is greater than one, the amount calculated under the following	1273
formula:	1274
(Income adjusted valuation X 1/15)	1275
+ (recognized valuation X 14/15)	1276
Thereafter, the adjusted total taxable value of a district	1277
with an income factor greater than one shall be its recognized	1278
valuation.	1279
Sec. 3317.022. (A)(1) The department of education shall	1280
compute and distribute state basic-aid <u>base cost funding</u> to each	1281
school district for the fiscal year in accordance with the	1282
following formula, using adjusted total taxable value as defined	1283
under division (W) of <u>in</u> section 3317.02 of the Revised Code or	1284
division (A)(2) of this section and the information obtained under	1285
section 3317.021 of the Revised Code in the calendar year in which	1286
the fiscal year begins.	1287
Compute the following for each eligible district:	1288
[cost-of-doing-business factor X	1289
the formula amount X (the greater of formula ADM	1290
or three-year average formula ADM)] -	1291
(.023 X adjusted total taxable value)	1292

If the difference obtained is a negative number, the 1293
district's computation shall be zero. 1294

(2)(a) For each school district for which the tax exempt 1295
value of the district equals or exceeds twenty-five per cent of 1296
the potential value of the district, the department of education 1297
shall calculate the difference between the district's tax exempt 1298
value and twenty-five per cent of the district's potential value. 1299

(b) For each school district to which division (A)(2)(a) of 1300
this section applies, the adjusted total taxable value used in the 1301
calculation under division (A)(1) of this section shall be the 1302
adjusted total taxable value modified by subtracting the amount 1303
calculated under division (A)(2)(a) of this section. 1304

(B) As used in ~~division (C)~~ of this section: 1305

(1) The "total special education weight" for a district means 1306
the sum of the following amounts: 1307

(a) The district's category one special education ADM 1308
multiplied by the multiple specified under division (A) of section 1309
3317.013 of the Revised Code; 1310

(b) The sum of the district's category two and category three 1311
special education ADMS multiplied by the multiple specified under 1312
division (B) of section 3317.013 of the Revised Code. 1313

(2) "State share percentage" means the percentage calculated 1314
for a district as follows: 1315

(a) Calculate the ~~basic-aid~~ state base cost funding amount 1316
for the district for the fiscal year under division (A) of this 1317
section. If the district would not receive any state ~~basic-aid~~ 1318
base cost funding for that year under that division, the 1319
district's state share percentage is zero. 1320

(b) If the district would receive ~~basic-aid~~ state base cost 1321
funding under that division, divide that ~~basic-aid~~ amount by an 1322

amount equal to the following:	1323
Cost-of-doing-business factor X	1324
the formula amount X (the greater of formula	1325
ADM or three-year average formula ADM)	1326
The resultant number is the district's state share	1327
percentage.	1328
(3) "Related services" includes:	1329
(a) Child study, special education supervisors and	1330
coordinators, speech and hearing services, adaptive physical	1331
development services, occupational or physical therapy, teacher	1332
assistants for handicapped children whose handicaps are described	1333
in division (B) of section 3317.013 or division (F)(3) of section	1334
3317.02 of the Revised Code, behavioral intervention, interpreter	1335
services, work study, nursing services, and specialized	1336
integrative services as those terms are defined by the department;	1337
(b) Speech and language services provided to any student with	1338
a handicap, including any student whose primary or only handicap	1339
is a speech and language handicap;	1340
(c) Any related service not specifically covered by other	1341
state funds but specified in federal law, including but not	1342
limited to, audiology and school psychological services;	1343
(d) Any service included in units funded under former	1344
division (O)(1) of section 3317.023 of the Revised Code;	1345
(e) Any other related service needed by handicapped children	1346
in accordance with their individualized education plans.	1347
<u>(4) The "total vocational education weight" for a district</u>	1348
<u>means the sum of the following amounts:</u>	1349
<u>(a) The district's category one vocational education ADM</u>	1350
<u>multiplied by the multiple specified in division (A) of section</u>	1351
<u>3317.014 of the Revised Code;</u>	1352

(b) The district's category two vocational education ADM multiplied by the multiple specified in division (B) of section 3317.014 of the Revised Code. 1353
1354
1355

(C)(1) The department shall compute and distribute state special education and related services additional weighted costs funds to each school district in accordance with the following formula: 1356
1357
1358
1359

The district's state share percentage 1360
X the formula amount for the year 1361
for which the aid is calculated 1362
X the district's total special education weight 1363

(2) In any fiscal year, a school district receiving funds under division (C)(1) of this section shall spend on related services the lesser of the following: 1364
1365
1366

(a) The amount the district spent on related services in the preceding fiscal year; 1367
1368

(b) $1/8 \times [\text{cost-of-doing-business factor} \times \text{the formula amount} \times (\text{the category one special education ADM} + \text{category two special education ADM} + \text{category three special education ADM})] + \text{the amount calculated for the fiscal year under division (C)(1) of this section} + \text{the local share of special education and related services additional weighted costs}$ 1369
1370
1371
1372
1373
1374

(3) The local share of special education and related services additional weighted costs equals: 1375
1376

(1 - the district's state share percentage) X 1377
the district's total special education weight X 1378
the formula amount 1379

(4) The department shall compute and pay in accordance with this division additional state aid to school districts for students in category three special education ADM. If a district's costs for the fiscal year for a student in its category three 1380
1381
1382
1383

special education ADM are twenty-five thousand dollars or more, 1384
the district may submit to the superintendent of public 1385
instruction documentation, as prescribed by the superintendent, of 1386
all its costs for that student. Upon submission of documentation 1387
for a student of the type and in the manner prescribed, the 1388
department shall pay to the district an amount equal to the 1389
district's costs for the student in excess of twenty-five thousand 1390
dollars multiplied by the district's state share percentage. 1391

(D)(1) As used in this division, ~~"log density" means the~~ 1392
~~logarithmic calculation (base 10) of each district's~~ 1393
~~transportation ADM per linear mile;~~ 1394

(a) "Daily bus miles per student" equals the number of bus 1395
miles traveled per day, divided by transportation base. 1396

(b) "Transportation base" equals total student count as 1397
defined in section 3301.011 of the Revised Code, minus the number 1398
of students enrolled in preschool handicapped units, plus the 1399
number of nonpublic school students included in transportation 1400
ADM. 1401

(c) "Transported student percentage" equals transportation 1402
ADM divided by transportation base. 1403

(2) Analysis of student transportation cost data has resulted 1404
in a finding that an average efficient transportation use cost per 1405
student can be calculated by means of a regression formula that 1406
has as its two independent variables the number of daily bus miles 1407
per student and the transported student percentage. For fiscal 1408
year 1997 transportation cost data, the average efficient 1409
transportation use cost per student is expressed as follows: 1410

$$\underline{50.67477 + (140.94357 \times \text{daily bus miles per student}) +} \quad 1412$$
$$\underline{(108.36864 \times \text{transported student percentage})} \quad 1413$$

(3) In addition to funds paid under divisions (A) ~~and~~, (C), 1414

(E), and (F) of this section, each district with a transported student percentage greater than zero shall receive a payment equal to ~~sixty per cent~~ a percentage of the product of the district's transportation ADM base times the district's most average efficient transportation use cost per transported student. That percentage shall be the following percentage specified for

~~(3) In fiscal years 1999 through 2002, notwithstanding the amount calculated for each district under division (D)(2) of this section, each district shall receive in the corresponding fiscal year the following percentage of the district's transportation ADM times the district's most efficient transportation use cost per transported student:~~

FISCAL YEAR	PERCENTAGE
1999	50%
2000	52.5%
2001	55%
2002	57.5%
<u>2003 AND THEREAFTER</u>	<u>60%</u>

~~(4) For purposes of funding the student transportation portion, the The department of education shall annually determine the most average efficient transportation use cost per transported student for each school district. This cost per student shall be an amount equal to the number ten to a power calculated in accordance with the following formula:~~

$$\text{(-0.413148 X log density) + 2.493129}$$

~~(5) The department of education shall annually update the most efficient transportation use cost per transported student for each district in accordance with the principles stated in division (D)(2) of this section, updating the intercept and regression coefficients of the regression formula modeled in that division (D)(4) of this section, including the figures and log density component of that formula, based on an annual statewide analysis~~

of each district's ~~transportation~~ADM per linear mile daily bus 1447
miles per student, transported student percentage, and 1448
transportation cost data. The department shall notify the office 1449
of budget and management of such update by September of every 1450
year. 1451

The department ~~of education~~ shall use the ~~most recent~~ 1452
~~available prior fiscal year's~~ data as ~~of the first day of July of~~ 1453
~~each year~~ to complete the annual update. ~~The department shall and~~ 1454
apply a 2.8 per cent inflation cost adjustment factor ~~for each~~ 1455
~~fiscal year since the fiscal year for which the data applies to~~ 1456
~~adjust the amount calculated for each district under division~~ 1457
~~(D)(2) or (3) of this section to the current fiscal year level.~~ 1458

(4) Notwithstanding divisions (D)(2) and (3) of this section, 1459
in fiscal year 2000, each school district shall receive the 1460
greater of the amount calculated for it under those divisions or 1461
the amount the district received in fiscal year 1999 under 1462
divisions (D)(2) to (4) of the version of this section in effect 1463
for that fiscal year and division (B) of Section 20 of Am. Sub. 1464
H.B. 650 of the 122nd general assembly. 1465

(5) In addition to funds paid under divisions (D)(2) to (4) 1466
of this section, a school district shall receive a rough road 1467
subsidy if both of the following apply: 1468

(a) Its county rough road percentage is higher than the 1469
statewide rough road percentage, as those terms are defined in 1470
division (D)(6) of this section; 1471

(b) Its district student density is lower than the statewide 1472
student density, as those terms are defined in that division. 1473

(6) The rough road subsidy paid to each district meeting the 1474
qualifications of division (D)(5) of this section shall be 1475
calculated in accordance with the following formula: 1476

(per rough mile subsidy X total rough road miles) X 1477

density multiplier 1478

where: 1479

(a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula: 1480
1481

0.55 - 0.55 X [(maximum rough road percentage - county rough road percentage)/(maximum rough road percentage - statewide rough road percentage)] 1482
1483
1484

(i) "Maximum rough road percentage" means the highest county rough road percentage in the state. 1485
1486

(ii) "County rough road percentage" equals the percentage of the mileage of state, municipal, county, and township roads that is rated by the department of transportation as type A, B, C, E2, or F in the county in which the school district is located or, if the district is located in more than one county, the county to which it is assigned for purposes of determining its cost-of-doing-business factor. 1487
1488
1489
1490
1491
1492
1493

(iii) "Statewide rough road percentage" means the percentage of the statewide total mileage of state, municipal, county, and township roads that is rated as type A, B, C, E2, or F by the department of transportation. 1494
1495
1496
1497

(b) "Total rough road miles" means a school district's total bus miles traveled in one year times its county rough road percentage. 1498
1499
1500

(c) "Density multiplier" means a figure calculated in accordance with the following formula: 1501
1502

1 - [(minimum student density - district student density)/(minimum student density - statewide student density)] 1503
1504
1505

(i) "Minimum student density" means the lowest district student density in the state. 1506
1507

(ii) "District student density" means a school district's transportation base divided by the number of square miles in the district. 1508
1509
1510

(iii) "Statewide student density" means the sum of the transportation bases for all school districts divided by the sum of the square miles in all school districts. 1511
1512
1513

(7) In addition to funds paid under ~~division~~ divisions (D)(2) 1514
~~or (3)~~ to (6) of this section, each district shall receive in 1515
accordance with rules adopted by the state board of education a 1516
payment for students transported by means other than board-owned 1517
or contractor-operated buses and whose transportation is not 1518
funded under division (J) of section 3317.024 of the Revised Code. 1519
The rules shall include provisions for school district reporting 1520
of such students. 1521

(E) The department shall compute and distribute state vocational education additional weighted costs funds to each school district in accordance with the following formula: 1522
1523
1524

state share percentage X 1525

the formula amount X 1526

total vocational education weight 1527

(F)(1) The department shall compute and distribute state gifted education additional weighted costs funds to each school district that complies with division (F)(3) of this section, in accordance with the following formula: 1528
1529
1530
1531

state share percentage X 1532

[(.1 X the formula amount) X (.1 X 1533

the greater of formula ADM or three-year average 1534

formula ADM)] 1535

(2) In fiscal years 2000 and 2001, notwithstanding the amount calculated under division (F)(1) of this section, the department shall pay each school district that complies with division (F)(3) 1536
1537
1538

of this section the greater of the amount calculated for it under 1539
division (F)(1) of this section or the following percentage of the 1540
amount it received in fiscal year 1999 for gifted education units 1541
under division (P) of section 3317.024 and section 3317.162 of the 1542
Revised Code, as those sections existed prior to the effective 1543
date of this amendment: 1544

<u>FISCAL YEAR</u>	<u>PERCENTAGE</u>	
2000	75%	1546
2001	65%	1547

(3) To receive funds under divisions (F)(1) and (2) of this 1548
section, a school district shall file with the department of 1549
education, no later than the first day of October of the fiscal 1550
year, a district plan specifying the manner in which it will use 1551
the funds to serve gifted students and the method for selecting 1552
gifted students to participate in gifted programs and activities. 1553

Sec. 3317.023. (A) Notwithstanding section 3317.022 of the 1554
Revised Code, the amounts required to be paid to a district under 1555
this chapter shall be adjusted by the amount of the computations 1556
made under divisions (B) to (K) of this section. 1557

As used in this section: 1558

(1) "Classroom teacher" means a licensed employee who 1559
provides direct instruction to pupils, excluding teachers funded 1560
from money paid to the district from federal sources; educational 1561
service personnel; and vocational and special education teachers. 1562

(2) "Educational service personnel" shall not include such 1563
specialists funded from money paid to the district from federal 1564
sources or assigned full-time to vocational or special education 1565
students and classes and may only include those persons employed 1566
in the eight specialist areas in a pattern approved by the 1567
department of education under guidelines established by the state 1568
board of education. 1569

(3) "Annual salary" means the annual base salary stated in 1570
the state minimum salary schedule for the performance of the 1571
teacher's regular teaching duties that the teacher earns for 1572
services rendered for the first full week of October of the fiscal 1573
year for which the adjustment is made under division (C) of this 1574
section. It shall not include any salary payments for supplemental 1575
teachers contracts. 1576

(4) "Regular student population" means the formula ADM plus 1577
the number of students reported as enrolled in the district 1578
pursuant to division (A)(1) of section 3313.981 of the Revised 1579
Code; minus the number of students reported under ~~division~~ 1580
division (A)(2) of section 3317.03 of the Revised Code; minus the 1581
FTE of students reported under division (B)(5), (6), (7), ~~or~~ (8), 1582
or (9) of that section who are enrolled in a vocational education 1583
class or receiving special education; and minus one-fourth of the 1584
students enrolled concurrently in a joint vocational school 1585
district. 1586

(B) If the district employs less than one full-time 1587
equivalent classroom teacher for each twenty-five pupils in the 1588
regular student population in any school district, deduct the sum 1589
of the amounts obtained from the following computations: 1590

(1) Divide the number of the district's full-time equivalent 1591
classroom teachers employed by one twenty-fifth; 1592

(2) Subtract the quotient in (1) from the district's regular 1593
student population; 1594

(3) Multiply the difference in (2) by seven hundred fifty-two 1595
dollars. 1596

(C) If a positive amount, add one-half of the amount obtained 1597
by multiplying the number of full-time equivalent classroom 1598
teachers by: 1599

(1) The mean annual salary of all full-time equivalent classroom teachers employed by the district at their respective training and experience levels minus;

(2) The mean annual salary of all such teachers at their respective levels in all school districts receiving payments under this section.

The number of full-time equivalent classroom teachers used in this computation shall not exceed one twenty-fifth of the district's regular student population. In calculating the district's mean salary under this division, those full-time equivalent classroom teachers with the highest training level shall be counted first, those with the next highest training level second, and so on, in descending order. Within the respective training levels, teachers with the highest years of service shall be counted first, the next highest years of service second, and so on, in descending order.

(D) This division does not apply to a school district that has entered into an agreement under division (A) of section 3313.42 of the Revised Code. Deduct the amount obtained from the following computations if the district employs fewer than five full-time equivalent educational service personnel, including elementary school art, music, and physical education teachers, counselors, librarians, visiting teachers, school social workers, and school nurses for each one thousand pupils in the regular student population:

(1) Divide the number of full-time equivalent educational service personnel employed by the district by five one-thousandths;

(2) Subtract the quotient in (1) from the district's regular student population;

(3) Multiply the difference in (2) by ninety-four dollars.

(E) If a local school district, or a city or exempted village school district to which a governing board of an educational service center provides services pursuant to section 3313.843 of the Revised Code, deduct the amount of the payment required for the reimbursement of the governing board under section 3317.11 of the Revised Code.

(F)(1) If the district is required to pay to or entitled to receive tuition from another school district under division (C)(2) or (3) of section 3313.64 or section 3313.65 of the Revised Code, or if the superintendent of public instruction is required to determine the correct amount of tuition and make a deduction or credit under section 3317.08 of the Revised Code, deduct and credit such amounts as provided in division (I) of section 3313.64 or section 3317.08 of the Revised Code.

(2) For each child for whom the district is responsible for tuition or payment under division (A)(1) of section 3317.082 or section 3323.091 of the Revised Code, deduct the amount of tuition or payment for which the district is responsible.

(G) If the district has been certified by the superintendent of public instruction under section 3313.90 of the Revised Code as not in compliance with the requirements of that section, deduct an amount equal to ten per cent of the amount computed for the district under section 3317.022 of the Revised Code.

(H) If the district has received a loan from a commercial lending institution for which payments are made by the superintendent of public instruction pursuant to division (E)(3) of section 3313.483 of the Revised Code, deduct an amount equal to such payments.

(I)(1) If the district is a party to an agreement entered into under division (D), (E), or (F) of section 3311.06 or division (B) of section 3311.24 of the Revised Code and is

obligated to make payments to another district under such an 1662
agreement, deduct an amount equal to such payments if the district 1663
school board notifies the department in writing that it wishes to 1664
have such payments deducted. 1665

(2) If the district is entitled to receive payments from 1666
another district that has notified the department to deduct such 1667
payments under division (I)(1) of this section, add the amount of 1668
such payments. 1669

(J) If the district is required to pay an amount of funds to 1670
a cooperative education district pursuant to a provision described 1671
by division (B)(4) of section 3311.52 or division (B)(8) of 1672
section 3311.521 of the Revised Code, deduct such amounts as 1673
provided under that provision and credit those amounts to the 1674
cooperative education district for payment to the district under 1675
division (B)(1) of section 3317.19 of the Revised Code. 1676

(K)(1) If a district is educating a student entitled to 1677
attend school in another district pursuant to a shared education 1678
contract, compact, or cooperative education agreement other than 1679
an agreement entered into pursuant to section 3313.842 of the 1680
Revised Code, credit to that educating district on an FTE basis 1681
both of the following: 1682

(a) An amount equal to the formula amount times the cost of 1683
doing business factor of the school district where the student is 1684
entitled to attend school pursuant to section 3313.64 or 3313.65 1685
of the Revised Code; 1686

(b) An amount equal to the formula amount times the state 1687
share percentage times any multiple applicable to the student 1688
pursuant to section 3317.013 of the Revised Code. 1689

(2) Deduct any amount credited pursuant to division (K)(1) of 1690
this section from amounts paid to the school district in which the 1691
student is entitled to attend school pursuant to section 3313.64 1692

or 3313.65 of the Revised Code. 1693

(3) If the district is required by a shared education 1694
contract, compact, or cooperative education agreement to make 1695
payments to an educational service center, deduct the amounts from 1696
payments to the district and add them to the amounts paid to the 1697
service center pursuant to section 3317.11 of the Revised Code. 1698

Sec. 3317.024. In addition to the moneys paid to eligible 1699
school districts pursuant to section 3317.022 of the Revised Code, 1700
moneys appropriated for the education programs in divisions (A) to 1701
(L), and (O), ~~and (P)~~ of this section shall be distributed to 1702
school districts meeting the requirements of section 3317.01 of 1703
the Revised Code; in the case of divisions (I) and (J) ~~and, in~~ 1704
~~fiscal year 1999 only, division (P)(1)~~ of this section, to 1705
educational service centers as provided in section 3317.11 of the 1706
Revised Code; in the case of divisions (E), (M), and (N) of this 1707
section, to county MR/DD boards; in the case of division (I) of 1708
this section, to joint vocational and cooperative education school 1709
districts; in the case of division (K) of this section, to 1710
cooperative education school districts; and in the case of 1711
division ~~(Q)~~(P) of this section, to the institutions defined under 1712
section 3317.082 of the Revised Code providing elementary or 1713
secondary education programs to children other than children 1714
receiving special education under section 3323.091 of the Revised 1715
Code. The following shall be distributed monthly, quarterly, or 1716
annually as may be determined by the state board of education: 1717

(A) A per pupil amount to each school district that 1718
establishes a summer school remediation program that complies with 1719
rules of the state board of education. 1720

(B) An amount for each island school district and each joint 1721
state school district for the operation of each high school and 1722
each elementary school maintained within such district and for 1723

capital improvements for such schools. Such amounts shall be 1724
determined on the basis of standards adopted by the state board of 1725
education. 1726

(C) An amount for each school district operating classes for 1727
children of migrant workers who are unable to be in attendance in 1728
an Ohio school during the entire regular school year. The amounts 1729
shall be determined on the basis of standards adopted by the state 1730
board of education, except that payment shall be made only for 1731
subjects regularly offered by the school district providing the 1732
classes. 1733

(D) An amount for each school district with guidance, 1734
testing, and counseling programs approved by the state board of 1735
education. The amount shall be determined on the basis of 1736
standards adopted by the state board of education. 1737

(E) An amount for the emergency purchase of school buses as 1738
provided for in section 3317.07 of the Revised Code; 1739

(F) An amount for each school district required to pay 1740
tuition for a child in an institution maintained by the department 1741
of youth services pursuant to section 3317.082 of the Revised 1742
Code, provided the child was not included in the calculation of 1743
the district's average daily membership for the preceding school 1744
year. 1745

(G) An amount to each school district for supplemental salary 1746
allowances for each licensed employee except those licensees 1747
serving as superintendents, assistant superintendents, principals, 1748
or assistant principals, whose term of service in any year is 1749
extended beyond the term of service of regular classroom teachers, 1750
as described in section 3301.0725 of the Revised Code; 1751

(H) An amount for adult basic literacy education for each 1752
district participating in programs approved by the state board of 1753
education. The amount shall be determined on the basis of 1754

standards adopted by the state board of education. 1755

(I) Notwithstanding section 3317.01 of the Revised Code, to 1756
each city, local, and exempted village school district, an amount 1757
pursuant to section 3301.17 of the Revised Code for conducting 1758
driver education courses at high schools for which the state board 1759
of education prescribes minimum standards and to joint vocational 1760
and cooperative education school districts and educational service 1761
centers, an amount pursuant to such section for conducting driver 1762
education courses to pupils enrolled in a high school for which 1763
the state board prescribes minimum standards; 1764

(J) An amount for the approved cost of transporting 1765
developmentally handicapped pupils whom it is impossible or 1766
impractical to transport by regular school bus in the course of 1767
regular route transportation provided by the district or service 1768
center. No district or service center is eligible to receive a 1769
payment under this division for the cost of transporting any pupil 1770
whom it transports by regular school bus and who is included in 1771
the district's transportation ADM. The state board of education 1772
shall establish standards and guidelines for use by the department 1773
of education in determining the approved cost of such 1774
transportation for each district or service center. 1775

(K) An amount to each school district, including each 1776
cooperative education school district, pursuant to section 3313.81 1777
of the Revised Code to assist in providing free lunches to needy 1778
children and an amount to assist needy school districts in 1779
purchasing necessary equipment for food preparation. The amounts 1780
shall be determined on the basis of rules adopted by the state 1781
board of education. 1782

(L) An amount to each school district, for each pupil 1783
attending a chartered nonpublic elementary or high school within 1784
the district. The amount shall equal the amount appropriated for 1785

the implementation of section 3317.06 of the Revised Code divided 1786
by the average daily membership in grades kindergarten through 1787
twelve in nonpublic elementary and high schools within the state 1788
as determined during the first full week in October of each school 1789
year. 1790

(M) An amount for each county MR/DD board, distributed on the 1791
basis of standards adopted by the state board of education, for 1792
the approved cost of transportation required for children 1793
attending special education programs operated by the county MR/DD 1794
board under section 3323.09 of the Revised Code; 1795

(N) An amount for each county MR/DD board, distributed on the 1796
basis of standards adopted by the state board of education, for 1797
supportive home services for preschool children; 1798

(O) An amount for each school district that establishes a 1799
mentor teacher program that complies with rules of the state board 1800
of education. No school district shall be required to establish or 1801
maintain such a program in any year unless sufficient funds are 1802
appropriated to cover the district's total costs for the program. 1803

~~(P)(1) For fiscal year 1999 only, an amount to each school 1804
district or educational service center for the total number of 1805
gifted units approved pursuant to section 3317.05 of the Revised 1806
Code. The amount for each such unit shall be the sum of the 1807
minimum salary for the teacher of the unit, calculated on the 1808
basis of the teacher's training level and years of experience 1809
pursuant to section 3317.13 of the Revised Code, plus fifteen per 1810
cent of that minimum salary amount, plus two thousand six hundred 1811
seventy eight dollars. 1812~~

~~(2) The general assembly intends to begin a review and 1813
revision of the funding formula for gifted education services in 1814
1999. The analysis and any resulting calculations shall be based 1815
upon a rational methodology for calculating the cost of adequate 1816~~

~~gifted education services. The analysis shall use data generated
by a study funded through the department of education.~~ 1817
1818

(Q) An amount to each institution defined under section 1819
3317.082 of the Revised Code providing elementary or secondary 1820
education to children other than children receiving special 1821
education under section 3323.091 of the Revised Code. This amount 1822
for any institution in any fiscal year shall equal the total of 1823
all tuition amounts required to be paid to the institution under 1824
division (A)(1) of section 3317.082 of the Revised Code. 1825

The state board of education or any other board of education 1826
or governing board may provide for any resident of a district or 1827
educational service center territory any educational service for 1828
which funds are made available to the board by the United States 1829
under the authority of public law, whether such funds come 1830
directly or indirectly from the United States or any agency or 1831
department thereof or through the state or any agency, department, 1832
or political subdivision thereof. 1833

Sec. 3317.029. (A) As used in this section: 1834

(1) "DPIA percentage" means the quotient obtained by dividing 1835
the five-year average number of children ages five to seventeen 1836
residing in the school district and living in a family receiving 1837
family assistance, as certified or adjusted under section 3317.10 1838
of the Revised Code, by the district's three-year average formula 1839
ADM. 1840

(2) "Family assistance" means assistance received under the 1841
Ohio works first program or, for the purpose of determining the 1842
five-year average number of recipients of family assistance in 1843
fiscal years 1999 through 2002, assistance received under an 1844
antecedent program known as TANF or ADC. 1845

(3) "Statewide DPIA percentage" means the five-year average 1846

of the total number of children ages five to seventeen years 1847
residing in the state and receiving family assistance, divided by 1848
the sum of the three-year average formula ADMs for all school 1849
districts in the state. 1850

(4) "DPIA index" means the quotient obtained by dividing the 1851
school district's DPIA percentage by the statewide DPIA 1852
percentage. 1853

(5) "Kindergarten ADM" means the number of students reported 1854
under section 3317.03 of the Revised Code as enrolled in 1855
kindergarten. 1856

(6) "Kindergarten through third grade ADM" means the amount 1857
calculated as follows: 1858

(a) Multiply the kindergarten ADM by the sum of one plus the 1859
all-day kindergarten percentage; 1860

(b) Add the number of students in grades one through three; 1861

~~(d)~~(c) Subtract from the sum calculated under division 1862
(A)(6)~~(c)~~(b) of this section the number of special education 1863
students in grades kindergarten through three. 1864

(7) "Statewide average teacher salary" means ~~thirty-nine~~ 1865
~~thousand ninety-two~~ forty thousand one hundred eighty-seven 1866
dollars in fiscal year 2000, and forty-one thousand three hundred 1867
twelve dollars in fiscal year 2001, which includes an amount for 1868
the value of fringe benefits. 1869

(8) "All-day kindergarten" means a kindergarten class that is 1870
in session five days per week for not less than the same number of 1871
clock hours each day as for pupils in grades one through six. 1872

(9) "All-day kindergarten percentage" means the percentage of 1873
a district's actual total number of students enrolled in 1874
kindergarten who are enrolled in all-day kindergarten. 1875

(10) "Buildings with the highest concentration of need" means 1876

the school buildings in a district with percentages of students 1877
receiving family assistance in grades kindergarten through three 1878
at least as high as the district-wide percentage of students 1879
receiving family assistance. If, however, the information provided 1880
by the department of human services under section 3317.10 of the 1881
Revised Code is insufficient to determine the family assistance 1882
percentage in each building, "buildings with the highest 1883
concentration of need" has the meaning given in rules that the 1884
department of education shall adopt. The rules shall base the 1885
definition of "buildings with the highest concentration of need" 1886
on family income of students in grades kindergarten through three 1887
in a manner that, to the extent possible with available data, 1888
approximates the intent of this division and division (G) of this 1889
section to designate buildings where the family assistance 1890
percentage in those grades equals or exceeds the district-wide 1891
family assistance percentage. 1892

(B) In addition to the amounts required to be paid to a 1893
school district under section 3317.022 of the Revised Code, a 1894
school district shall receive the greater of the amount the 1895
district received in fiscal year 1998 pursuant to division (B) of 1896
section 3317.023 of the Revised Code as it existed at that time or 1897
the sum of the computations made under divisions (C) to (E) of 1898
this section. 1899

(C) A supplemental payment that may be utilized for measures 1900
related to safety and security and for remediation or similar 1901
programs, calculated as follows: 1902

(1) If the DPIA index of the school district is greater than 1903
or equal to thirty-five-hundredths, but less than one, an amount 1904
obtained by multiplying the five-year average number of pupils in 1905
a district receiving family assistance by two hundred thirty 1906
dollars; 1907

(2) If the DPIA index of the school district is greater than 1908
or equal to one, an amount obtained by multiplying the DPIA index 1909
by two hundred thirty dollars and multiplying that product by the 1910
five-year average number of pupils in a district receiving family 1911
assistance. 1912

(D) A payment for all-day kindergarten if the DPIA index of 1913
the school district is greater than or equal to one or if the 1914
district's three-year average formula ADM exceeded seventeen 1915
thousand five hundred, calculated by multiplying the all-day 1916
kindergarten percentage by the kindergarten ADM and multiplying 1917
that product by the formula amount. 1918

(E) A class-size reduction payment based on calculating the 1919
number of new teachers necessary to achieve a lower 1920
student-teacher ratio, as follows: 1921

(1) Determine or calculate a formula number of teachers per 1922
one thousand students based on the DPIA index of the school 1923
district as follows: 1924

(a) If the DPIA index of the school district is less than 1925
six-tenths, the formula number of teachers is 43.478, which is the 1926
number of teachers per one thousand students at a student-teacher 1927
ratio of twenty-three to one; 1928

(b) If the DPIA index of the school district is greater than 1929
or equal to six-tenths, but less than two and one-half, the 1930
formula number of teachers is calculated as follows: 1931

$$43.478 + [(DPIA \text{ index} - 0.6) / 1.9] \times 23.188 \quad 1932$$

Where 43.478 is the number of teachers per one thousand 1933
students at a student-teacher ratio of twenty-three to one; 1.9 is 1934
the interval from a DPIA index of six-tenths to a DPIA index of 1935
two and one-half; and 23.188 is the difference in the number of 1936
teachers per one thousand students at a student-teacher ratio of 1937
fifteen to one and the number of teachers per one thousand 1938

students at a student-teacher ratio of twenty-three to one. 1939

(c) If the DPIA index of the school district is greater than 1940
or equal to two and one-half, the formula number of teachers is 1941
66.667, which is the number of teachers per one thousand students 1942
at a student-teacher ratio of fifteen to one. 1943

(2) Multiply the formula number of teachers determined or 1944
calculated in division (E)(1) of this section by the kindergarten 1945
through third grade ADM for the district and divide that product 1946
by one thousand; 1947

(3) Calculate the number of new teachers as follows: 1948

(a) Multiply the kindergarten through third grade ADM by 1949
43.478, which is the number of teachers per one thousand students 1950
at a student-teacher ratio of twenty-three to one, and divide that 1951
product by one thousand; 1952

(b) Subtract the quotient obtained in division (E)(3)(a) of 1953
this section from the product in division (E)(2) of this section. 1954

(4) Multiply the greater of the difference obtained under 1955
division (E)(3) of this section or zero by the statewide average 1956
teachers salary. 1957

(F) This division applies only to school districts whose DPIA 1958
index is one or greater. 1959

(1) Each school district subject to this division shall first 1960
utilize funds received under this section so that, when combined 1961
with other funds of the district, sufficient funds exist to 1962
provide all-day kindergarten to at least the number of children in 1963
the district's all-day kindergarten percentage. 1964

(2) Up to an amount equal to the district's DPIA index 1965
multiplied by the five-year average number of pupils in a district 1966
receiving family assistance multiplied by two hundred thirty 1967
dollars of the money distributed under this section may be 1968

utilized for one or both of the following:	1969
(a) Programs designed to ensure that schools are free of	1970
drugs and violence and have a disciplined environment conducive to	1971
learning;	1972
(b) Remediation for students who have failed or are in danger	1973
of failing any of the proficiency tests administered pursuant to	1974
section 3301.0710 of the Revised Code.	1975
(3) Except as otherwise required by division (G) of this	1976
section, all other funds distributed under this section to	1977
districts subject to this division shall be utilized for the	1978
purpose of the third grade guarantee. The third grade guarantee	1979
consists of increasing the amount of instructional attention	1980
received per pupil in kindergarten through third grade, either by	1981
reducing the ratio of students to instructional personnel or by	1982
increasing the amount of instruction and curriculum-related	1983
activities by extending the length of the school day or the school	1984
year.	1985
School districts may implement a reduction of the ratio of	1986
students to instructional personnel through any or all of the	1987
following methods:	1988
(a) Reducing the number of students in a classroom taught by	1989
a single teacher;	1990
(b) Employing full-time educational aides or educational	1991
paraprofessionals issued a permit or license under section	1992
3319.088 of the Revised Code;	1993
(c) Instituting a team-teaching method that will result in a	1994
lower student-teacher ratio in a classroom.	1995
Districts may extend the school day either by increasing the	1996
amount of time allocated for each class, increasing the number of	1997
classes provided per day, offering optional academic-related	1998

after-school programs, providing curriculum-related extra 1999
curricular activities, or establishing tutoring or remedial 2000
services for students who have demonstrated an educational need. 2001
In accordance with section 3319.089 of the Revised Code, a 2002
district extending the school day pursuant to this division may 2003
utilize a participant of the work experience program who has a 2004
child enrolled in a public school in that district and who is 2005
fulfilling the work requirements of that program by volunteering 2006
or working in that public school. If the work experience program 2007
participant is compensated, the school district may use the funds 2008
distributed under this section for all or part of the 2009
compensation. 2010

Districts may extend the school year either through adding 2011
regular days of instruction to the school calendar or by providing 2012
summer programs. 2013

(G) Each district subject to division (F) of this section 2014
shall not expend any funds received under division (E) of this 2015
section in any school buildings that are not buildings with the 2016
highest concentration of need, unless there is a ratio of 2017
instructional personnel to students of no more than fifteen to one 2018
in each kindergarten and first grade class in all buildings with 2019
the highest concentration of need. This division does not require 2020
that the funds used in buildings with the highest concentration of 2021
need be spent solely to reduce the ratio of instructional 2022
personnel to students in kindergarten and first grade. A school 2023
district may spend the funds in those buildings in any manner 2024
permitted by division (F)(3) of this section, but may not spend 2025
the money in other buildings unless the fifteen-to-one ratio 2026
required by this division is attained. 2027

(H)(1) By the first day of August of each fiscal year, each 2028
school district wishing to receive any funds under division (D) of 2029
this section shall submit to the department of education an 2030

estimate of its all-day kindergarten percentage. Each district 2031
shall update its estimate throughout the fiscal year in the form 2032
and manner required by the department, and the department shall 2033
adjust payments under this section to reflect the updates. 2034

(2) Annually by the end of December, the department of 2035
education, utilizing data from the information system established 2036
under section 3301.0714 of the Revised Code and after consultation 2037
with the legislative office of education oversight, shall 2038
determine for each school district subject to division (F) of this 2039
section whether in the preceding fiscal year the district's ratio 2040
of instructional personnel to students; and its number of 2041
kindergarten students receiving all-day kindergarten appear 2042
reasonable, given the amounts of money the district received for 2043
that fiscal year pursuant to divisions (D) and (E) of this 2044
section. If the department is unable to verify from the data 2045
available that students are receiving reasonable amounts of 2046
instructional attention and all-day kindergarten, given the funds 2047
the district has received under this section and that class-size 2048
reduction funds are being used in school buildings with the 2049
highest concentration of need as required by division (G) of this 2050
section, the department shall conduct a more intensive 2051
investigation to ensure that funds have been expended as required 2052
by this section. The department shall file an annual report of its 2053
findings under this division with the chairpersons of the 2054
committees in each house of the general assembly dealing with 2055
finance and education. 2056

(I) Any school district with a DPIA index less than one and a 2057
three-year average formula ADM exceeding seventeen thousand five 2058
hundred shall first utilize funds received under this section so 2059
that, when combined with other funds of the district, sufficient 2060
funds exist to provide all-day kindergarten to at least the number 2061
of children in the district's all-day kindergarten percentage. 2062

Such a district shall expend at least seventy per cent of the	2063
remaining funds received under this section, and any other	2064
district with a DPIA index less than one shall expend at least	2065
seventy per cent of all funds received under this section, for any	2066
of the following purposes:	2067
(1) The purchase of technology for instructional purposes;	2068
(2) All-day kindergarten;	2069
(3) Reduction of class sizes;	2070
(4) Summer school remediation;	2071
(5) Dropout prevention programs;	2072
(6) Guaranteeing that all third graders are ready to progress	2073
to more advanced work;	2074
(7) Summer education and work programs;	2075
(8) Adolescent pregnancy programs;	2076
(9) Head start or preschool programs;	2077
(10) Reading improvement programs described by the department	2078
of education;	2079
(11) Programs designed to ensure that schools are free of	2080
drugs and violence and have a disciplined environment conducive to	2081
learning;	2082
(12) Furnishing, free of charge, materials used in courses of	2083
instruction, except for the necessary textbooks required to be	2084
furnished without charge pursuant to section 3329.06 of the	2085
Revised Code, to pupils living in families participating in Ohio	2086
works first in accordance with section 3313.642 of the Revised	2087
Code;	2088
(13) School breakfasts provided pursuant to section 3313.813	2089
of the Revised Code.	2090

Each district shall submit to the department, in such format 2091
and at such time as the department shall specify, a report on the 2092
programs for which it expended funds under this division. 2093

(J) If at any time the superintendent of public instruction 2094
determines that a school district receiving funds under division 2095
(D) of this section has enrolled less than the all-day 2096
kindergarten percentage reported for that fiscal year, the 2097
superintendent shall withhold from the funds otherwise due the 2098
district under this section a proportional amount as determined by 2099
the difference in the certified all-day kindergarten percentage 2100
and the percentage actually enrolled in all-day kindergarten. 2101

The superintendent shall also withhold an appropriate amount 2102
of funds otherwise due a district for any other misuse of funds 2103
not in accordance with this section. 2104

Sec. 3317.0212. Divisions (B) and (C) of this section do not 2105
apply to a school district with a formula ADM of one hundred fifty 2106
or less. 2107

(A) As used in this section: 2108

(1) "Fundamental FY 1997 state aid" or "fundamental FY 1998 2109
state aid" for a district means the total amount of state money 2110
received by the district for the applicable fiscal year as 2111
reported on the department of education's form "SF-12," adjusted 2112
as follows: 2113

(a) Minus the amount for transportation; 2114

(b) Minus any amounts for approved preschool handicapped 2115
units; 2116

(c) Minus any additional amount attributable to the 2117
reappraisal guarantee of division (C) of section 3317.04 of the 2118
Revised Code; 2119

(d) Plus the amount deducted for payments to an educational service center;	2120 2121
(e) Plus an estimated portion of the state money distributed in the applicable fiscal year to other school districts or educational service centers for approved units, other than preschool handicapped or gifted education units, attributable to the costs of providing services in those units to students entitled to attend school in the district;	2122 2123 2124 2125 2126 2127
(f) Minus an estimated portion of the state money distributed to the school district in the applicable fiscal year for approved units, other than preschool handicapped units or gifted education units, attributable to the costs of providing services in those units to students entitled to attend school in another school district;	2128 2129 2130 2131 2132 2133
(g) Plus any additional amount paid in the applicable fiscal year pursuant to the vocational education recomputation required by Section 45.12 of Amended Substitute House Bill No. 117 of the 121st general assembly or former Section 50.22 of Amended Substitute House Bill No. 215 of the 122nd general assembly;	2134 2135 2136 2137 2138
(h) Plus any additional amount paid in the applicable fiscal year pursuant to the special education recomputation required by former division (I) of section 3317.023 of the Revised Code;	2139 2140 2141
(i) Plus any amount paid for equity aid in the applicable fiscal year under section 3317.0213 of the Revised Code;	2142 2143
(j) Plus any amount received for the applicable fiscal year pursuant to section 3317.027 of the Revised Code;	2144 2145
(k) Plus any amount received for the applicable fiscal year resulting from a recomputation made under division (B) of section 3317.022 of the Revised Code.	2146 2147 2148
(2) "Enhanced FY 1998 state aid" for a district means its	2149

fundamental FY 1998 state aid, as defined in the version of this 2150
section in effect in fiscal year 1999, plus any amounts for which 2151
the district was eligible pursuant to division (K) of section 2152
3317.024 of the Revised Code, as that division existed in fiscal 2153
year 1998. 2154

(3) "State basic aid" for a district for any fiscal year 2155
after fiscal year ~~1998~~ 1999 means the sum of the following: 2156

(a) The amount computed for the district for ~~basic formula~~ 2157
~~aid and base cost funding~~, special education funding, vocational 2158
education funding, and gifted education funding under divisions 2159
(A), ~~(B)~~, and (C)(1), (E), and (F) of section 3317.022 and 2160
sections 3317.025 and 3317.027 of the Revised Code and DPIA aid 2161
under section 3317.029 of the Revised Code in the current fiscal 2162
year before any deduction or credit required by division (B), (D), 2163
(E), (F), (G), (H), (I), (J), or (K) of section 3317.023 or 2164
division (J) of section 3317.029 of the Revised Code; 2165

(b) Any amounts for which the district is eligible pursuant 2166
to division (C) of section 3317.023, ~~divisions and division~~ (G) 2167
~~and (P)~~ of section 3317.024, ~~and division (B) of section 3317.162~~ 2168
of the Revised Code; 2169

(c) Any equity aid for which the district is eligible under 2170
section 3317.0213 of the Revised Code. 2171

(B) Upon request of the department of education, the 2172
treasurer of any school district or educational service center 2173
shall furnish data needed to calculate the amounts specified in 2174
divisions (A)(1)(e) and (f) of this section. The department shall 2175
compute the state basic aid guarantee for each school district for 2176
the fiscal year as follows: 2177

(1) Subtract the amount of state basic aid from the amount of 2178
fundamental FY 1998 state aid. If a negative number, this 2179
computation shall be deemed to be zero. 2180

(2) Compute the following amounts:	2181
(a) Formula ADM X (state basic aid/formula ADM);	2182
(b) The greater of formula ADM or three-year average formula ADM X (fundamental FY 1998 state aid/FY 1998 ADM).	2183 2184
(3) If the amount computed under division (B)(2)(b) of this section is greater than the amount computed under division (B)(2)(a) of this section, determine the amount by which it is greater. If the amount computed under division (B)(2)(b) of this section is not greater than the amount computed under division (B)(2)(a) of this section, this computation shall be deemed to be zero.	2185 2186 2187 2188 2189 2190 2191
(4) Except as provided in division (C) of this section, the department shall determine for each district the lesser of the amounts computed in divisions (B)(1) and (3) of this section and, if greater than zero, pay the district that amount.	2192 2193 2194 2195
(C) In fiscal year 1999, the department shall calculate for each district the sum of the district's "state basic aid" for fiscal year 1999, <u>as that term was defined in the version of this section in effect in that fiscal year</u> , plus the transportation portion of state aid computed <u>for the district for that fiscal year</u> under division (D) of <u>the version of</u> section 3317.022 of the Revised Code for the district for in effect that fiscal year 1999. If a district's enhanced FY 1998 state aid is greater than that sum, then the department shall pay the district in fiscal year 1999 one hundred per cent of the difference or the amount required by division (B)(4) of this section, whichever is greater.	2196 2197 2198 2199 2200 2201 2202 2203 2204 2205 2206
(D)(1) The state basic aid guarantee in any fiscal year for a school district with a formula ADM of one hundred fifty or less shall be the greatest of the following amounts:	2207 2208 2209
(a) The district's state basic aid for the fiscal year, <u>as</u>	2210

<u>defined in the version of this section in effect that fiscal year;</u>	2211
(b) The district's fundamental FY 1998 state aid, <u>as defined in the version of this section in effect that fiscal year;</u>	2212 2213
(c) The district's fundamental FY 1997 state aid, <u>as defined in the version of this section in effect that fiscal year.</u>	2214 2215
(2) If in any fiscal year the state basic aid for a school district with a formula ADM of one hundred fifty or less is less than the guarantee amount determined for the district under division (D)(1) of this section, the department of education shall pay the district the amount of the difference.	2216 2217 2218 2219 2220
Sec. 3317.0216. (A) As used in this section:	2221
(1) "Total taxes charged and payable for current expenses" means the sum of the taxes charged and payable as certified under division (A)(3) of section 3317.021 of the Revised Code, and the tax liability for the preceding year under any school district income tax levied by the district pursuant to Chapter 5748. of the Revised Code to the extent the revenue from the income tax is allocated or apportioned to current expenses.	2222 2223 2224 2225 2226 2227 2228
(2) "State equalization enhancement payments" means any payment made to a school district pursuant to section 3317.0215 of the Revised Code for the preceding fiscal year.	2229 2230 2231
(3) "Charge-off amount" means the product obtained by multiplying two and three-tenths per cent by adjusted total taxable value.	2232 2233 2234
(4) "Total receipts available for current expenses" of a school district means the sum of total taxes charged and payable for current expenses and the district's state equalization enhancement payments.	2235 2236 2237 2238
(5) "Local share of special education and related services additional weighted costs" has the same meaning as in division	2239 2240

(C)(3) of section 3317.022 of the Revised Code. 2241

(6) "Local share of vocational education additional weighted costs" for each school district means the amount determined as follows: 2242

(1 - state share percentage as defined in section 3317.022 of the Revised Code) X total vocational education weight as defined in that section X the formula amount 2243

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(B) Upon receiving the certifications under section 3317.021 of the Revised Code, the department of education shall determine for each city, local, and exempted village school district whether the district's charge-off amount is greater than the district's total receipts available for current expenses, and if it is, shall pay the district the amount of the difference. A payment shall not be made to any school district for which the computation under division (A) of section 3317.022 of the Revised Code equals zero.

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(C)(1) If a district's charge-off amount is equal to or greater than its total receipts available for current expenses, the department shall, in addition to the payment required under division (B) of this section, pay the district the amount of the local share of special education ~~expenses~~ and related services additional weighted costs and the amount of the local share of vocational education additional weighted costs.

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(2) If a district's charge-off amount is less than its total receipts available for current expenses, the department shall pay the district any amount by which the sum of its local share of special education and related services additional weighted costs plus its local share of vocational education additional weighted costs exceeds its total receipts available for current expenses minus its charge-off amount.

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Sec. 3317.03. Notwithstanding divisions (A)(1), (B)(1), and (C) of this section, any student enrolled in kindergarten more than half time shall be reported as one-half student under this section.

(A) The superintendent of each city and exempted village school district and of each educational service center shall, for the schools under the superintendent's supervision, certify to the state board of education on or before the fifteenth day of October in each year for the first full school week in October the formula ADM, which shall consist of the average daily membership during such week of the sum of the following:

(1) On an FTE basis, the number of students in grades kindergarten through twelve receiving any educational services from the district, except that the following categories of students shall not be included in the determination:

(a) Students enrolled in adult education classes;

(b) Adjacent or other district students enrolled in the district under an open enrollment policy pursuant to section 3313.98 of the Revised Code;

(c) Students receiving services in the district pursuant to a compact, cooperative education agreement, or a contract, but who are entitled to attend school in another district pursuant to section 3313.64 or 3313.65 of the Revised Code;

(d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code.

(2) On an FTE basis, the number of students entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code, but receiving educational services in grades kindergarten through twelve from one or more of the following entities:

(a) A community school pursuant to Chapter 3314. of the Revised Code or Section 50.52 of Amended Substitute House Bill No. 215 of the 122nd general assembly;	2301 2302 2303
(b) An alternative school pursuant to sections 3313.974 to 3313.979 of the Revised Code as described in division (I)(2)(a) or (b) of this section;	2304 2305 2306
(c) A college pursuant to Chapter 3365. of the Revised Code;	2307
(d) An adjacent or other school district under an open enrollment policy adopted pursuant to section 3313.98 of the Revised Code;	2308 2309 2310
(e) An educational service center or cooperative education district;	2311 2312
(f) Another school district under a cooperative education agreement, compact, or contract.	2313 2314
(3) One-fourth of the number of students enrolled in a joint vocational school district or under a vocational education compact;	2315 2316 2317
(4) The number of handicapped children, other than handicapped preschool children, entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code who are placed with a county MR/DD board, minus the number of such children placed with a county MR/DD board in fiscal year 1998. If this calculation produces a negative number, the number reported under division (A)(4) of this section shall be zero.	2318 2319 2320 2321 2322 2323 2324
(B) To enable the department of education to obtain the data needed to complete the calculation of payments pursuant to this chapter, in addition to the formula ADM, each superintendent shall report separately the following student counts:	2325 2326 2327 2328
(1) The total average daily membership in regular day classes included in the report under division (A)(1) or (2) of this	2329 2330

section for kindergarten, and each of grades one through twelve in	2331
schools under the superintendent's supervision;	2332
(2) The average daily membership of all handicapped preschool	2333
children included in a unit approved for the district under	2334
section 3317.05 of the Revised Code, in accordance with rules	2335
adopted under that section;	2336
(3) The number of children entitled to attend school in the	2337
district pursuant to section 3313.64 or 3313.65 of the Revised	2338
Code who are participating in a pilot project scholarship program	2339
established under sections 3313.974 to 3313.979 of the Revised	2340
Code as described in division (I)(2)(a) or (b) of this section,	2341
are enrolled in a college under Chapter 3365. of the Revised Code,	2342
are enrolled in an adjacent or other school district under section	2343
3313.98 of the Revised Code, are enrolled in a community school	2344
established under Chapter 3314. of the Revised Code or Section	2345
50.52 of Amended Substitute House Bill No. 215 of the 122nd	2346
general assembly, or are participating in a program operated by a	2347
county MR/DD board or a state institution;	2348
(4) The number of pupils enrolled in joint vocational	2349
schools;	2350
(5) The average daily membership of handicapped children	2351
reported under division (A)(1) or (2) of this section receiving	2352
category one special education services, described in division (A)	2353
of section 3317.013 of the Revised Code;	2354
(6) The average daily membership of handicapped children	2355
reported under division (A)(1) or (2) of this section receiving	2356
category two special education services, described in division (B)	2357
of section 3317.013 of the Revised Code;	2358
(7) The average daily membership of handicapped children	2359
reported under division (A)(1) or (2) of this section identified	2360
as having any of the handicaps specified in division (F)(3) of	2361

section 3317.02 of the Revised Code;	2362
(8) The average daily membership of pupils reported under	2363
division (A)(1) or (2) of this section enrolled in <u>category one</u>	2364
vocational education programs or classes, <u>described in division</u>	2365
<u>(A) of section 3317.014 of the Revised Code, operated by the</u>	2366
school district or by another district, <u>other than a joint</u>	2367
vocational school district, <u>or by an educational service center;</u>	2368
(9) <u>The average daily membership of pupils reported under</u>	2369
<u>division (A)(1) or (2) of this section enrolled in category two</u>	2370
<u>vocational education programs or services, described in division</u>	2371
<u>(B) of section 3317.014 of the Revised Code, operated by the</u>	2372
<u>school district or another school district, other than a joint</u>	2373
<u>vocational school district, or by an educational service center;</u>	2374
<u>(10)</u> The average number of children transported by the school	2375
district on board-owned or contractor-owned and -operated buses,	2376
reported in accordance with rules adopted by the department of	2377
education;	2378
(10) <u>(11)</u> (a) The number of children, other than handicapped	2379
preschool children, the district placed with a county MR/DD board	2380
in fiscal year 1998;	2381
(b) The number of handicapped children, other than	2382
handicapped preschool children, placed with a county MR/DD board	2383
in the current fiscal year to receive category one special	2384
education services, described in division (A) of section 3317.013	2385
of the Revised Code;	2386
(c) The number of handicapped children, other than	2387
handicapped preschool children, placed with a county MR/DD board	2388
in the current fiscal year to receive category two special	2389
education services, described in division (B) of section 3317.013	2390
of the Revised Code;	2391

(d) The number of handicapped children, other than 2392
handicapped preschool children, placed with a county MR/DD board 2393
in the current fiscal year to receive category three special 2394
education services, described in division (F)(3) of section 2395
3317.02 of the Revised Code. 2396

(C) Except as otherwise provided in this section for 2397
kindergarten students, the average daily membership in divisions 2398
(B)(1) to ~~(8)~~(9) of this section shall be based upon the number of 2399
full-time equivalent students. The state board of education shall 2400
adopt rules defining full-time equivalent students and for 2401
determining the average daily membership therefrom for the 2402
purposes of divisions (A) ~~and~~, (B), ~~and~~ (D) of this section. No 2403
child shall be counted as more than a total of one child in the 2404
sum of the average daily memberships of a school district under 2405
division (A) ~~or under~~, divisions (B)(1) to ~~(8)~~(9), ~~or division (D)~~ 2406
of this section. Based on the information reported under this 2407
section, the department of education shall determine the total 2408
student count, as defined in section 3301.011 of the Revised Code, 2409
for each school district. 2410

(D)~~(1)~~ The superintendent of each joint vocational ~~and~~ 2411
~~cooperative education~~ school district shall certify to the 2412
superintendent of public instruction, ~~in a manner prescribed by~~ 2413
~~the state board of education, the applicable~~ on or before the 2414
fifteenth day of October in each year for the first full school 2415
week in October the formula ADM, which shall consist of the 2416
average daily ~~memberships for all students in the joint vocational~~ 2417
~~or cooperative education school district, membership during such~~ 2418
week, on an FTE basis, of the number of students receiving any 2419
educational services from the district, except that the following 2420
categories of students shall not be included in the determination: 2421

(a) Students enrolled in adult education classes; 2422

<u>(b) Adjacent or other district joint vocational students</u>	2423
<u>enrolled in the district under an open enrollment policy pursuant</u>	2424
<u>to section 3313.98 of the Revised Code;</u>	2425
<u>(c) Students receiving services in the district pursuant to a</u>	2426
<u>compact, cooperative education agreement, or a contract, but who</u>	2427
<u>are entitled to attend school in a city, local, or exempted</u>	2428
<u>village school district whose territory is not part of the</u>	2429
<u>territory of the joint vocational district;</u>	2430
<u>(d) Students for whom tuition is payable pursuant to sections</u>	2431
<u>3317.081 and 3323.141 of the Revised Code.</u>	2432
<u>(2) To enable the department of education to obtain the data</u>	2433
<u>needed to complete the calculation of payments pursuant to this</u>	2434
<u>chapter, in addition to the formula adm, each superintendent shall</u>	2435
<u>report separately the average daily membership included in the</u>	2436
<u>report under division (D)(1) of this section for each of the</u>	2437
<u>following categories of students:</u>	2438
<u>(a) Students enrolled in each grade included in the joint</u>	2439
<u>vocational district schools;</u>	2440
<u>(b) Handicapped children receiving category one special</u>	2441
<u>education services, described in division (A) of section 3317.013</u>	2442
<u>of the Revised Code;</u>	2443
<u>(c) Handicapped children receiving category two special</u>	2444
<u>education services, described in division (B) of section 3317.013</u>	2445
<u>of the Revised Code;</u>	2446
<u>(d) Handicapped children identified as having any of the</u>	2447
<u>handicaps specified in division (F)(3) of section 3317.02 of the</u>	2448
<u>Revised Code;</u>	2449
<u>(e) Students receiving category one vocational education</u>	2450
<u>services, described in division (A) of section 3317.014 of the</u>	2451
<u>Revised Code;</u>	2452

(f) Students receiving category two vocational education services, described in division (B) of section 3317.014 of the Revised Code. 2453
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The superintendent of each joint vocational school district shall also ~~indicating~~ indicate the city, local, or exempted village school district ~~of residence for~~ in which each joint vocational district pupil is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code. 2456
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(E) In each school of each city, local, exempted village, joint vocational, and cooperative education school district there shall be maintained a record of school membership, which record shall accurately show, for each day the school is in session, the actual membership enrolled in regular day classes. For the purpose of determining average daily membership, the membership figure of any school shall not include any pupils except those pupils described by division (A) of this section. The record of membership for each school shall be maintained in such manner that no pupil shall be counted as in membership prior to the actual date of entry in the school and also in such manner that where for any cause a pupil permanently withdraws from the school that pupil shall not be counted as in membership from and after the date of such withdrawal. There shall not be included in the membership of any school any of the following: 2461
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(1) Any pupil who has graduated from the twelfth grade of a public high school; 2476
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(2) Any pupil who is not a resident of the state; 2478

(3) Any pupil who was enrolled in the schools of the district during the previous school year when tests were administered under section 3301.0711 of the Revised Code but did not take one or more of the tests required by that section and was not excused pursuant to division (C)(1) of that section; 2479
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(4) Any pupil who has attained the age of twenty-two years, 2484
except for the following: 2485

(a) Persons suffering from tuberculosis and receiving 2486
treatment in any approved state, county, district, or municipal 2487
tuberculosis hospital who have not graduated from the twelfth 2488
grade of a public high school; 2489

(b) Veterans of the armed services whose attendance was 2490
interrupted before completing the recognized twelve-year course of 2491
the public schools by reason of induction or enlistment in the 2492
armed forces and who apply for reenrollment in the public school 2493
system of their residence not later than four years after 2494
termination of war or their honorable discharge. 2495

If, however, any veteran described by division (E)(4)(b) of 2496
this section elects to enroll in special courses organized for 2497
veterans for whom tuition is paid under the provisions of federal 2498
laws, or otherwise, that veteran shall not be included in average 2499
daily membership. 2500

Notwithstanding division (E)(3) of this section, the 2501
membership of any school may include a pupil who did not take a 2502
test required by section 3301.0711 of the Revised Code if the 2503
superintendent of public instruction grants a waiver from the 2504
requirement to take the test to the specific pupil. The 2505
superintendent may grant such a waiver only for good cause in 2506
accordance with rules adopted by the state board of education. 2507

The average daily membership figure of any local, city, ~~or~~ 2508
exempted village, or joint vocational school district shall be 2509
determined by dividing the figure representing the sum of the 2510
number of pupils enrolled during each day the school of attendance 2511
is actually open for instruction during the first full school week 2512
in October by the total number of days the school was actually 2513
open for instruction during that week. For purposes of state 2514

funding, "enrolled" persons are only those pupils who are 2515
attending school, those who have attended school during the 2516
current school year and are absent for authorized reasons, and 2517
those handicapped children currently receiving home instruction. 2518

The average daily membership figure of any ~~joint vocational~~ 2519
~~or~~ cooperative education school district shall be determined in 2520
accordance with rules adopted by the state board of education. 2521

(F)(1) If the formula ADM for the first full school week in 2522
February is at least three per cent greater than that certified 2523
for the first full school week in the preceding October, the 2524
superintendent of schools of any city ~~or~~, exempted village, or 2525
joint vocational school district or educational service center 2526
shall certify such increase to the superintendent of public 2527
instruction. Such certification shall be submitted no later than 2528
the fifteenth day of February. For the balance of the fiscal year, 2529
beginning with the February payments, the superintendent of public 2530
instruction shall use the increased formula ADM in calculating or 2531
recalculating the amounts to be allocated in accordance with 2532
section 3317.022 or 3317.16 of the Revised Code. In no event shall 2533
the superintendent use an increased membership certified to the 2534
superintendent after the fifteenth day of February. 2535

(2) If during the first full school week in February the 2537
total number of units for handicapped preschool children that are 2538
eligible for approval under division (B) of section 3317.05 of the 2539
Revised Code exceeds the number of such units that have been 2540
approved for the year under such division, the superintendent of 2541
schools of any city, exempted village, or cooperative education 2542
school district or educational service center shall make the 2543
certifications required by this section for such week. If the 2544
state board of education determines additional units can be 2545
approved for the fiscal year within any limitations set forth in 2546

the acts appropriating moneys for the funding of such units, the
board shall approve additional units for the fiscal year on the
basis of such average daily membership. For each unit so approved,
the department of education shall pay an amount computed in the
manner prescribed in section 3317.161 or 3317.19 and section
3317.162 of the Revised Code.

~~(3) If during the first full school week in February the
total number of special education units that are eligible for
approval under division (D)(1) of section 3317.05 of the Revised
Code for a joint vocational school district exceeds the number of
those units that have been approved for the year under that
division, the superintendent of the district shall make the
certifications required by this section for that week. If the
state board of education determines additional units can be
approved for the fiscal year within any limitations set forth in
the acts appropriating moneys for the funding of such units, the
state board shall approve additional units for the fiscal year on
the basis of the average daily membership certified. For each unit
approved, the department of education shall pay an amount computed
in the manner prescribed by section 3317.16 of the Revised Code.~~

(G)(1)(a) The superintendent of an institution operating a
special education program pursuant to section 3323.091 of the
Revised Code shall, for the programs under such superintendent's
supervision, certify to the state board of education the average
daily membership of all handicapped children in classes or
programs approved annually by the state board of education, in the
manner prescribed by the superintendent of public instruction.

(b) The superintendent of an institution with vocational
education units approved under division (A) of section 3317.05 of
the Revised Code shall, for the units under the superintendent's
supervision, certify to the state board of education the average

daily membership in those units, in the manner prescribed by the 2579
superintendent of public instruction. 2580

(2) The superintendent of each county MR/DD board that 2581
maintains special education classes or units approved by the state 2582
board of education pursuant to section 3317.05 of the Revised Code 2583
shall do both of the following: 2584

(a) Certify to the state board, in the manner prescribed by 2585
the board, the average daily membership in classes and units 2586
approved under division (D)(1) of section 3317.05 of the Revised 2587
Code for each school district that has placed children in the 2588
classes or units; 2589

(b) Certify to the state board, in the manner prescribed by 2590
the board, the average daily membership in preschool handicapped 2591
units approved under division (B) of section 3317.05 of the 2592
Revised Code. 2593

(3) If during the first full school week in February the 2594
average daily membership of the classes or units maintained by the 2595
county MR/DD board that are eligible for approval under division 2596
(D)(1) of section 3317.05 of the Revised Code is greater than the 2597
average daily membership for the preceding October, the 2598
superintendent of the board shall make the certifications required 2599
by this section for such week and, if during the first full school 2600
week in February the average daily membership of the units 2601
maintained by the county MR/DD board that are eligible for 2602
approval under division (B) of section 3317.05 of the Revised Code 2603
is greater than the average daily membership for the preceding 2604
October, the superintendent shall certify the average daily 2605
membership for the first full school week in February for such 2606
units to the state board of education. If the state board 2607
determines that additional classes or units can be approved for 2608
the fiscal year within any limitations set forth in the acts 2609

appropriating moneys for the funding of such classes and units, 2610
the board shall approve and fund additional units for the fiscal 2611
year on the basis of such average daily membership. For each unit 2612
so approved, the department of education shall pay an amount 2613
computed in the manner prescribed in sections 3317.161 and 2614
3317.162 of the Revised Code. 2615

(H) Except as provided in division (I) of this section, when 2616
any city, local, or exempted village school district provides 2617
instruction for a nonresident pupil whose attendance is 2618
unauthorized attendance as defined in section 3327.06 of the 2619
Revised Code, that pupil's membership shall not be included in 2620
that district's membership figure used in the calculation of that 2621
district's formula ADM or included in the determination of any 2622
unit approved for the district under section 3317.05 of the 2623
Revised Code. The reporting official shall report separately the 2624
average daily membership of all pupils whose attendance in the 2625
district is unauthorized attendance, and the membership of each 2626
such pupil shall be credited to the school district in which the 2627
pupil is entitled to attend school under division (B) of section 2628
3313.64 or section 3313.65 of the Revised Code as determined by 2629
the department of education. 2630

(I)(1) A city, local, exempted village, or joint vocational 2631
school district admitting a scholarship student of a pilot project 2632
district pursuant to division (C) of section 3313.976 of the 2633
Revised Code may count such student in its average daily 2634
membership. 2635

(2) In any year for which funds are appropriated for pilot 2636
project scholarship programs, a school district implementing a 2637
state-sponsored pilot project scholarship program that year 2638
pursuant to sections 3313.974 through 3313.979 of the Revised Code 2639
may count in average daily membership: 2640

(a) All children residing in the district and utilizing a scholarship to attend kindergarten in any alternative school, as defined in division (A)(9) of section 3313.974 of the Revised Code;

(b) All children who were enrolled in the district in the preceding year who are utilizing a scholarship to attend any such alternative school.

(J) The superintendent of each cooperative education school district shall certify to the superintendent of public instruction, in a manner prescribed by the state board of education, the applicable average daily memberships for all students in the cooperative education district, also indicating the city, local, or exempted village district where each pupil is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

Sec. 3317.033. In accordance with rules which the state board of education shall adopt, each joint vocational school district shall do both of the following:

(A) Maintain a record of district membership of any persons who are not eligible to be included in the average daily membership determined under division (D) of section 3317.03 of the Revised Code ~~and who are participating in a program funded with a secondary vocational education job training unit approved under division (A) of section 3317.05 of the Revised Code;~~

(B) Annually certify to the state board of education the number of persons for whom a record is maintained under division (A) of this section. These numbers shall be reported ~~for each unit~~ ~~and~~ on a full-time equivalent basis.

Sec. 3317.05. (A) For the purpose of calculating payments under sections ~~3317.16,~~ 3317.161, and 3317.162 of the Revised

Code, the state board of education shall determine for each ~~joint~~ 2671
~~vocational school district and~~ institution, by the last day of 2672
January of each year and based on information certified under 2673
section 3317.03 of the Revised Code, the number of vocational 2674
education units or fractions of units approved by the state board 2675
on the basis of standards and rules adopted by the state board. As 2676
used in this division, "institution" means an institution operated 2677
by a department specified in section 3323.091 of the Revised Code 2678
and that provides vocational education programs under the 2679
supervision of the division of vocational education of the 2680
department of education that meet the standards and rules for 2681
these programs, including licensure of professional staff involved 2682
in the programs, as established by the state board of education. 2683

(B) For the purpose of calculating payments under sections 2684
3317.11, 3317.161, 3317.162, and 3317.19 of the Revised Code, the 2685
state board shall determine, based on information certified under 2686
section 3317.03 of the Revised Code, the following by the last day 2687
of January of each year for each educational service center, for 2688
each school district, including each cooperative education school 2689
district, for each institution eligible for payment under section 2690
3323.091 of the Revised Code, and for each county MR/DD board: the 2691
number of classes operated by the school district, service center, 2692
institution, or county MR/DD board for handicapped preschool 2693
children, or fraction thereof, including in the case of a district 2694
or service center that is a funding agent, classes taught by a 2695
licensed teacher employed by that district or service center under 2696
section 3313.841 of the Revised Code, approved annually by the 2697
state board on the basis of standards and rules adopted by the 2698
state board. 2699

(C) For the purpose of calculating payments under sections 2700
3317.11, 3317.161, 3317.162, and 3317.19 of the Revised Code, the 2701
state board shall determine, based on information certified under 2702

section 3317.03 of the Revised Code, the following by the last day 2703
of January of each year for each school district, including each 2704
cooperative education school district, for each institution 2705
eligible for payment under section 3323.091 of the Revised Code, 2706
and for each county MR/DD board: the number of preschool 2707
handicapped related services units for child study, occupational, 2708
physical, or speech and hearing therapy, special education 2709
supervisors, and special education coordinators approved annually 2710
by the state board on the basis of standards and rules adopted by 2711
the state board. 2712

(D) For the purpose of calculating payments under sections 2713
~~3317.16~~, 3317.161, and 3317.162 of the Revised Code, the state 2714
board shall determine, based on information certified under 2715
section 3317.03 of the Revised Code, the following by the last day 2716
of January of each year for each ~~joint vocational school district,~~ 2717
~~for each~~ institution eligible for payment under section 3323.091 2718
of the Revised Code, and for each county MR/DD board: 2719

(1) The number of classes operated by ~~a joint vocational~~ 2720
~~school district,~~ an institution, or county MR/DD board for 2721
handicapped children other than handicapped preschool children, or 2722
fraction thereof, approved annually by the state board on the 2723
basis of standards and rules adopted by the state board; 2724

(2) The number of related services units for children other 2725
than handicapped preschool children for child study, occupational, 2726
physical, or speech and hearing therapy, special education 2727
supervisors, and special education coordinators approved annually 2728
by the state board on the basis of standards and rules adopted by 2729
the state board. 2730

(E) All of the arithmetical calculations made under this 2731
section shall be carried to the second decimal place. The total 2732
number of units for school districts, service centers, and 2733

institutions approved annually by the state board under this 2734
section shall not exceed the number of units included in the state 2735
board's estimate of cost for these units and appropriations made 2736
for them by the general assembly. 2737

In the case of units described in division (D)(1) of this 2738
section operated by county MR/DD boards and institutions eligible 2739
for payment under section 3323.091 of the Revised Code, the state 2740
board shall approve only units for persons who are under age 2741
twenty-two on the first day of the academic year, but not less 2742
than six years of age on the thirtieth day of September of that 2743
year, except that such a unit may include one or more children who 2744
are under six years of age on the thirtieth day of September if 2745
such children have been admitted to the unit pursuant to rules of 2746
the state board. In the case of handicapped preschool units 2747
described in division (B) of this section operated by county MR/DD 2748
boards and institutions eligible for payment under section 2749
3323.091 of the Revised Code, the state board shall approve only 2750
preschool units for children who are under age six but not less 2751
than age three on the thirtieth day of September of the academic 2752
year, except that such a unit may include one or more children who 2753
are under age three or are age six or over on the thirtieth day of 2754
September if such children have been admitted to the unit pursuant 2755
to rules of the state board of education. The number of units for 2756
county MR/DD boards and institutions eligible for payment under 2757
section 3323.091 of the Revised Code approved by the state board 2758
under this section shall not exceed the number that can be funded 2759
with appropriations made for such purposes by the general 2760
assembly. 2761

No unit shall be approved under divisions (B) to (D) of this 2762
section unless a plan has been submitted and approved under 2763
Chapter 3323. of the Revised Code. 2764

~~(F) For fiscal year 1999 only, the department shall approve 2765~~

~~units or fractions thereof for gifted children on the basis of~~ 2766
~~standards and rules adopted by the board.~~ 2767

Sec. 3317.051. (A)(1) Notwithstanding sections 3317.05 and 2768
3317.11 of the Revised Code, a unit funded pursuant to ~~division~~ 2769
~~(P)(1) of section 3317.024 or~~ division (A)(2) of section 3317.161 2770
of the Revised Code shall not be approved for state funding in one 2771
school district, including any ~~joint vocational or~~ cooperative 2772
education school district or any educational service center, to 2773
the extent that such unit provides programs in or services to 2774
another district which receives payment pursuant to section 2775
3317.04 of the Revised Code. 2776

(2) Any city, local, exempted village, or cooperative 2777
education school district or any educational service center may 2778
combine partial unit eligibility for handicapped preschool 2779
programs pursuant to section 3317.05 of the Revised Code, and such 2780
combined partial units may be approved for state funding in one 2781
school district or service center. 2782

(B) After units have been initially approved for any fiscal 2783
year under section 3317.05 of the Revised Code, no unit shall be 2784
subsequently transferred from a school district or educational 2785
service center to another city, exempted village, local, ~~joint~~ 2786
~~vocational,~~ or cooperative education school district or 2787
educational service center or to an institution or county MR/DD 2788
board solely for the purpose of reducing the financial obligations 2789
of the school district in a fiscal year it receives payment 2790
pursuant to section 3317.04 of the Revised Code. 2791

Sec. 3317.06. Moneys paid to school districts under division 2792
(L) of section 3317.024 of the Revised Code shall be used for the 2793
following independent and fully severable purposes: 2794

(A) To purchase such secular textbooks or electronic 2795

textbooks as have been approved by the superintendent of public 2796
instruction for use in public schools in the state and to loan 2797
such textbooks or electronic textbooks to pupils attending 2798
nonpublic schools within the district or to their parents and to 2799
hire clerical personnel to administer such lending program. Such 2800
loans shall be based upon individual requests submitted by such 2801
nonpublic school pupils or parents. Such requests shall be 2802
submitted to the school district in which the nonpublic school is 2803
located. Such individual requests for the loan of textbooks or 2804
electronic textbooks shall, for administrative convenience, be 2805
submitted by the nonpublic school pupil or the pupil's parent to 2806
the nonpublic school, which shall prepare and submit collective 2807
summaries of the individual requests to the school district. As 2808
used in this section, ~~"textbook:~~ 2809

(1) "Textbook" means any book or book substitute ~~which~~ that a 2810
pupil uses as a consumable or nonconsumable text ~~or,~~ text 2811
substitute, or text supplement in a particular class or program in 2812
the school the pupil regularly attends. 2813

(2) "Electronic textbook" means computer software, 2814
interactive videodisc, magnetic media, CD-ROM, computer 2815
courseware, local and remote computer-assisted instruction, 2816
on-line service, electronic medium, or other means of conveying 2817
information to the student or otherwise contributing to the 2818
learning process through electronic means. 2819

(B) To provide speech and hearing diagnostic services to 2820
pupils attending nonpublic schools within the district. Such 2821
service shall be provided in the nonpublic school attended by the 2822
pupil receiving the service. 2823

(C) To provide physician, nursing, dental, and optometric 2824
services to pupils attending nonpublic schools within the 2825
district. Such services shall be provided in the school attended 2826
by the nonpublic school pupil receiving the service. 2827

(D) To provide diagnostic psychological services to pupils 2828
attending nonpublic schools within the district. Such services 2829
shall be provided in the school attended by the pupil receiving 2830
the service. 2831

(E) To provide therapeutic psychological and speech and 2832
hearing services to pupils attending nonpublic schools within the 2833
district. Such services shall be provided in the public school, in 2834
nonpublic schools, in public centers, or in mobile units located 2835
on or off of the nonpublic premises. If such services are provided 2836
in the public school or in public centers, transportation to and 2837
from such facilities shall be provided by the school district in 2838
which the nonpublic school is located. 2839

(F) To provide guidance and counseling services to pupils 2840
attending nonpublic schools within the district. Such services 2841
shall be provided in the public school, in nonpublic schools, in 2842
public centers, or in mobile units located on or off of the 2843
nonpublic premises. If such services are provided in the public 2844
school or in public centers, transportation to and from such 2845
facilities shall be provided by the school district in which the 2846
nonpublic school is located. 2847

(G) To provide remedial services to pupils attending 2848
nonpublic schools within the district. Such services shall be 2849
provided in the public school, in nonpublic schools, in public 2850
centers, or in mobile units located on or off of the nonpublic 2851
premises. If such services are provided in the public school or in 2852
public centers, transportation to and from such facilities shall 2853
be provided by the school district in which the nonpublic school 2854
is located. 2855

(H) To supply for use by pupils attending nonpublic schools 2856
within the district such standardized tests and scoring services 2857
as are in use in the public schools of the state; 2858

(I) To provide programs for children who attend nonpublic schools within the district and are handicapped children as defined in division (A) of section 3323.01 of the Revised Code or gifted children. Such programs shall be provided in the public school, in nonpublic schools, in public centers, or in mobile units located on or off of the nonpublic premises. If such programs are provided in the public school or in public centers, transportation to and from such facilities shall be provided by the school district in which the nonpublic school is located.

(J) To hire clerical personnel to assist in the administration of programs pursuant to divisions (B), (C), (D), (E), (F), (G), and (I) of this section and to hire supervisory personnel to supervise the providing of services and textbooks pursuant to this section-;i

(K) To purchase any secular, neutral, and nonideological computer software (including site-licensing), prerecorded video laserdiscs, digital video on demand (DVD), compact discs, and video cassette cartridges ~~and, wide area connectivity and related technology as it relates to internet access,~~ mathematics or science equipment and materials, instructional materials, and school library materials that are in general use in the public schools of the state and loan such ~~computer software, prerecorded video laserdiscs, compact discs, and video cassette cartridges, equipment, and materials~~ items to pupils attending nonpublic schools within the district or to their parents, and to hire clerical personnel to administer the lending program. Only ~~computer software, prerecorded video laserdiscs, compact discs, and video cassette cartridges, equipment, and materials~~ such items that are incapable of diversion to religious use and that are susceptible of loan to individual pupils and are furnished for the use of individual pupils shall be purchased and loaned under this division. As used in this section, "instructional materials" means

prepared learning materials that are secular, neutral, and 2891
nonideological in character and are of benefit to the instruction 2892
of school children, and may include educational resources and 2893
services developed by the Ohio schoolnet commission. 2894

(L) To purchase instructional equipment, including computer 2895
hardware, for use by pupils attending nonpublic schools within the 2896
district, if such usage only occurs when these pupils are being 2897
provided the secular remedial, diagnostic, or therapeutic services 2898
pursuant to division (B), (D), (E), (F), (G), or (I) of this 2899
section-; 2900

(M) To purchase mobile units to be used for the provision of 2901
services pursuant to divisions (E), (F), (G), and (I) of this 2902
section and to pay for necessary repairs and operating costs 2903
associated with these units. 2904

Clerical and supervisory personnel hired pursuant to division 2905
(J) of this section shall perform their services in the public 2906
schools, in nonpublic schools, public centers, or mobile units 2907
where the services are provided to the nonpublic school pupil, 2908
except that such personnel may accompany pupils to and from the 2909
service sites when necessary to ensure the safety of the children 2910
receiving the services. 2911

Health services provided pursuant to divisions (B), (C), (D), 2912
and (E) of this section may be provided under contract with the 2913
department of health, city or general health districts, or private 2914
agencies whose personnel are properly licensed by an appropriate 2915
state board or agency. 2916

Transportation of pupils provided pursuant to divisions (E), 2917
(F), (G), and (I) of this section shall be provided by the school 2918
district from its general funds and not from moneys paid to it 2919
under division (L) of section 3317.024 of the Revised Code unless 2920
a special transportation request is submitted by the parent of the 2921

child receiving service pursuant to such divisions. If such an
application is presented to the school district, it may pay for
the transportation from moneys paid to it under division (L) of
section 3317.024 of the Revised Code.

No school district shall provide health or remedial services
to nonpublic school pupils as authorized by this section unless
such services are available to pupils attending the public schools
within the district.

Materials, equipment, computer software, textbooks,
electronic textbooks, and health and remedial services provided
for the benefit of nonpublic school pupils pursuant to this
section and the admission of pupils to such nonpublic schools
shall be provided without distinction as to race, creed, color, or
national origin of such pupils or of their teachers.

No school district shall provide services for use in
religious courses, devotional exercises, religious training, or
any other religious activity.

As used in this section, "parent" includes a person standing
in loco parentis to a child.

Notwithstanding section 3317.01 of the Revised Code, payments
shall be made under this section to any city, local, or exempted
village school district within which is located one or more
nonpublic elementary or high schools.

The allocation of payments for materials, equipment,
textbooks, electronic textbooks, health services, and remedial
services to city, local, and exempted village school districts
shall be on the basis of the state board of education's estimated
annual average daily membership in nonpublic elementary and high
schools located in the district.

Payments made to city, local, and exempted village school

districts under this section shall be equal to specific 2952
appropriations made for the purpose. All interest earned by a 2953
school district on such payments shall be used by the district for 2954
the same purposes and in the same manner as the payments may be 2955
used. 2956

The department of education shall adopt guidelines and 2957
procedures under which such programs and services shall be 2958
provided, under which districts shall be reimbursed for 2959
administrative costs incurred in providing such programs and 2960
services, and under which any unexpended balance of the amounts 2961
appropriated by the general assembly to implement this section may 2962
be transferred to the auxiliary services personnel unemployment 2963
compensation fund established pursuant to section 4141.47 of the 2964
Revised Code. The department shall also adopt guidelines and 2965
procedures limiting the purchase and loan of ~~computer software,~~ 2966
~~equipment, and materials under~~ the items described in division (K) 2967
of this section to items that are in general use in the public 2968
schools of the state, that are incapable of diversion to religious 2969
use, and that are susceptible to individual use rather than 2970
classroom use. Within thirty days after the end of each biennium, 2971
each board of education shall remit to the department all moneys 2972
paid to it under division (L) of section 3317.024 of the Revised 2973
Code and any interest earned on those moneys that are not required 2974
to pay expenses incurred under this section during the biennium 2975
for which the money was appropriated and during which the interest 2976
was earned. If a board of education subsequently determines that 2977
the remittal of moneys leaves the board with insufficient money to 2978
pay all valid expenses incurred under this section during the 2979
biennium for which the remitted money was appropriated, the board 2980
may apply to the department of education for a refund of money, 2981
not to exceed the amount of the insufficiency. If the department 2982
determines the expenses were lawfully incurred and would have been 2983

lawful expenditures of the refunded money, it shall certify its 2984
determination and the amount of the refund to be made to the 2985
administrator of the bureau of employment services who shall make 2986
a refund as provided in section 4141.47 of the Revised Code. 2987

Sec. 3317.082. As used in this section, "institution" means a 2988
residential facility that receives and cares for children 2989
maintained by the department of youth services and that operates a 2990
school chartered by the state board of education under section 2991
3301.16 of the Revised Code. 2992

(A) On or before the thirty-first day of each January and 2993
July, the superintendent of each institution that during the 2994
six-month period immediately preceding each January or July 2995
provided an elementary or secondary education for any child, other 2996
than a child receiving special education under section 3323.091 of 2997
the Revised Code, shall prepare and submit to the department of 2998
education, a statement for each such child indicating the child's 2999
name, any school district responsible to pay tuition for the child 3000
as determined by the superintendent in accordance with division 3001
(C)(2) or (3) of section 3313.64 of the Revised Code, and the 3002
period of time during that six-month period that the child 3003
received an elementary or secondary education. If any school 3004
district is responsible to pay tuition for any such child, the 3005
department of education, no later than the immediately succeeding 3006
last day of February or August, as applicable, shall calculate the 3007
amount of the tuition of the district under section 3317.08 of the 3008
Revised Code for the period of time indicated on the statement and 3009
do one of the following: 3010

(1) If the tuition amount is equal to or less than the amount 3011
of state basic aid funds payable to the district under sections 3012
3317.022 and 3317.023 of the Revised Code, pay to the institution 3013
submitting the statement an amount equal to the tuition amount, as 3014

provided under division ~~(Q)~~(P) of section 3317.024 of the Revised Code, and deduct the tuition amount from the state basic aid funds payable to the district, as provided under division (F)(2) of section 3317.023 of the Revised Code;

(2) If the tuition amount is greater than the amount of state basic aid funds payable to the district under sections 3317.022 and 3317.023 of the Revised Code, require the district to pay to the institution submitting the statement an amount equal to the tuition amount.

(B) In the case of any disagreement about the school district responsible to pay tuition for a child pursuant to this section, the superintendent of public instruction shall make the determination in any such case in accordance with division (C)(2) or (3) of section 3313.64 of the Revised Code.

Sec. 3317.11. (A) Annually, on or before a date designated by the state board of education, each educational service center governing board shall prepare a budget of operating expenses for the ensuing year for the service center on forms prepared and furnished by the state board of education and shall certify the budget to the state board of education, together with such other information as the board may require. Such budget shall consist of two parts. Part (A) shall include the cost of the salaries, employers retirement contributions, and travel expenses of supervisory teachers approved by the state board of education. The amount derived from the calculation for such units in part (A) of the governing board budget shall be the sum of:

(1) The sum of the minimum salaries calculated, pursuant to section 3317.13 of the Revised Code, for each approved licensed employee of the governing board;

(2) An additional salary allowance proportional to the length

of the extended term of service not to exceed three months for 3045
each supervisory and child study teacher whose term of service in 3046
any year is extended beyond the terms of service of regular 3047
classroom teachers; 3048

(3) An allowance equal to fifteen per cent of the amount 3049
computed under division (A)(1) of this section; 3050

(4) An allowance for necessary travel expenses, for each of 3051
the personnel approved in part (A) of the budget, limited to two 3052
hundred twenty-three dollars and sixteen cents per month, or two 3053
thousand six hundred seventy-eight dollars per year per person 3054
employed, whichever is the lesser. 3055

Part (B) shall include the cost of all other lawful 3056
expenditures of the governing board. The state board of education 3057
shall review such budget and may approve, increase, or decrease 3058
such budget. 3059

The governing board shall be reimbursed by the state board of 3060
education from state funds for the cost of part (A) of the budget. 3061
The governing board shall be reimbursed by the state board of 3062
education, from state funds for the cost of part (B) of the 3063
approved budget that is in excess of six dollars and fifty cents 3064
times the service center ADM. If the governing board provides 3065
services to city or exempted village school districts pursuant to 3066
section 3313.843 of the Revised Code, the governing board shall be 3067
reimbursed from state funds for the cost of part (B) of the budget 3068
that is in excess of six dollars and fifty cents times the sum of 3069
the service center ADM and the client ADMs of the city or exempted 3070
village districts to which such services are provided. The cost of 3071
part (B) not in excess of six dollars and fifty cents times the 3072
number of such ADM shall be apportioned by the state board of 3073
education among the local school districts in the territory of the 3074
service center, or among all districts to which the governing 3075

board provides services, on the basis of the total number of 3076
pupils in each school district. 3077

If part (B) of the budget is in excess of that approved by 3078
the state board of education, the excess cost shall be apportioned 3079
by the state board of education among the local school districts 3080
in the territory of the service center on the basis of the total 3081
number of such pupils in each such school district, provided that 3082
a majority of the boards of education of such local school 3083
districts approve such apportionment. The state board of education 3084
shall initiate and supervise the procedure by which the local 3085
boards shall approve or disapprove such apportionment. 3086

The amounts so apportioned shall be certified to the 3087
treasurers of the various school districts. In the case of each 3088
district such amount shall be deducted by the state board of 3089
education from funds allocated to the district pursuant to 3090
division (E) of section 3317.023 of the Revised Code. 3091

The state board of education shall certify to the director of 3092
budget and management for payment the total of the deductions, 3093
whereupon the amount shall be paid to the governing board of each 3094
service center, to be deposited to the credit of a separate fund, 3095
hereby created, to be known as the educational service center 3096
governing board fund. 3097

An educational service center may provide special education 3098
to students in its local districts or in client districts. A 3099
service center is eligible for funding under division (J) of 3100
section 3317.024 of the Revised Code and eligible for state 3101
subsidies for the purchase of school buses under section 3317.07 3102
of the Revised Code. Special education ~~units~~ programs for gifted 3103
children may be operated by a governing board. Vocational 3104
education may be provided by a governing board. A governing board 3105
may conduct driver education for pupils enrolled in a high school 3106

for which the state board of education prescribes minimum 3107
standards and which is eligible for funding under division (I) of 3108
section 3317.024 of the Revised Code. 3109

Every local school district shall be provided supervisory 3110
services by its governing board as approved by the state board of 3111
education. A city or exempted village school district shall be 3112
considered to be provided supervisory services by a governing 3113
board if it has entered into an agreement for the governing board 3114
to provide any services under section 3313.843 of the Revised 3115
Code. Supervisory services shall not exceed one supervisory 3116
teacher for the first fifty classroom teachers employed in all 3117
districts that are provided supervisory services calculated under 3118
section 3317.023 of the Revised Code and one supervisory teacher 3119
for every additional one hundred such classroom teachers so 3120
calculated. Reimbursement for such supervisory services shall be a 3121
deduction by the state board of education from the payment to the 3122
school district pursuant to division (E) of section 3317.023 of 3123
the Revised Code. Deductions for all supervisory services and 3124
extended services for supervisory and child study shall be 3125
apportioned among local school districts within the territory of 3126
the service center and any city or exempted village districts that 3127
have entered into agreements with a service center pursuant to 3128
section 3313.843 of the Revised Code by the state board of 3129
education on the basis of the total number of pupils in each 3130
school district, except that where such services are provided to 3131
districts other than local school districts within the service 3132
center territory and city or exempted village districts having 3133
agreements with the service center, such charges shall be 3134
apportioned among all participating districts on the basis of the 3135
total number of pupils in each school district. All deductions 3136
from state funding to school districts required for reimbursement 3137
of governing boards by division (E) of section 3317.023 of the 3138
Revised Code shall be made from the total of the payment computed 3139

for the district under this chapter, after making any other 3140
adjustments in that payment required by law. 3141

(B)(1) In addition to the payments made under division (A) of 3142
this section, except as otherwise provided in division (C) of this 3143
section, the department of education shall pay each governing 3144
board, each fiscal year, an amount equal to thirty-four dollars 3145
times the sum of the service center ADM and thirty-four dollars 3146
times the sum of the client ADMs of all its client districts. 3147

(2) In addition to other payments under this section, the 3148
department shall pay each educational service center the amounts 3149
due to it from school districts pursuant to contracts, compacts, 3150
or agreements under which the service center furnishes services to 3151
the districts or their students. In order to receive payment under 3152
this division, an educational service center shall furnish either 3153
a copy of the applicable contract, compact, or agreement clearly 3154
indicating the amounts of the payments, or a written statement of 3155
the payments owed signed by the superintendent or treasurer of the 3156
responsible school district. 3157

The amounts paid to service centers under division (B)(2) of 3158
this section shall be deducted from payments to school districts 3159
pursuant to division (K)(2) of section 3317.023 of the Revised 3160
Code. 3161

(C) Beginning with the fiscal year that starts July 1, 1997, 3162
in lieu of the payment specified under division (B)(1) of this 3163
section, each multicounty service center shall receive a payment 3164
each fiscal year equal to one per cent times the formula amount 3165
times the sum of the service center ADM and the client ADMs of all 3166
its client districts. 3167

(D) Each city, exempted village, local, joint vocational, or 3168
cooperative education school district shall pay to the governing 3169
board of an educational service center any amounts agreed to for 3170

each child enrolled in the district who receives special education	3171
and related services or vocational education from the educational	3172
service center.	3173
(E) As used in this section:	3174
(1) "Service center ADM" means the total of each of the	3175
following for all local school districts within the limits of an	3176
educational service center's territory:	3177
(a) The formula ADM;	3178
(b) The kindergarten average daily membership included in the	3179
formula ADM;	3180
(c) Three-quarters of the number of students reported under	3181
division (B)(4) of section 3317.03 of the Revised Code;	3182
(d) The average daily membership of handicapped preschool	3183
children reported under division (B)(2) of section 3317.03 of the	3184
Revised Code;	3185
(e) The number of preschool students certified under division	3186
(B) of section 3317.032 of the Revised Code.	3187
(2) "Client ADM" means the total of each number described	3188
under divisions (E)(1)(a) to (e) of this section for a client	3189
district.	3190
(3) "Client district" means a city or exempted village school	3191
district that has entered into an agreement to receive services	3192
from a service center pursuant to section 3313.843 of the Revised	3193
Code.	3194
(4) "Multicounty service center" means a service center that	3195
includes territory that formerly was included in the territory of	3196
at least three former service centers or county school districts,	3197
which former centers or districts engaged in one or more mergers	3198
pursuant to section 3311.053 of the Revised Code to form the	3199
present center.	3200

<u>Sec. 3317.16. (A) As used in this section:</u>	3201
<u>(1) "State share percentage" means the percentage calculated</u>	3202
<u>for a joint vocational school district as follows:</u>	3203
<u>(a) Calculate the basic aid amount for the district under</u>	3204
<u>division (B) of this section. If the district would not receive</u>	3205
<u>any base cost funding for that year under that division, the</u>	3206
<u>district's state share percentage is zero.</u>	3207
<u>(b) If the district would receive base cost funding under</u>	3208
<u>that division, divide that base cost amount by an amount equal to</u>	3209
<u>the following:</u>	3210
<u>cost-of-doing-business factor X</u>	3211
<u>the formula amount X</u>	3212
<u>the formula ADM</u>	3213
<u>The resultant number is the district's state share</u>	3214
<u>percentage.</u>	3215
<u>(2) The "total special education weight" for a joint</u>	3216
<u>vocational school district shall be calculated in the same manner</u>	3217
<u>as prescribed in division (B)(1) of section 3317.022 of the</u>	3218
<u>Revised Code.</u>	3219
<u>(3) The "total vocational education weight" for a joint</u>	3220
<u>vocational school district shall be calculated in the same manner</u>	3221
<u>as prescribed in division (B)(4) of section 3317.022 of the</u>	3222
<u>Revised Code.</u>	3223
<u>(4) The "adjusted total taxable value" of a joint vocational</u>	3224
<u>school district shall be determined by adding the adjusted total</u>	3225
<u>taxable values of all its constituent school districts for the</u>	3226
<u>applicable fiscal year.</u>	3227
<u>(B) The department of education shall compute and distribute</u>	3228
<u>state base cost funding to each joint vocational school district</u>	3229
<u>for the fiscal year in accordance with the following formula:</u>	3230

(cost-of-doing-business factor X 3231
formula amount X the formula ADM) - 3232
(.0065 X adjusted total taxable value) 3233

If the difference obtained under this division is a negative 3234
number, the district's computation shall be zero. 3235

(C) The department shall compute and distribute state 3236
vocational education additional weighted costs funds to each joint 3237
vocational district in accordance with the following formula: 3238
state share percentage X formula amount X 3239
total vocational education weight 3240

(D) The department shall compute and distribute state special 3241
education and related services additional weighted costs funds to 3242
each joint vocational school district in accordance with the 3243
following formula: 3244
state share percentage X formula amount X 3245
total special education weight 3246

(E)(1) The department shall compute and distribute state 3247
gifted education additional weighted costs funds to each joint 3248
vocational school district that complies with division (E)(2) of 3249
this section in accordance with the following formula: 3250
state share percentage X (.1 X the 3251
formula amount) X (.1 X the formula ADM) 3252

(2) To receive funds under division (E)(1) of this section, a 3253
joint vocational school district shall file with the department of 3254
education, no later than the first day of October of the fiscal 3255
year, a district plan specifying the manner in which it will use 3256
the funds to serve gifted students and the method for selecting 3257
gifted students to participate in gifted programs and activities. 3258

(F) Each fiscal year, the department shall pay each joint 3259
vocational school district an amount for adult technical and 3260
vocational education and specialized consultants. 3261

(G)(1) In any fiscal year, a joint vocational school district receiving funds under division (D) of this section shall spend on the related services specified in division (B)(3)(a) of section 3317.022 of the Revised Code at least the lesser of the following: 3262
3263
3264
3265
3266

(a) The amount the district spent on those related services in the preceding fiscal year; 3267
3268

(b) $1/8 \times$ [cost-of-doing-business factor \times the formula amount \times (the category one special education ADM + category two special education ADM + category three special education ADM)] + the amount calculated for the fiscal year under division (D) of this section + the local share of special education and related services additional weighted costs . 3269
3270
3271
3272
3273
3274

(2) A joint vocational school district's local share of special education and related services additional weighted costs equals: 3275
3276
3277

(1 - state share percentage) \times 3278

Total special education weight \times 3279

the formula amount 3280

(H) In any fiscal year, if the total of all payments made to a joint vocational school district under this section does not equal the amount that district received in fiscal year 1998 under the version of this section in effect that year, the department shall pay the district an additional amount equal to the difference between those two amounts. 3281
3282
3283
3284
3285
3286

Sec. 3317.162. (A) As used in this section: 3287

(1) "State share percentage" has the same meaning as in section 3317.022 of the Revised Code. 3288
3289

(2) "Dollar amount" means the amount shown in the following table for the corresponding type of unit ~~and the appropriate~~ 3290
3291

fiscal year:		3292
	DOLLAR	3293
	AMOUNT	
	TYPE OF UNIT	FY 1999 3294
Division (B) of section 3317.05 of the Revised Code	\$8,334	3295
Division (C) of that section	\$3,234	3296
Division (F) of that section	\$3,550	3297
(3) "Average unit amount" means the amount shown in the		3298
following table for the corresponding type of unit and the		3299
appropriate fiscal year:		3300
	AVERAGE UNIT	3301
	AMOUNT	
	TYPE OF UNIT	FY 1999 3302
Division (B) of section 3317.05 of the Revised Code	\$7,799	3303
Division (C) of that section	\$2,966	3304
Division (F) of that section	\$3,251	3305
(B) In the case of each unit described in division (B) or		3306
(C) or (F) of section 3317.05 of the Revised Code and allocated		3307
to a city, local, or exempted village school district, the		3308
department of education, in addition to the amounts specified in		3309
division (P)(1) of section 3317.024 and sections 3317.16,		3310
3317.161 7 and 3317.19 of the Revised Code, shall pay a		3311
supplemental unit allowance equal to the sum of the following		3312
amounts:		3313
(1) An amount equal to 50% of the average unit amount for the		3314
unit;		3315
(2) An amount equal to the percentage of the dollar amount		3316
for the unit that equals the district's state share percentage.		3317
If, prior to the fifteenth day of May of a fiscal year, a		3318

school district's aid computed under section 3317.022 of the Revised Code is recomputed pursuant to section 3317.027 or 3317.028 of the Revised Code, the department shall also recompute the district's entitlement to payment under this section utilizing a new state share percentage. Such new state share percentage shall be determined using the district's recomputed basic aid amount pursuant to section 3317.027 or 3317.028 of the Revised Code. During the last six months of the fiscal year, the department shall pay the district a sum equal to one-half of the recomputed payment in lieu of one-half the payment otherwise calculated under this section.

(C)(1) In the case of each unit allocated to ~~a joint vocational school district or~~ an institution pursuant to division (A) of section 3317.05 of the Revised Code, the department, in addition to the amount specified in section ~~3317.16 or~~ 3317.161 of the Revised Code, shall pay a supplemental unit allowance of \$7,227 ~~in fiscal year 1999~~.

(2) In the case of each unit described in division (B) or (D)(1) of section 3317.05 of the Revised Code that is allocated to any entity other than a city, exempted village, or local school district, the department, in addition to the amount specified in section 3317.161 of the Revised Code, shall pay a supplemental unit allowance of \$7,799 ~~in fiscal year 1999~~.

(3) In the case of each unit described in division (C) or (D)(2) of section 3317.05 of the Revised Code and allocated to any entity other than a city, exempted village, or local school district, the department, in addition to the amounts specified in section 3317.161 of the Revised Code, shall pay a supplemental unit allowance of \$2,966 ~~in fiscal year 1999~~.

~~(4) In the case of each unit described in division (F) of section 3317.05 of the Revised Code and allocated to any entity~~

~~other than a city, exempted village, or local school district, the~~ 3350
~~department, in addition to the amounts specified in section~~ 3351
~~3317.161 of the Revised Code, shall pay a supplemental unit~~ 3352
~~allowance of \$3,251 in fiscal year 1999.~~ 3353

Sec. 3317.51. (A) The distance learning fund is hereby 3354
created in the state treasury. The fund shall consist of moneys 3355
paid to the ~~information, learning, and technology authority~~ Ohio 3356
SchoolNet commission by any telephone company as a part of a 3357
settlement agreement between such company and the public utilities 3358
commission in fiscal year 1995 in part to establish distance 3359
learning throughout the state. The authority shall administer the 3360
fund and expend moneys from it to finance technology grants to 3361
eligible schools chartered by the state board of education to 3362
establish distance learning in those schools. Chartered schools 3363
are eligible for funds if they are within the service area of the 3364
telephone company. Investment earnings of the fund shall be 3365
credited to the fund. 3366

(B) For purposes of this section, "distance learning" means 3367
the creation of a learning environment involving a school setting 3368
and at least one other location outside of the school which allows 3369
for information available at one site to be accessed at the other 3370
through the use of such educational applications as one-way or 3371
two-way transmission of data, voice, and video, singularly or in 3372
appropriate combinations. 3373

Sec. 3318.01. As used in sections 3318.01 to 3318.20 of the 3374
Revised Code: 3375

(A) "Ohio school facilities commission" means the commission 3376
created pursuant to section 3318.30 of the Revised Code. 3377

(B) "Classroom facilities" means rooms in which pupils 3378
regularly assemble in public school buildings to receive 3379

instruction and education and such facilities and building 3380
improvements for the operation and use of such rooms as may be 3381
needed in order to provide a complete educational program, and may 3382
include space within which a child day-care facility or a 3383
community resource center is housed. 3384

(C) "Project" means a project to construct or acquire 3385
classroom facilities, or to reconstruct or make additions to 3386
existing classroom facilities, to be used for housing the 3387
applicable school district and its functions. 3388

(D) "School district" means a local, exempted village, or 3389
city school district as such districts are defined in Chapter 3390
3311. of the Revised Code, acting as an agency of state 3391
government, performing essential governmental functions of state 3392
government pursuant to sections 3318.01 and 3318.20 of the Revised 3393
Code. 3394

(E) "School district board" means the board of education of a 3395
school district. 3396

(F) "Net bonded indebtedness" means the difference between 3397
the sum of the par value of all outstanding and unpaid bonds and 3398
notes which a school district board is obligated to pay, any 3399
amounts the school district is obligated to pay under 3400
lease-purchase agreements entered into under section 3313.375 of 3401
the Revised Code, and the par value of bonds authorized by the 3402
electors but not yet issued, the proceeds of which can lawfully be 3403
used for the project, and the amount held in the sinking fund and 3404
other indebtedness retirement funds for their redemption. Notes 3405
issued for school buses in accordance with section 3327.08 of the 3406
Revised Code, notes issued in anticipation of the collection of 3407
current revenues, and bonds issued to pay final judgments shall 3408
not be considered in calculating the net bonded indebtedness. 3409

"Net bonded indebtedness" does not include indebtedness 3410

arising from the acquisition of land to provide a site for 3411
classroom facilities constructed, acquired, or added to pursuant 3412
to sections 3318.01 to 3318.20 of the Revised Code. 3413

(G) "Board of elections" means the board of elections of the 3414
county containing the most populous portion of the school 3415
district. 3416

(H) "County auditor" means the auditor of the county in which 3417
the greatest value of taxable property of such school district is 3418
located. 3419

(I) "Tax duplicates" means the general tax lists and 3420
duplicates prescribed by sections 319.28 and 319.29 of the Revised 3421
Code. 3422

(J) "Required level of indebtedness" means: 3423

(1) In the case of districts in the first percentile, five 3424
per cent of the district's valuation for the year preceding the 3425
year in which the controlling board approved the project under 3426
section 3318.04 of the Revised Code. 3427

(2) In the case of districts ranked in a subsequent 3428
percentile, five per cent of the district's valuation for the year 3429
preceding the year in which the controlling board approved the 3430
project under section 3318.04 of the Revised Code, plus [two 3431
one-hundredths of one per cent multiplied by (the percentile in 3432
which the district ranks minus one)]. 3433

(K) "Required percentage of the basic project costs" means 3434
one per cent of the basic project costs times the percentile in 3435
which the district ranks. 3436

(L) "Basic project cost" means a cost amount determined in 3437
accordance with rules adopted under section 111.15 of the Revised 3438
Code by the Ohio school facilities commission. The basic project 3439
cost calculation shall take into consideration the square footage 3440

and cost per square foot necessary for the grade levels to be 3441
housed in the classroom facilities, the variation across the state 3442
in construction and related costs, the cost of the installation of 3443
site utilities and site preparation, the cost of insuring the 3444
project until it is completed, and the professional planning, 3445
administration, and design fees that a district may have to pay to 3446
undertake a classroom facilities project. 3447

(M) A "school district's portion of the basic project cost" 3448
means the amount determined under section 3318.032 of the Revised 3449
Code. 3450

(N) "Child day-care facility" means space within a classroom 3451
facility in which the needs of infants, toddlers, preschool 3452
children, and school children are provided for by persons other 3453
than the parent or guardian of such children for any part of the 3454
day, including persons not employed by the school district 3455
operating such classroom facility. 3456

~~(N)~~(O) "Community resource center" means space within a 3457
classroom facility in which comprehensive services that support 3458
the needs of families and children are provided by community-based 3459
social service providers. 3460

~~(O)~~(P) "Valuation" means the total value of all property in 3461
the district as listed and assessed for taxation on the tax 3462
duplicates. 3463

~~(P)~~(O) "Percentile" means the percentile in which the 3464
district is ranked pursuant to division ~~(C)~~(D) of section 3318.011 3465
of the Revised Code. 3466

~~(Q)~~(R) "Installation of site utilities" means the 3467
installation of a site domestic water system, site fire protection 3468
system, site gas distribution system, site sanitary system, site 3469
storm drainage system, and site telephone and data system. 3470

~~(R)~~(S) "Site preparation" means the earthwork necessary for preparation of the building foundation system, the paved pedestrian and vehicular circulation system, playgrounds on the project site, and lawn and planting on the project site.

Sec. 3318.011. For purposes of providing assistance under sections 3318.01 to 3318.20 of the Revised Code, the department of education shall annually do all of the following:

(A) Calculate the adjusted valuation per pupil of each city, local, and exempted village school district according to the following formula ~~set forth in section 3317.0213 of the Revised Code~~:

$$\frac{\text{The district's valuation per pupil} - [\$30,000 \times (1 - \text{the district's income factor})]}{}$$

For purposes of this calculation:

(1) "Valuation per pupil" for a district means its average taxable value, divided by its formula ADM reported under section 3317.03 of the Revised Code for the previous fiscal year.

(2) "Average taxable value" means the average of the amounts certified for a district in the second, third, and fourth preceding fiscal years under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.

(3) "Income factor" has the same meaning as in section 3317.02 of the Revised Code.

(B) Calculate the three-year average adjusted valuation per pupil of each city, local, and exempted village school district for the preceding three fiscal years;

(C) Rank all such districts in order of adjusted valuation per pupil from the district with the lowest three-year average adjusted valuation per pupil to the district with the highest three-year average adjusted valuation per pupil;

~~(C)~~(D) Divide such ranking into percentiles with the first 3501
percentile containing the one per cent of school districts having 3502
the lowest three-year average adjusted ~~valuation~~ valuations per 3503
pupil and the one-hundredth percentile containing the one per cent 3504
of school districts having the highest three-year average adjusted 3505
~~valuation~~ valuations per pupil; 3506

~~(D)~~(E) Determine the school districts that have ~~an~~ three-year 3507
average adjusted ~~valuation~~ valuations per pupil that ~~is~~ are 3508
greater than the median three-year average adjusted valuation per 3509
pupil for all school districts in the state; 3510

~~(E)~~(F) Certify the information described in divisions (A) to 3511
~~(D)~~(E) of this section to the Ohio school facilities commission. 3512

Sec. 3318.032. The portion of the basic project cost supplied 3513
by the school district shall be the greater of: 3514

(A) The required percentage of the basic project costs, 3515
determined based on the district's percentile ranking at the time 3516
the controlling board approved the project under section 3318.04 3517
of the Revised Code; 3518

(B) An amount necessary to raise the school district's net 3519
bonded indebtedness, as of the date the controlling board approved 3520
the project, to within five thousand dollars of the required level 3521
of indebtedness. 3522

The amount of the district's share determined under this 3523
section shall be calculated only as of the date the controlling 3524
board approved the project, and that amount applies throughout the 3525
one-year period permitted under section 3318.05 of the Revised 3526
Code for the district's electors to approve the propositions 3527
described in that section. If the amount reserved and encumbered 3528
for a project is released because the electors do not approve 3529
those propositions within that year, and the school district later 3530

receives the controlling board's approval for the project, the 3531
district's portion shall be recalculated in accordance with this 3532
section as of the date of the controlling board's subsequent 3533
approval. 3534

Sec. 3318.05. The conditional approval of the Ohio school 3535
facilities commission for a project shall lapse and the amount 3536
reserved and encumbered for such project shall be released unless 3537
the school district board accepts such conditional approval within 3538
one hundred twenty days following the date of certification of the 3539
conditional approval to the school district board and the electors 3540
of the school district vote favorably on both of the propositions 3541
described in divisions (A) and (B) of this section within one year 3542
of the date of such certification. The propositions described in 3543
divisions (A) and (B) of this section shall be combined in a 3544
single proposal. If the district board or the district's electors 3545
fail to meet such requirements and the amount reserved and 3546
encumbered for the district's project is released, the district 3547
shall be given first priority for project funding as such funds 3548
become available. 3549

(A) On the question of issuing bonds of the school district 3550
board, for the school district's portion of the basic project 3551
cost, ~~in either whatever amount may be necessary to raise the net~~ 3552
~~bonded indebtedness of the school district to within five thousand~~ 3553
~~dollars of the required level of indebtedness calculated for the~~ 3554
~~year preceding the year in which the resolution declaring the~~ 3555
~~necessity of the election is adopted, or~~ an amount equal to the 3556
required percentage school district's portion of the basic project 3557
~~costs, whichever is greater~~ cost; and 3558

(B) On the question of levying a tax the proceeds of which 3559
shall be used to pay the cost of maintaining the classroom 3560
facilities included in the project, except that in any year the 3561

district's three-year average adjusted valuation per pupil is 3562
greater than the state-wide median three-year average adjusted 3563
valuation per pupil, one-half of the proceeds of the tax shall be 3564
used for such maintenance and one-half of such proceeds shall be 3565
used to ~~pay the cost of the purchase of the classroom facilities~~ 3566
~~from paid to the state under the provisions of sections 3318.01 to~~ 3567
~~3318.20 of the Revised Code.~~ Such tax shall be at the rate of 3568
one-half mill for each dollar of valuation until ~~the purchase~~ 3569
~~price the state~~ is paid an amount not to exceed the amount of the 3570
project cost supplied by the state, but in no case longer than 3571
twenty-three years. Proceeds of the tax to be used for maintenance 3572
of the classroom facilities shall be deposited into a separate 3573
fund established by the school district for such purpose. 3574

Sec. 3318.06. After receipt of the conditional approval of 3575
the Ohio school facilities commission, the school district board 3576
by a majority of all of its members shall, if it desires to 3577
proceed with the project, declare all of the following by 3578
resolution: 3579

(A) That ~~with a net bonded indebtedness of within five~~ 3580
~~thousand dollars of the required level of indebtedness or by~~ 3581
issuing bonds in an amount equal to the ~~required percentage~~ school 3582
district's portion of the basic project costs cost, the district 3583
is unable to provide adequate classroom facilities without 3584
assistance from the state; 3585

(B) That to qualify for such state assistance it is necessary 3586
to levy a tax outside the ten-mill limitation the proceeds of 3587
which shall be used to pay the cost of maintaining the classroom 3588
facilities included in the project, except that in any year the 3589
district's three-year average adjusted valuation per pupil is 3590
greater than the ~~state-wide~~ statewide median three-year average 3591
adjusted valuation per pupil, one-half of the proceeds of the tax 3592

shall be used for such maintenance and one-half of such proceeds 3593
shall be ~~used to pay the cost of the purchase of the classroom~~ 3594
~~facilities from~~ paid to the state; 3595

(C) That the question of such tax levy shall be submitted to 3596
the electors of the school district at the next general or primary 3597
election, if there be a general or primary election not less than 3598
seventy-five and not more than ninety-five days after the day of 3599
the adoption of such resolution or, if not, at a special election 3600
to be held at a time specified in the resolution which shall be 3601
not less than seventy-five days after the day of the adoption of 3602
the resolution and which shall be in accordance with the 3603
requirements of section 3501.01 of the Revised Code. 3604

Such resolution shall also state that the question of issuing 3605
bonds of the board shall be combined in a single proposal with the 3606
question of such tax levy. More than one election under this 3607
section may be held in any one calendar year. Such resolution 3608
shall specify both of the following: 3609

(1) That the rate which it is necessary to levy shall be at 3610
the rate of one-half mill for each one dollar of valuation, and 3611
that such tax shall be levied until ~~the purchase price is paid~~ it 3612
generates an amount not to exceed the amount of the project cost 3613
supplied by the state, but in no case longer than twenty-three 3614
years; 3615

(2) That the proceeds of the tax shall be used to pay the 3616
cost of maintaining the classroom facilities included in the 3617
project, except in any year the district's three-year average 3618
adjusted valuation per pupil is greater than the statewide median 3619
three-year average adjusted valuation per pupil, one-half of the 3620
proceeds of the tax shall be used for such maintenance and 3621
one-half of the proceeds of the tax shall be ~~used to pay the cost~~ 3622
~~of the purchase of the classroom facilities from~~ paid to the state 3623
~~under sections 3318.01 to 3318.20 of the Revised Code.~~ 3624

A copy of such resolution shall after its passage and not 3625
less than seventy-five days prior to the date set therein for the 3626
election be certified to the county board of elections. 3627

The resolution of the school district board, in addition to 3628
meeting other applicable requirements of section 133.18 of the 3629
Revised Code, shall state that the amount of bonds to be issued 3630
will be ~~either whatever amount may be necessary to raise the net~~ 3631
~~bonded indebtedness of the school district to within five thousand~~ 3632
~~dollars of the required level of indebtedness calculated for the~~ 3633
~~year preceding the year in which such resolution is adopted or an~~ 3634
amount equal to the ~~required percentage~~ school district's portion 3635
of the basic project ~~costs~~ cost, ~~whichever is greater~~ and state 3636
~~that~~ the maximum maturity of the bonds which, notwithstanding 3637
section 133.20 of the Revised Code, may be any number of years not 3638
exceeding twenty-three as determined by the board. In estimating 3639
the amount of bonds to be issued, the board shall take into 3640
consideration the amount of moneys then in the bond retirement 3641
fund and the amount of moneys to be collected for and disbursed 3642
from the bond retirement fund during the remainder of the year in 3643
which the resolution of necessity is adopted. 3644

Notice of the election shall include the fact that the tax 3645
levy shall be at the rate of one-half mill for each one dollar of 3646
valuation, that the levy shall be made until ~~the purchase price is~~ 3647
~~paid~~ it generates an amount not to exceed the amount of the 3648
project cost supplied by the state, but in no case longer than 3649
twenty-three years, and that the proceeds of the tax shall be used 3650
to pay the cost of maintaining the classroom facilities included 3651
in the project, except in any year the district's three-year 3652
average adjusted valuation per pupil is greater than the statewide 3653
median three-year average adjusted valuation per pupil, one-half 3654
of the proceeds of the tax shall be used for such maintenance and 3655
one-half of the proceeds of the tax shall be ~~used to pay the cost~~ 3656

~~of the purchase of the classroom facilities from paid to the state 3657
under sections 3318.01 to 3318.20 of the Revised Code. 3658~~

The form of the ballot to be used at such election shall be: 3659

"A majority affirmative vote is necessary for passage. 3660

Shall bonds be issued by the ~~Board of Education of the 3661
..... (here insert name of school district) for the purpose 3662
of (here insert purpose of bond issue) in either an 3663
amount sufficient to raise the net indebtedness of the school 3664
district to within five thousand dollars of (here 3665
insert five, six, or seven per cent depending on the district's 3666
required level of indebtedness) of the total value of all property 3667
in the school district as listed and assessed for taxation on the 3668
tax duplicate for the year (here insert the year 3669
preceding the year in which the resolution declaring the necessity 3670
of the election was adopted) or an amount equal to 3671
(here insert the required percentage of the basic project costs), 3672
whichever is greater, and a levy of taxes be made outside of the 3673
ten mill limitation for a maximum period of (here 3674
insert longest maturity) years to pay the principal and interest 3675
of such bonds, the amount of such bonds being estimated to be 3676
..... (here insert estimated amount of bond issue) for 3677
which the levy of taxes is estimated by the county auditor to 3678
average (here insert number of mills) mills for each 3679
one dollar of valuation, which amounts to (here 3680
insert rate expressed in dollars and cents) for each one hundred 3681
dollars of valuation school district to pay the local share of 3682
school construction under the State of Ohio Classroom Facilities 3683
Assistance Program in the principal amount of (here 3684
insert principal amount of the bond issue), to be repaid annually 3685
over a maximum period of (here insert the maximum 3686
number of years over which the principal of the bonds may be paid) 3687
years, and an annual levy of property taxes be made outside the 3688~~

ten-mill limitation, estimated by the county auditor to average 3689
over the repayment period of the bond issue (here 3690
insert the number of mills estimated) mills for each one dollar of 3691
tax valuation, which amounts to (rate expressed in 3692
cents or dollars and cents, such as "thirty-six cents" or "\$0.36") 3693
for each one hundred dollars of tax valuation to pay the annual 3694
debt charges on the bonds and to pay debt charges on any notes 3695
issued in anticipation of the bonds?" 3696

and 3697

"Shall an additional levy of taxes be made for ~~the~~ a period 3698
not to exceed twenty-three years to benefit of the 3699
(here insert name of school district) school district, the 3700
proceeds of which shall be used to pay the cost of maintaining the 3701
classroom facilities included in the project, except that in any 3702
year the district's three-year average adjusted valuation per 3703
pupil is greater than the ~~state-wide~~ statewide median three-year 3704
average adjusted valuation per pupil, one-half of the proceeds of 3705
the tax shall be used for such maintenance and one-half of such 3706
proceeds shall be ~~used to pay the cost of the purchase of~~ 3707
~~classroom facilities from~~ paid to the state, at the rate of 3708
one-half mill for each one dollar of valuation ~~until the purchase~~ 3709
~~price is paid but in no case longer than twenty three years?~~ 3710

_____ 3711

FOR THE BOND ISSUE AND TAX LEVY 3712

_____ 3713

AGAINST THE BOND ISSUE AND TAX LEVY 3714

_____ " 3715

(D) If it is necessary for the school district to acquire a 3716
site for the classroom facilities to be acquired pursuant to 3717
sections 3318.01 to 3318.20 of the Revised Code, the district 3718
board may propose either to issue bonds of the board or to levy a 3719
tax to pay for the acquisition of such site, and may combine the 3720

question of doing so with the questions specified in division (C) 3721
of this section. Bonds issued under this division for the purpose 3722
of acquiring a site are a general obligation of the school 3723
district and are Chapter 133. securities. 3724

The form of that portion of the ballot to include the 3725
question of either issuing bonds or levying a tax for site 3726
acquisition purposes shall be one of the following: 3727

(1) "Shall bonds be issued by the ~~board of education of the~~ 3728
..... (here insert name of the school district) ~~for the~~ 3729
~~purpose of~~ (~~purpose of the bond issue, which shall be~~ 3730
~~for the purpose~~ school district to pay costs of acquiring a site 3731
for classroom facilities) under the State of Ohio Classroom 3732
Facilities Assistance Program in the principal amount of 3733
..... (here insert principal amount of the bond issue), to be 3734
repaid annually over a maximum period of (here insert 3735
maximum number of years over which the principal of the bonds may 3736
be paid) years, and an annual levy of property taxes be made 3737
outside the ten-mill limitation, estimated by the county auditor 3738
to average over the repayment period of the bond issue 3739
(here insert number of mills) mills for each one dollar of tax 3740
valuation, which amount to (here insert rate expressed 3741
in cents or dollars and cents, such as "thirty-six cents" or 3742
"\$0.36") for each one hundred dollars of valuation to pay the 3743
annual debt charges on the bonds and to pay debt charges on any 3744
notes issued in anticipation of the bonds?" 3745

(2) "Shall an additional levy of taxes outside the ten-mill 3746
limitation be made for the benefit of the (here insert 3747
name of the school district) school district for the 3748
purpose (~~purpose of the levy, which shall be for the~~ 3749
~~purpose~~ of acquiring a site for classroom facilities) in the sum 3750
of (here insert annual amount the levy is to produce) 3751
~~and a levy of taxes to be made outside of the ten-mill limitation~~ 3752

estimated by the county auditor to average (here insert 3753
number of mills) mills for each one hundred dollars of valuation, 3754
for a period of (here insert number of years the millage 3755
is to be imposed) years?" 3756

Where it is necessary to combine the question of issuing 3757
bonds of the school district and levying a tax as described in 3758
division (C) of this section with the question of issuing bonds of 3759
the school district for acquisition of a site, the question 3760
specified in division (C) of this section to be voted on shall be 3761
"For the Bond Issues and the Tax Levy" and "Against the Bond 3762
Issues and the Tax Levy." 3763

Where it is necessary to combine the question of issuing 3764
bonds of the school district and levying a tax as described in 3765
division (C) of this section with the question of levying a tax 3766
for the acquisition of a site, the question specified in division 3767
(C) of this section to be voted on shall be "For the Bond Issue 3768
and the Tax Levies" and "Against the Bond Issue and the Tax 3769
Levies." 3770

If a majority of those voting upon a proposition hereunder 3771
which includes the question of issuing bonds vote in favor 3772
thereof, and if the agreement provided for by section 3318.08 of 3773
the Revised Code has been entered into, the school district board 3774
may proceed under Chapter 133. of the Revised Code, with the 3775
issuance of bonds or bond anticipation notes in accordance with 3776
the terms of the agreement. 3777

Sec. 3318.08. If the requisite favorable vote on the election 3778
is obtained, the Ohio school facilities commission, upon 3779
certification of the results of the election to it, shall enter 3780
into a written agreement with the school district board for the 3781
construction and sale of the project, which agreement shall 3782
include, but need not be limited to, the following provisions: 3783

(A) The sale and issuance of bonds or notes in anticipation 3784
thereof, as soon as practicable after the execution of the 3785
agreement, in ~~either an amount which will raise the net bonded~~ 3786
~~indebtedness of the school district, as of the date of~~ 3787
~~the resolution authorizing the issuance of such bonds or notes, to~~ 3788
~~within five thousand dollars of the required level of indebtedness~~ 3789
~~calculated for the year preceding the year in which the resolution~~ 3790
~~declaring the necessity of the election was adopted or an amount~~ 3791
equal to the ~~required percentage~~ school district's portion of the 3792
basic project ~~costs, whichever is greater~~ cost; provided, that if 3793
at that time the county treasurer of each county in which the 3794
school district is located has not commenced the collection of 3795
taxes on the general duplicate of real and public utility property 3796
for ~~such~~ the year in which the controlling board approved the 3797
project, the school district board shall authorize the issuance of 3798
a first installment of bond anticipation notes in an amount 3799
specified by the agreement, which amount shall not exceed an 3800
amount necessary to raise the net bonded indebtedness of the 3801
school district as ~~to~~ of the date of ~~such authorizing resolution~~ 3802
the controlling board's approval to within five thousand dollars 3803
of the required level of indebtedness for the preceding year. In 3804
the event that a first installment of bond anticipation notes is 3805
issued, the school district board shall, as soon as practicable 3806
after the county treasurer of each county in which the school 3807
district is located has commenced the collection of taxes on the 3808
general duplicate of real and public utility property for the year 3809
in which the ~~resolution declaring the necessity of the election~~ 3810
~~was adopted~~ controlling board approved the project, authorize the 3811
issuance of a second and final installment of bond anticipation 3812
notes or a first and final issue of bonds. ~~The~~ 3813

The combined value of the first and second installment of 3814
bond anticipation notes or the value of the first and final issue 3815

of bonds shall be equal to either ~~an amount which will raise the~~ 3816
~~net indebtedness of the school district as of the date of such~~ 3817
~~authorizing resolution to within five thousand dollars of the~~ 3818
~~required level of indebtedness, or an amount equal to the required~~ 3819
~~percentage~~ school district's portion of the basic project costs, 3820
~~whichever is greater~~ cost. The proceeds of any such bonds shall be 3821
used first to retire any bond anticipation notes. Otherwise, the 3822
proceeds of such bonds and of any bond anticipation notes, except 3823
the premium and accrued interest thereon, shall be deposited in 3824
the school district's project construction fund. In determining 3825
the amount of net bonded indebtedness for the purpose of fixing 3826
the amount of an issue of either bonds or bond anticipation notes, 3827
gross indebtedness shall be reduced by moneys in the bond 3828
retirement fund only to the extent of the moneys therein on the 3829
first day of the year preceding the year in which the ~~resolution~~ 3830
~~authorizing such bonds or notes is adopted~~ controlling board 3831
approved the project. Should there be a decrease in the tax 3832
valuation of the school district so that the amount of 3833
indebtedness ~~which~~ that can be incurred on the tax duplicates for 3834
the year in which the ~~resolution declaring the necessity of the~~ 3835
~~election was adopted~~ controlling board approved the project is 3836
less than the amount of the first installment of bond anticipation 3837
notes, there shall be paid from the school district's project 3838
construction fund to the school district's bond retirement fund to 3839
be applied against such notes an amount sufficient to cause the 3840
net bonded indebtedness of the school district, as of the first 3841
day of the year following the year in which the ~~resolution~~ 3842
~~declaring the necessity of the election was adopted~~ controlling 3843
board approved the project, to be within five thousand dollars of 3844
the required level of indebtedness for the year in which ~~that~~ 3845
~~resolution was adopted~~ the controlling board approved the project. 3846
The maximum amount of indebtedness to be incurred by any school 3847
district board as its share of the cost of the project is either 3848

an amount ~~which~~ that will cause its net bonded indebtedness, as of 3849
the first day of the year following the year in which the 3850
~~resolution declaring the necessity of the bond issue was adopted~~ 3851
controlling board approved the project, to be within five thousand 3852
dollars of the required level of indebtedness ~~calculated for the~~ 3853
~~year preceding the year in which that resolution was adopted,~~ or an 3854
amount equal to the required percentage of the basic project 3855
costs, whichever is greater. All bonds and bond anticipation notes 3856
shall be issued in accordance with Chapter 133. of the Revised 3857
Code, and notes may be renewed as provided in section 133.22 of 3858
the Revised Code. 3859

(B) The transfer of such funds of the school district board 3860
available for the project, together with the proceeds of the sale 3861
of the bonds or notes, except premium, accrued interest, and 3862
interest included in the amount of the issue, to the school 3863
district's project construction fund; 3864

(C) The levy of the tax authorized at the election for the 3865
payment of maintenance costs or ~~the cost of purchasing the~~ 3866
~~classroom facilities~~ payments to the state, as specified in 3867
division (B) of section 3318.05 of the Revised Code; 3868

(D) Ownership of or interest in the project during the period 3869
of construction, which shall be divided between the commission and 3870
the school district board in proportion to their respective 3871
contributions to the school district's project construction fund; 3872
3873

(E) ~~The transfer~~ Maintenance of the state's interest in the 3874
project ~~to the school district upon completion of the project~~ 3875
until any obligations issued for the project under section 3318.26 3876
of the Revised Code are no longer outstanding; 3877

(F) The insurance of the project by the school district from 3878
the time there is an insurable interest therein and so long as ~~any~~ 3879

~~part of the purchase price remains unpaid the state retains any~~ 3880
~~ownership or interest in the project pursuant to division (D) of~~ 3881
~~this section~~, in such amounts and against such risks as the 3882
commission shall require; provided, that the cost of any required 3883
insurance until the project is completed shall be a part of the 3884
basic project cost; 3885

(G) The certification by the director of budget and 3886
management that funds are available and have been set aside to 3887
meet the state's share of the basic project cost as approved by 3888
the controlling board pursuant to section 3318.04 of the Revised 3889
Code; 3890

(H) Authorization of the school district board to advertise 3891
for and receive construction bids for the project, for and on 3892
behalf of the commission, and to award contracts in the name of 3893
the state subject to approval by the commission; 3894

(I) Provisions for the disbursement of moneys from the school 3895
district's project account upon issuance by the commission or the 3896
commission's designated representative of vouchers for work done 3897
to be certified to the commission by the treasurer of the school 3898
district board; 3899

(J) Disposal of any balance left in the school district's 3900
project construction fund upon completion of the project; 3901

~~(K) Prohibition against alienation of any interest in the~~ 3902
~~project by the school district board or its successor in interest~~ 3903
~~without the consent of the commission so long as any part of the~~ 3904
~~purchase price of the project remains unpaid, but in no case~~ 3905
~~longer than twenty three years;~~ 3906

~~(L) Limitations upon use of the project or any part of it so~~ 3907
~~long as any part of the purchase price of the project remains~~ 3908
~~unpaid, but in no case longer than twenty three years~~ obligations 3909
issued to finance the project under section 3318.26 of the Revised 3910

Code are outstanding; 3911

~~(M)~~(L) Provision for vesting ~~absolute~~ the state's interest in 3912
the project ~~in~~ to the school district board when the ~~purchase~~ 3913
~~price has been paid or at the expiration of the period of~~ 3914
~~twenty three years~~ obligations issued to finance the project under 3915
section 3318.26 of the Revised Code are outstanding; 3916

~~(N)~~(M) Provision for deposit of an executed copy of the 3917
agreement in the office of the commission ~~and the office of the~~ 3918
~~county recorder of the county or counties in which the project is~~ 3919
~~situated;~~ 3920

~~(O)~~(N) Provision for termination of the contract and release 3921
of the funds encumbered at the time of the conditional approval, 3922
if the proceeds of the sale of the bonds of the school district 3923
board are not paid into the school district's project construction 3924
fund and if bids for the construction of the project have not been 3925
taken within such period after the execution of the agreement as 3926
may be fixed by the commission; 3927

~~(P)~~(O) Provision for the school district to maintain the 3928
project in accordance with a plan approved by the commission; 3929

~~(Q)~~(P) Provision that all state funds reserved and encumbered 3930
to pay the state share of the cost of the project pursuant to 3931
section 3318.03 of the Revised Code be spent on the construction 3932
or acquisition of the project prior to the expenditure of any 3933
funds provided by the school district to pay for its share of the 3934
project cost, unless the school district certifies to the 3935
commission that expenditure by the school district is necessary to 3936
maintain the tax-exempt status of notes or bonds issued by the 3937
school district to pay for its share of the project cost in which 3938
case, the school district may commit to spend, or spend, a portion 3939
of the funds it provides; 3940

(Q) A provision stipulating that the commission may prohibit 3941

the district from proceeding with any project if the commission 3942
determines that the site is not suitable for construction 3943
purposes. The commission may perform soil tests in its 3944
determination of whether a site is appropriate for construction 3945
purposes. 3946

Sec. 3318.081. If the board of education of a school district 3947
authorized to impose a tax pursuant to section 3318.06 of the 3948
Revised Code determines that taxable value of property subject to 3949
the tax has increased to the extent it will not be necessary to 3950
impose such tax for twenty-three years in order to ~~pay the~~ 3951
~~purchase price~~ generate an amount equal to the amount of the 3952
project cost supplied by the state, it may request the county 3953
auditor to determine the amount ~~of the purchase price~~ remaining to 3954
be paid and the estimated rate of taxation required each year to 3955
~~repay~~ pay such remainder in equal installments over the maximum 3956
number of remaining years the tax may be in effect. The auditor 3957
shall make such determination upon request and certify the results 3958
thereof to the board of education. 3959

Upon receipt of the auditor's determination, the board of 3960
education may request the Ohio school facilities commission to 3961
enter into a supplemental agreement under which the district may 3962
~~repay~~ pay the remainder of the ~~purchase price~~ amount in annual 3963
amounts equal to the quotient obtained by dividing the amount 3964
remaining to be paid by the maximum number of remaining years the 3965
tax may be in effect. If such an agreement is entered into, the 3966
commission shall certify a copy thereof to the county auditor and 3967
the tax authorized by section 3318.06 of the Revised Code 3968
thereafter shall be levied at the rate required to make the annual 3969
payments required by the supplemental agreement rather than the 3970
rate required by such section. 3971

Sec. 3318.082. The board of education of any school district 3972

imposing a tax for the purpose of paying the ~~cost of the purchase~~ 3973
~~of classroom facilities from the~~ state pursuant to section 3318.06 3974
of the Revised Code prior to the effective date of the amendments 3975
to that section by Amended Substitute House Bill No. 748 of the 3976
121st General Assembly, may enter into a supplemental agreement 3977
with the Ohio school facilities commission under which the 3978
proceeds of such tax shall be distributed in accordance with the 3979
requirements of section 3318.06 of the Revised Code, as amended by 3980
Amended Substitute House Bill No. 748 of the 121st general 3981
assembly. 3982

Sec. 3318.083. If, after the Ohio school facilities 3983
commission and a school district enter into a written agreement 3984
under section 3318.08 of the Revised Code for the construction of 3985
a classroom facilities project, the commission approves an 3986
increase in the basic project cost above the amount budgeted plus 3987
any interest earned and available in the project construction 3988
fund, the state and the school district shall share the increased 3989
cost in proportion to their respective contributions to the 3990
district's project construction fund. 3991

Sec. 3318.13. Notwithstanding any provision of sections 3992
5705.27 to 5705.50 of the Revised Code, the tax to be levied on 3993
all taxable property within a school district for the purpose of 3994
paying the cost of maintaining the classroom facilities included 3995
in the project or for paying the ~~purchase price of the project to~~ 3996
~~the~~ state under the agreement provided in section 3318.08 of the 3997
Revised Code or the supplemental agreement provided in section 3998
3318.081 of the Revised Code shall be included in the budget of 3999
the school district for each year upon the certification to the 4000
county budget commission or commissions of the county or counties 4001
in which said school district is located, by the Ohio school 4002

facilities commission of the balance due the state under said 4003
agreement or supplemental agreement. Such certification shall be 4004
made on or before the fifteenth day of July in each year. 4005
Thereafter, the respective county budget commissions shall treat 4006
such certification as an additional item on the tax budget for the 4007
school district as to which such certification has been made and 4008
shall provide for the levy therefor in the manner provided in 4009
sections 5705.27 to 5705.50 of the Revised Code for tax levies 4010
included directly in the budgets of the subdivisions. 4011

The levy of taxes shall be included in the next annual tax 4012
budget that is certified to the county budget commission after the 4013
execution of the agreement for the project. 4014

Sec. 3318.14. Notwithstanding the provision of section 321.31 4015
of the Revised Code, immediately after each settlement with the 4016
county auditor, on presentation of the warrant of the county 4017
auditor therefor, the county treasurer shall pay to the school 4018
district the proceeds of the tax levy provided in section 3318.13 4019
of the Revised Code to be used to pay the cost of maintaining the 4020
classroom facilities included in the project and pay to the Ohio 4021
school facilities commission any proceeds of the tax levy provided 4022
in section 3318.13 of the Revised Code to be ~~applied to the unpaid~~ 4023
~~purchase price of the project paid to the state.~~ 4024

Sec. 3318.15. There is hereby created the public school 4025
building fund within the state treasury consisting of all moneys 4026
received from ~~the sale of classroom facilities pursuant to~~ 4027
~~sections 3318.01 to 3318.20~~ payments to the state pursuant to 4028
division (C) of section 3318.08 of the Revised Code, any moneys 4029
transferred or appropriated to the fund by the general assembly, 4030
and any grants, gifts, or contributions received by the Ohio 4031
school facilities commission to be used for the purposes of the 4032

fund. All investment earnings of the fund shall be credited to the 4033
fund. 4034

Moneys transferred or appropriated to the fund by the general 4035
assembly and moneys in the fund from grants, gifts, and 4036
contributions shall be used ~~to acquire classroom facilities for~~ 4037
~~sale to school districts pursuant to the purposes of~~ sections 4038
3318.01 to 3318.20 of the Revised Code. The moneys in the fund 4039
received from ~~the sale of classroom facilities~~ payments to the 4040
state pursuant to division (C) of section 3318.08 of the Revised 4041
Code shall be held in a separate account in the fund. Such moneys 4042
may be used partially ~~to acquire additional classroom facilities~~ 4043
~~for sale to school districts pursuant to the purposes of~~ sections 4044
3318.01 to 3318.20 of the Revised Code and partially to pay bond 4045
service charges as defined in division (C) of section 3318.21 of 4046
the Revised Code on obligations, ~~the proceeds of which are~~ 4047
~~deposited into the school districts facilities fund created in~~ 4048
~~section 3318.23 of the Revised Code.~~ 4049

Sec. 3318.16. ~~Title to interests~~ The Ohio school facilities 4050
commission shall have an interest in real property purchased with 4051
moneys in the school district's project construction fund ~~shall be~~ 4052
~~taken in the name of the state of Ohio. Upon completion of the~~ 4053
~~project, the title to such interest in real property shall be~~ 4054
~~conveyed to the school district board and the Ohio school~~ 4055
~~facilities commission shall execute and deliver deeds to complete~~ 4056
~~the transfer of such interests.~~ 4057

~~Upon completion of the project, the interest of the state in~~ 4058
~~the project shall be transferred to the school district board,~~ 4059
~~which interest is equal to that portion of the final cost of the~~ 4060
~~project represented by funds contributed by the state for the~~ 4061
~~project. The purchase price to be paid by the school district~~ 4062
~~board for the state's interest in the project shall be the total~~ 4063

amount of funds contributed by the state for the project. 4064

Once obligations issued to finance a project under section 3318.26 of the Revised Code are no longer outstanding, any interest held by the commission shall be transferred to the school district. 4065
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Sec. 3318.17. A (A) Except as provided in division (B) of this section, when a school district board may purchase receives classroom facilities assistance from the state from time to time under the procedure set forth in sections 3318.01 to 3318.12 of the Revised Code. The, the levy of taxes required by section sections 3318.13 and 3318.14 of the Revised Code shall be at the rate of one-half mill for each one dollar of valuation and shall be for a maximum period of twenty-three years after the last purchase, except that in those years in which a supplemental agreement authorized by section 3318.081 of the Revised Code is in effect, the rate shall be as prescribed for such section for the period during which such agreement is in effect. Where a school district has purchased classroom facilities from the state on which any portion of the purchase price remains unpaid and it desires to purchase additional classroom facilities, the notice of election and form of ballot set forth in section 3318.06 of the Revised Code shall provide that the levy is an extension of an existing levy for a maximum period of twenty-three years. Where there has been more than one purchase of classroom facilities from the state, any proceeds of the tax to be used to pay the purchase price of such facilities shall be applied to the unpaid purchase price of the projects in the order in which they were purchased. 4069
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(B) When a school district levies a tax under sections 3318.13 and 3318.14 of the Revised Code after the effective date of this amendment, the levy shall: 4091
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(1) Be an additional levy of one-half mill for each dollar of 4094

valuation; 4095

(2) Continue for the lesser of the number of years required 4096
to generate revenue equal to the amount of money supplied by the 4097
state for a classroom facilities project or twenty-three years; 4098

(3) Not reduce the number of years remaining on any other 4099
levy passed under sections 3318.13 and 3318.14 of the Revised Code 4100
prior to or after the effective date of this amendment. 4101

The notice of election and form of the ballot required by 4102
section 3318.06 of the Revised Code shall provide that a levy 4103
under this division is an additional levy for the specified 4104
classroom facilities project. 4105

Sec. 3318.18. ~~The unpaid purchase price of a project~~ Money to 4106
be paid to the state pursuant to division (B) of section 3318.05 4107
of the Revised Code shall constitute an indebtedness of the school 4108
district but shall not be included in the calculation of 4109
indebtedness under sections 133.04 and 133.06 of the Revised Code. 4110
In the event all or a portion of the territory comprising a school 4111
district, ~~which that~~ has outstanding an indebtedness to the state 4112
~~representing the unpaid purchase price of~~ tax levy money resulting 4113
from a project or projects, is transferred to another school 4114
district, or, if a new school district is created to include all 4115
or a portion of such school district, the outstanding indebtedness 4116
for money owed as a result of each project shall be apportioned 4117
between the acquiring school district and the original school 4118
district in the ratio, as of the effective date of the transfer, 4119
which the assessed valuation of the territory transferred to the 4120
acquiring school district bears to the assessed valuation of the 4121
original school district. 4122

The amount of the indebtedness so assumed, or partially 4123
assumed, by the new school district or acquiring school district 4124
shall be equal to one-half mill multiplied by the total value of 4125

all property as listed and assessed for taxation in the original 4126
school district or territory transferred for each ~~of the years~~ 4127
year of the original twenty-three or fewer years remaining as 4128
specified in the portion of the agreement ~~for payment of purchase~~ 4129
~~price between the original school district and the state board of~~ 4130
~~education~~ contained in division (C) of section 3318.08 of the 4131
Revised Code. On or before the first day of July of each year, the 4132
department of taxation shall certify to the Ohio school facilities 4133
commission the amount of the tax duplicate of the original school 4134
district or territory transferred for the calendar year ending on 4135
the thirty-first day of December immediately preceding. This tax 4136
duplicate shall be used in the calculation of the indebtedness so 4137
assumed. 4138

The acquiring school district shall levy a tax outside the 4139
ten-mill limitation upon all property in the acquiring school 4140
district to pay the indebtedness so assumed until the indebtedness 4141
so assumed has been discharged but not longer than twenty-three 4142
years after the original incurrence of the indebtedness, provided, 4143
that the levy in the acquiring school district in any year shall 4144
not exceed the levy in the original school district to ~~pay the~~ 4145
~~purchase price of projects acquired from~~ make payments to the 4146
state. The proceeds of the aforesaid tax levy in the acquiring 4147
school district shall be applied to the discharge of indebtedness 4148
first incurred in point of time whether or not it be an 4149
indebtedness assumed from another school district. 4150

Sec. 3318.21. As used in sections 3318.21 to 3318.29 of the 4151
Revised Code: 4152

(A) "Allowable costs" means all or part of the costs of a 4153
permanent improvement that may be financed with, and paid from the 4154
proceeds of, securities issued pursuant to section 133.15 of the 4155
Revised Code. 4156

(B) "Bond proceedings" means the resolution, order, trust agreement, indenture, loan agreement, lease agreement, and other agreements, amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing or providing for the terms and conditions applicable to, or providing for the security or liquidity of, obligations issued pursuant to section 3318.26 of the Revised Code, and the provisions contained in the obligations.

(C) "Bond service charges" means principal, including mandatory sinking fund requirements for retirement of obligations, and interest, and redemption premium, if any, required to be paid by the state on obligations, and, if provided in the applicable bond proceedings, may include any corresponding lease or sublease payments to be made with respect thereto to the issuing authority by the state or any agency of state government.

(D) "Bond service fund" means the applicable fund and accounts therein created for and pledged to the payment of bond service charges, which may be, or may be part of, either the school building program bond service fund created by division (R) of section 3318.26 of the Revised Code ~~or the school facilities bond service fund created by division (S) of section 3318.26 of the Revised Code~~, including all moneys and investments, and earnings from investments, credited and to be credited thereto.

(E) "Issuing authority" means the treasurer of state, or the officer who by law performs the functions of such officer.

(F) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to section 3318.26 of the Revised Code.

(G) "Permanent improvement" or "improvement" means a permanent improvement or improvement as defined under division (CC) of section 133.01 of the Revised Code to be used for housing

agencies of state government, including classroom facilities as	4188
defined in division (B) of section 3318.01 of the Revised Code.	4189
(H) "Pledged receipts," in the case of obligations issued to	4190
provide moneys for the school building program assistance fund	4191
created in section 3318.25 of the Revised Code, means any or all	4192
of the following:	4193
(1) Moneys in the lottery profits education fund created in	4194
section 3770.06 of the Revised Code appropriated by the general	4195
assembly and pledged for the purpose of paying bond service	4196
charges on one or more issuances of such obligations;	4197
(2) Accrued interest received from the sale of obligations;	4198
(3) Income from the investment of the special funds;	4199
(4) Any gifts, grants, donations, and pledges, and receipts	4200
therefrom, available for the payment of bond service charges.	4201
(I) "Pledged receipts," in the case of obligations issued to	4202
provide moneys for the school districts facilities fund created in	4203
section 3318.23 of the Revised Code, means any or all of the	4204
following:	4205
(1) Moneys from the sale of classroom facilities accruing in	4206
the public school building fund created in section 3318.15 of the	4207
Revised Code, which moneys are pledged for the purpose of paying	4208
bond service charges on one or more issuances of such obligations.	4209
(2) Moneys accruing to the state from the repayment,	4210
including interest, of loans from the school districts facilities	4211
fund made pursuant to section 3318.24 of the Revised Code;	4212
(3) Accrued interest received from the sale of obligations;	4213
(4) Income from the investment of the special funds;	4214
(5) Any gifts, grants, donations, and pledges, and receipts	4215
therefrom, available for the payment of bond service charges.	4216

~~(J)~~ "School district" means a school district as defined 4217
under division (D) of section 3318.01 of the Revised Code, acting 4218
as an agency of state government, performing essential 4219
governmental functions of state government pursuant to sections 4220
3318.21 to 3318.29 of the Revised Code. 4221

~~(K)~~(J) "Securities" means securities as defined under 4222
division (KK) in section 133.01 of the Revised Code. 4223

~~(L)~~(K) "Special funds" or "funds" means, except where the 4224
context does not permit, the bond service fund, and any other 4225
funds, including reserve funds, created under the bond 4226
proceedings, and ~~either~~ the school building program bond service 4227
fund created by division (R) of section 3318.26 of the Revised 4228
Code ~~or the school facilities bond service fund created by~~ 4229
~~division (S) of section 3318.26 of the Revised Code~~ to the extent 4230
provided in the bond proceedings, including all moneys and 4231
investments, and earnings from investment, credited and to be 4232
credited thereto. 4233

Sec. 3318.25. There is hereby created in the state treasury 4234
the school building program assistance fund. The fund shall 4235
consist of the proceeds of obligations issued for the purposes of 4236
such fund pursuant to section 3318.26 of the Revised Code that are 4237
payable from moneys in the lottery profits education fund created 4238
in section 3770.06 of the Revised Code. All investment earnings of 4239
the fund shall be credited to the fund. Moneys in the fund shall 4240
be used as directed by the Ohio school facilities commission for 4241
the cost to the state of acquiring constructing classroom 4242
facilities ~~for sale to school districts pursuant to~~ under sections 4243
3318.01 to 3318.20 of the Revised Code. 4244

Sec. 3318.26. (A) Subject to the limitations provided in 4245
section 3318.29 of the Revised Code, the issuing authority, upon 4246

the certification by the Ohio school facilities commission to the 4247
issuing authority of the amount of moneys or additional moneys 4248
needed in the ~~school districts facilities fund for the purpose of~~ 4249
~~making loans for allowable costs from~~ such fund or in the school 4250
building program assistance fund for the purposes of sections 4251
3318.01 to 3318.20 of the Revised Code, or needed for capitalized 4252
interest, for funding reserves, and for paying costs and expenses 4253
incurred in connection with the issuance, carrying, securing, 4254
paying, redeeming, or retirement of the obligations or any 4255
obligations refunded thereby, including payment of costs and 4256
expenses relating to letters of credit, lines of credit, 4257
insurance, put agreements, standby purchase agreements, indexing, 4258
marketing, remarketing and administrative arrangements, interest 4259
swap or hedging agreements, and any other credit enhancement, 4260
liquidity, remarketing, renewal, or refunding arrangements, all of 4261
which are authorized by this section, shall issue obligations of 4262
the state under this section in the required amount. The proceeds 4263
of such obligations, except for obligations issued to provide 4264
moneys for the school building program assistance fund or except 4265
for such portion to be deposited in special funds, including 4266
reserve funds, as may be provided in the bond proceedings, shall 4267
as provided in the bond proceedings be deposited by the treasurer 4268
of state to the school districts facilities fund. The issuing 4269
authority may appoint trustees, paying agents, and transfer agents 4270
and may retain the services of financial advisors and accounting 4271
experts and retain or contract for the services of marketing, 4272
remarketing, indexing, and administrative agents, other 4273
consultants, and independent contractors, including printing 4274
services, as are necessary in the issuing authority's judgment to 4275
carry out this section. The costs of such services are payable 4276
from the school districts facilities fund, the school building 4277
program assistance fund, or any special fund determined by the 4278

issuing authority. 4279

(B) The holders or owners of such obligations shall have no 4280
right to have moneys raised by taxation obligated or pledged, and 4281
moneys raised by taxation shall not be obligated or pledged, for 4282
the payment of bond service charges. Such holders or owners shall 4283
have no rights to payment of bond service charges from any money 4284
or property received by the commission, treasurer of state, or the 4285
state, or from any other use of the proceeds of the sale of the 4286
obligations, and no such moneys may be used for the payment of 4287
bond service charges, except for accrued interest, capitalized 4288
interest, and reserves funded from proceeds received upon the sale 4289
of the obligations and except as otherwise expressly provided in 4290
the applicable bond proceedings pursuant to written directions by 4291
the treasurer of state. The right of such holders and owners to 4292
payment of bond service charges shall be limited to all or that 4293
portion of the pledged receipts and those special funds pledged 4294
thereto pursuant to the bond proceedings in accordance with this 4295
section, and each such obligation shall bear on its face a 4296
statement to that effect. 4297

(C) Obligations shall be authorized by resolution or order of 4298
the issuing authority and the bond proceedings shall provide for 4299
the purpose thereof and the principal amount or amounts, and shall 4300
provide for or authorize the manner or agency for determining the 4301
principal maturity or maturities, not exceeding the limits 4302
specified in section 3318.29 of the Revised Code, the interest 4303
rate or rates or the maximum interest rate, the date of the 4304
obligations and the dates of payment of interest thereon, their 4305
denomination, and the establishment within or without the state of 4306
a place or places of payment of bond service charges. Sections 4307
9.98 to 9.983 of the Revised Code are applicable to obligations 4308
issued under this section, subject to any applicable limitation 4309
under section 3318.29 of the Revised Code. The purpose of such 4310

obligations may be stated in the bond proceedings in terms 4311
describing the general purpose or purposes to be served. The bond 4312
proceedings shall also provide, subject to the provisions of any 4313
other applicable bond proceedings, for the pledge of all, or such 4314
part as the issuing authority may determine, of the pledged 4315
receipts and the applicable special fund or funds to the payment 4316
of bond service charges, which pledges may be made either prior or 4317
subordinate to other expenses, claims, or payments, and may be 4318
made to secure the obligations on a parity with obligations 4319
theretofore or thereafter issued, if and to the extent provided in 4320
the bond proceedings. The pledged receipts and special funds so 4321
pledged and thereafter received by the state are immediately 4322
subject to the lien of such pledge without any physical delivery 4323
thereof or further act, and the lien of any such pledges is valid 4324
and binding against all parties having claims of any kind against 4325
the state or any governmental agency of the state, irrespective of 4326
whether such parties have notice thereof, and shall create a 4327
perfected security interest for all purposes of Chapter 1309. of 4328
the Revised Code, without the necessity for separation or delivery 4329
of funds or for the filing or recording of the bond proceedings by 4330
which such pledge is created or any certificate, statement or 4331
other document with respect thereto; and the pledge of such 4332
pledged receipts and special funds is effective and the money 4333
therefrom and thereof may be applied to the purposes for which 4334
pledged without necessity for any act of appropriation, except as 4335
required by section 3770.06 of the Revised Code. Every pledge, and 4336
every covenant and agreement made with respect thereto, made in 4337
the bond proceedings may therein be extended to the benefit of the 4338
owners and holders of obligations authorized by this section, and 4339
to any trustee therefor, for the further security of the payment 4340
of the bond service charges. 4341

(D) The bond proceedings may contain additional provisions as 4342

to: 4343

(1) The redemption of obligations prior to maturity at the 4344
option of the issuing authority at such price or prices and under 4345
such terms and conditions as are provided in the bond proceedings; 4346

(2) Other terms of the obligations; 4347

(3) Limitations on the issuance of additional obligations; 4348

(4) The terms of any trust agreement or indenture securing 4349
the obligations or under which the same may be issued; 4350

(5) The deposit, investment and application of special funds, 4351
and the safeguarding of moneys on hand or on deposit, without 4352
regard to Chapter 131., 133., or 135. of the Revised Code, but 4353
subject to any special provisions of sections 3318.21 to 3318.29 4354
of the Revised Code, with respect to particular funds or moneys, 4355
provided that any bank or trust company that acts as depository of 4356
any moneys in the special funds may furnish such indemnifying 4357
bonds or may pledge such securities as required by the issuing 4358
authority; 4359

(6) Any or every provision of the bond proceedings being 4360
binding upon such officer, board, commission, authority, agency, 4361
department, or other person or body as may from time to time have 4362
the authority under law to take such actions as may be necessary 4363
to perform all or any part of the duty required by such provision; 4364

(7) Any provision that may be made in a trust agreement or 4365
indenture; 4366

(8) The lease or sublease of any interest of the school 4367
district or the state in one or more projects as defined in 4368
division (C) of section 3318.01 of the Revised Code, or in one or 4369
more permanent improvements, to or from the issuing authority, as 4370
provided in one or more lease or sublease agreements between the 4371
school or the state and the issuing authority; 4372

(9) Any other or additional agreements with the holders of 4373
the obligations, or the trustee therefor, relating to the 4374
obligations or the security therefor, ~~including in the case of~~ 4375
~~obligations issued to provide moneys for the school district~~ 4376
~~facilities fund the assignment of security obtained or to be~~ 4377
~~obtained for loans under section 3318.24 of the Revised Code.~~ 4378

(E) The obligations may have the great seal of the state or a 4379
facsimile thereof affixed thereto or printed thereon. The 4380
obligations and any coupons pertaining to obligations shall be 4381
signed or bear the facsimile signature of the issuing authority. 4382
Any obligations or coupons may be executed by the person who, on 4383
the date of execution, is the proper issuing authority although on 4384
the date of such bonds or coupons such person was not the issuing 4385
authority. In case the issuing authority whose signature or a 4386
facsimile of whose signature appears on any such obligation or 4387
coupon ceases to be the issuing authority before delivery thereof, 4388
such signature or facsimile is nevertheless valid and sufficient 4389
for all purposes as if the issuing authority had remained the 4390
issuing authority until such delivery; and in case the seal to be 4391
affixed to obligations has been changed after a facsimile of the 4392
seal has been imprinted on such obligations, such facsimile seal 4393
shall continue to be sufficient as to such obligations and 4394
obligations issued in substitution or exchange therefor. 4395

(F) All obligations are negotiable instruments and securities 4396
under Chapter 1308. of the Revised Code, subject to the provisions 4397
of the bond proceedings as to registration. The obligations may be 4398
issued in coupon or in registered form, or both, as the issuing 4399
authority determines. Provision may be made for the registration 4400
of any obligations with coupons attached thereto as to principal 4401
alone or as to both principal and interest, their exchange for 4402
obligations so registered, and for the conversion or reconversion 4403
into obligations with coupons attached thereto of any obligations 4404

registered as to both principal and interest, and for reasonable 4405
charges for such registration, exchange, conversion, and 4406
reconversion. 4407

(G) Obligations may be sold at public sale or at private 4408
sale, as determined in the bond proceedings. 4409

(H) Pending preparation of definitive obligations, the 4410
issuing authority may issue interim receipts or certificates which 4411
shall be exchanged for such definitive obligations. 4412

(I) In the discretion of the issuing authority, obligations 4413
may be secured additionally by a trust agreement or indenture 4414
between the issuing authority and a corporate trustee which may be 4415
any trust company or bank having its principal place of business 4416
within the state. Any such agreement or indenture may contain the 4417
resolution or order authorizing the issuance of the obligations, 4418
any provisions that may be contained in any bond proceedings, and 4419
other provisions that are customary or appropriate in an agreement 4420
or indenture of such type, including, but not limited to: 4421

(1) Maintenance of each pledge, trust agreement, indenture, 4422
or other instrument comprising part of the bond proceedings until 4423
the state has fully paid the bond service charges on the 4424
obligations secured thereby, or provision therefor has been made; 4425

(2) In the event of default in any payments required to be 4426
made by the bond proceedings, or any other agreement of the 4427
issuing authority made as a part of the contract under which the 4428
obligations were issued, enforcement of such payments or agreement 4429
by mandamus, the appointment of a receiver, suit in equity, action 4430
at law, or any combination of the foregoing; 4431

(3) The rights and remedies of the holders of obligations and 4432
of the trustee, and provisions for protecting and enforcing them, 4433
including limitations on rights of individual holders of 4434
obligations; 4435

(4) The replacement of any obligations that become mutilated	4436
or are destroyed, lost, or stolen;	4437
(5) Such other provisions as the trustee and the issuing	4438
authority agree upon, including limitations, conditions, or	4439
qualifications relating to any of the foregoing.	4440
(J) Any holder of obligations or a trustee under the bond	4441
proceedings, except to the extent that the holder's or trustee's	4442
rights are restricted by the bond proceedings, may by any suitable	4443
form of legal proceedings, protect and enforce any rights under	4444
the laws of this state or granted by such bond proceedings. Such	4445
rights include the right to compel the performance of all duties	4446
of the issuing authority, the commission, or the director of	4447
budget and management required by sections 3318.21 to 3318.29 of	4448
the Revised Code or the bond proceedings; to enjoin unlawful	4449
activities; and in the event of default with respect to the	4450
payment of any bond service charges on any obligations or in the	4451
performance of any covenant or agreement on the part of the	4452
issuing authority, the commission, or the director of budget and	4453
management in the bond proceedings, to apply to a court having	4454
jurisdiction of the cause to appoint a receiver to receive and	4455
administer the pledged receipts and special funds, other than	4456
those in the custody of the treasurer of state or the commission,	4457
which are pledged to the payment of the bond service charges on	4458
such obligations or which are the subject of the covenant or	4459
agreement, with full power to pay, and to provide for payment of	4460
bond service charges on, such obligations, and with such powers,	4461
subject to the direction of the court, as are accorded receivers	4462
in general equity cases, excluding any power to pledge additional	4463
revenues or receipts or other income or moneys of the issuing	4464
authority or the state or governmental agencies of the state to	4465
the payment of such principal and interest and excluding the power	4466
to take possession of, mortgage, or cause the sale or otherwise	4467

dispose of any permanent improvement. 4468

Each duty of the issuing authority and the issuing 4469
authority's officers and employees, and of each governmental 4470
agency and its officers, members, or employees, undertaken 4471
pursuant to the bond proceedings or any agreement or loan made 4472
under authority of sections 3318.21 to 3318.29 of the Revised 4473
Code, and in every agreement by or with the issuing authority, is 4474
hereby established as a duty of the issuing authority, and of each 4475
such officer, member, or employee having authority to perform such 4476
duty, specifically enjoined by the law resulting from an office, 4477
trust, or station within the meaning of section 2731.01 of the 4478
Revised Code. 4479

The person who is at the time the issuing authority, or the 4480
issuing authority's officers or employees, are not liable in their 4481
personal capacities on any obligations issued by the issuing 4482
authority or any agreements of or with the issuing authority. 4483

(K) The issuing authority may authorize and issue obligations 4484
for the refunding, including funding and retirement, and advance 4485
refunding with or without payment or redemption prior to maturity, 4486
of any obligations previously issued by the issuing authority. 4487
Such obligations may be issued in amounts sufficient for payment 4488
of the principal amount of the prior obligations, any redemption 4489
premiums thereon, principal maturities of any such obligations 4490
maturing prior to the redemption of the remaining obligations on a 4491
parity therewith, interest accrued or to accrue to the maturity 4492
dates or dates of redemption of such obligations, and any 4493
allowable costs including expenses incurred or to be incurred in 4494
connection with such issuance and such refunding, funding, and 4495
retirement. Subject to the bond proceedings therefor, the portion 4496
of proceeds of the sale of obligations issued under this division 4497
to be applied to bond service charges on the prior obligations 4498
shall be credited to an appropriate account held by the trustee 4499

for such prior or new obligations or to the appropriate account in 4500
the bond service fund for such obligations. Obligations authorized 4501
under this division shall be deemed to be issued for those 4502
purposes for which such prior obligations were issued and are 4503
subject to the provisions of this section pertaining to other 4504
obligations, except as otherwise provided in this section; 4505
provided that, unless otherwise authorized by the general 4506
assembly, any limitations imposed by the general assembly pursuant 4507
to this section with respect to bond service charges applicable to 4508
the prior obligations shall be applicable to the obligations 4509
issued under this division to refund, fund, advance refund or 4510
retire such prior obligations. 4511

(L) The authority to issue obligations under this section 4512
includes authority to refund or refinance any obligations 4513
previously issued by the state under sections 3318.21 to 3318.29 4514
of the Revised Code. 4515

The authority to issue obligations under this section also 4516
includes authority to issue obligations in the form of bond 4517
anticipation notes and to renew the same from time to time by the 4518
issuance of new notes. The holders of such notes or interest 4519
coupons pertaining thereto shall have a right to be paid solely 4520
from the pledged receipts and special funds that may be pledged to 4521
the payment of the bonds anticipated, or from the proceeds of such 4522
bonds or renewal notes, or both, as the issuing authority provides 4523
in the resolution or order authorizing such notes. Such notes may 4524
be additionally secured by covenants of the issuing authority to 4525
the effect that the issuing authority and the state will do such 4526
or all things necessary for the issuance of such bonds or renewal 4527
notes in appropriate amount, and apply the proceeds thereof to the 4528
extent necessary, to make full payment of the principal of and 4529
interest on such notes at the time or times contemplated, as 4530
provided in such resolution or order. For such purpose, the 4531

issuing authority may issue bonds or renewal notes in such 4532
principal amount and upon such terms as may be necessary to 4533
provide funds to pay when required the principal of and interest 4534
on such notes, notwithstanding any limitations prescribed by or 4535
for purposes of this section. Subject to this division, all 4536
provisions for and references to obligations in this section are 4537
applicable to notes authorized under this division. 4538

The issuing authority in the bond proceedings authorizing the 4539
issuance of bond anticipation notes shall set forth for such bonds 4540
an estimated interest rate and a schedule of principal payments 4541
for such bonds and the annual maturity dates thereof, and for 4542
purposes of any limitation on bond service charges prescribed 4543
under section 3318.29 of the Revised Code, the amount of bond 4544
service charges on such bond anticipation notes shall be deemed to 4545
be the bond service charges for the bonds anticipated thereby as 4546
set forth in the bond proceedings applicable to such notes, but 4547
this provision does not modify any authority in this section to 4548
pledge pledged receipts and special funds to, and covenant to 4549
issue bonds to fund, the payment of principal of and interest and 4550
any premium on such notes. 4551

(M) Obligations issued under this section are lawful 4552
investments for banks, societies for savings, savings and loan 4553
associations, deposit guarantee associations, trust companies, 4554
trustees, fiduciaries, insurance companies, including domestic for 4555
life and domestic not for life, trustees or other officers having 4556
charge of sinking and bond retirement or other special funds of 4557
political subdivisions and taxing districts of this state, the 4558
commissioners of the sinking fund of the state, the administrator 4559
of workers' compensation, the state teachers retirement system, 4560
the public employees retirement system, the school employees 4561
retirement system, and the police and firemen's disability and 4562
pension fund, notwithstanding any other provisions of the Revised 4563

Code or rules adopted pursuant thereto by any governmental agency 4564
of the state with respect to investments by them, and also are 4565
acceptable as security for the deposit of public moneys. 4566

(N) Unless otherwise provided in any applicable bond 4567
proceedings, moneys to the credit of or in the special funds 4568
established by or pursuant to this section may be invested by or 4569
on behalf of the issuing authority only in notes, bonds, or other 4570
obligations of the United States, or of any agency or 4571
instrumentality of the United States, obligations guaranteed as to 4572
principal and interest by the United States, obligations of this 4573
state or any political subdivision of this state, and certificates 4574
of deposit of any national bank located in this state and any 4575
bank, as defined in section 1101.01 of the Revised Code, subject 4576
to inspection by the superintendent of financial institutions. If 4577
the law or the instrument creating a trust pursuant to division 4578
(I) of this section expressly permits investment in direct 4579
obligations of the United States or an agency of the United 4580
States, unless expressly prohibited by the instrument, such moneys 4581
also may be invested in no front end load money market mutual 4582
funds consisting exclusively of obligations of the United States 4583
or an agency of the United States and in repurchase agreements, 4584
including those issued by the fiduciary itself, secured by 4585
obligations of the United States or an agency of the United 4586
States; and in collective investment funds established in 4587
accordance with section 1111.14 of the Revised Code and consisting 4588
exclusively of any such securities, notwithstanding division 4589
(A)(1)(c) of that section. The income from such investments shall 4590
be credited to such funds as the issuing authority determines, and 4591
such investments may be sold at such times as the issuing 4592
authority determines or authorizes. 4593

(O) Provision may be made in the applicable bond proceedings 4594
for the establishment of separate accounts in the bond service 4595

fund and for the application of such accounts only to the 4596
specified bond service charges on obligations pertinent to such 4597
accounts and bond service fund and for other accounts therein 4598
within the general purposes of such fund. Unless otherwise 4599
provided in any applicable bond proceedings, moneys to the credit 4600
of or in the several special funds established pursuant to this 4601
section shall be disbursed on the order of the treasurer of state, 4602
provided that no such order is required for the payment from the 4603
bond service fund when due of bond service charges on obligations. 4604

(P) The issuing authority may pledge all, or such portion as 4605
the issuing authority determines, of the pledged receipts to the 4606
payment of bond service charges on obligations issued under this 4607
section, and for the establishment and maintenance of any 4608
reserves, as provided in the bond proceedings, and make other 4609
provisions therein with respect to pledged receipts as authorized 4610
by this chapter, which provisions shall be controlling 4611
notwithstanding any other provisions of law pertaining thereto. 4612

(Q) The issuing authority may covenant in the bond 4613
proceedings, and any such covenants shall be controlling 4614
notwithstanding any other provision of law, that the state and 4615
applicable officers and governmental agencies of the state, 4616
including the general assembly, so long as any obligations are 4617
outstanding, shall: 4618

(1) Maintain statutory authority for and cause to be operated 4619
the state lottery, including the transfers to and from the lottery 4620
profits education fund created in section 3770.06 of the Revised 4621
Code so that the pledged receipts shall be sufficient in amount to 4622
meet bond service charges, and the establishment and maintenance 4623
of any reserves and other requirements provided for in the bond 4624
proceedings; 4625

(2) Take or permit no action, by statute or otherwise, that 4626

would impair the exclusion from gross income for federal income
tax purposes of the interest on any obligations designated by the
bond proceeding as tax-exempt obligations.

(R) There is hereby created the school building program bond
service fund, which shall be in the custody of the treasurer of
state but shall be separate and apart from and not a part of the
state treasury. All moneys received by or on account of the
issuing authority or state agencies and required by the applicable
bond proceedings, consistent with this section, to be deposited,
transferred, or credited to the school building program bond
service fund, and all other moneys transferred or allocated to or
received for the purposes of the fund, shall be deposited and
credited to such fund and to any separate accounts therein,
subject to applicable provisions of the bond proceedings, but
without necessity for any act of appropriation, except as required
by section 3770.06 of the Revised Code. During the period
beginning with the date of the first issuance of obligations and
continuing during such time as any such obligations are
outstanding, and so long as moneys in the school building program
bond service fund are insufficient to pay all bond service charges
on such obligations becoming due in each year, a sufficient amount
of the moneys from the lottery profits education fund included in
pledged receipts, subject to appropriation for such purpose as
provided in section 3770.06 of the Revised Code, are committed and
shall be paid to the school building program bond service fund in
each year for the purpose of paying the bond service charges
becoming due in that year. The school building program bond
service fund is a trust fund and is hereby pledged to the payment
of bond service charges solely on obligations issued to provide
moneys for the school building program assistance fund to the
extent provided in the applicable bond proceedings, and payment
thereof from such fund shall be made or provided for by the

treasurer of state in accordance with such bond proceedings 4659
without necessity for any act of appropriation except as required 4660
by section 3770.06 of the Revised Code. 4661

~~(S) There is hereby created the school facilities bond 4662
service fund, which shall be in the custody of the treasurer of 4663
state but shall be separate and apart from and not a part of the 4664
state treasury. All moneys received by or on account of the 4665
issuing authority or state agencies and required by the applicable 4666
bond proceedings, consistent with this section, to be deposited, 4667
transferred, or credited to the school facilities bond service 4668
fund, and all other moneys transferred or allocated to or received 4669
for the purposes of the fund, shall be deposited and credited to 4670
such fund and to any separate accounts therein, subject to 4671
applicable provisions of the bond proceedings, but without 4672
necessity for any act of appropriation. During the period 4673
beginning with the date of the first issuance of obligations and 4674
continuing during such time as any such obligations are 4675
outstanding, and so long as moneys in the school facilities bond 4676
service fund are insufficient to pay all bond service charges on 4677
such obligations becoming due in each year, a sufficient amount of 4678
the moneys from the public school building fund included in 4679
pledged receipts are committed and shall be paid to the bond 4680
service fund in each year for the purpose of paying the bond 4681
service charges becoming due in that year. The school facilities 4682
bond service fund is a trust fund and is hereby pledged to the 4683
payment of bond service charges on obligations issued to provide 4684
moneys for the school districts facilities fund to the extent 4685
provided in the applicable bond proceedings, and payment thereof 4686
from such fund shall be made or provided for by the treasurer of 4687
state in accordance with such bond proceedings without necessity 4688
for any act or appropriation. 4689~~

~~(T) The obligations, the transfer thereof, and the income 4690~~

therefrom, including any profit made on the sale thereof, at all 4691
times shall be free from taxation within the state. 4692

Sec. 3318.29. The maximum maturity of any obligations issued 4693
pursuant to section 3318.26 of the Revised Code to provide moneys 4694
for the school building program assistance fund shall be ten 4695
years. The terms of the obligations shall be such that in any 4696
fiscal year the aggregate amount of moneys from the lottery 4697
profits education fund, and not from other sources, that are 4698
pledged to pay bond service charges on obligations issued to 4699
provide moneys for the school building program assistance fund 4700
shall not exceed ten million dollars. 4701

As used in this section, "other sources" includes the annual 4702
investment income on special funds to the extent the income will 4703
be available for payment of any bond service charges in lieu of 4704
use of moneys from the lottery profits education fund. The annual 4705
investment income shall be estimated on the basis of the expected 4706
funding of those special funds and assumed investment earnings 4707
thereon at a rate equal to the weighted average yield on 4708
investments of those special funds determined as of any date 4709
within sixty days immediately preceding the date of issuance of 4710
the bonds in respect of which the determination is being made. 4711

The determinations required by this section shall be made by 4712
the treasurer of state at the time of issuance of an issue of 4713
obligations and shall be conclusive for purposes of such issuance 4714
of obligations from and after their issuance and delivery. 4715

~~The maximum maturity of obligations issued pursuant to 4716
section 3318.26 of the Revised Code to provide moneys for the 4717
school district facilities fund shall not exceed the maximum 4718
maturity of the loan made from such fund pursuant to section 4719
3318.24 of the Revised Code utilizing the proceeds of such 4720
obligations or ten years, whichever is less. The terms of the 4721~~

~~obligations shall be such that in any fiscal year the aggregate amount of moneys from the public school building fund that are pledged to pay bond service charges on obligations issued to provide moneys for the school districts facilities fund shall not exceed an amount which shall be established by the Ohio school facilities commission.~~

Sec. 3318.33. (A) There is hereby created in the state treasury the Ohio School Facilities Commission Fund, which shall consist of transfers of moneys authorized by the general assembly and revenues received by the Ohio School Facilities Commission under section 3318.31 of the Revised Code. Investment earnings on moneys in the fund shall be credited to the fund. moneys in the fund may be used by the Commission to pay personnel and other administrative expenses, to pay the cost of conducting evaluations of classroom facilities, to pay the cost of preparing building design specifications, to pay the cost of providing project management services, and for other purposes determined by the Commission to be necessary to fulfill its duties under Chapter 3318. of the Revised Code.

(B) The director of Budget and management may transfer to the Ohio School Facilities Commission Fund the investment earnings on the Public School Building Fund, created in section 3318.15 of the Revised Code. The director of Budget and management may transfer to the Ohio School Facilities Commission Fund the investment earnings on the school building program assistance fund, created under section 3318.25 of the Revised Code, in excess of the amounts needed to meet estimated federal arbitrage rebate requirements.

Sec. 3318.35. (A) As used in this section: 4750

(1) "Adjusted valuation per pupil" ~~has~~ means the ~~same meaning~~ 4751

~~as in~~ amount calculated for a district by the department of 4752
education under division (A) of section ~~3317.0213~~ 3318.011 of the 4753
Revised Code. 4754

(2) "Ohio school facilities commission" has the same meaning 4755
as in section 3318.01 of the Revised Code. 4756

(B) The Ohio school facilities commission shall establish and 4757
administer the emergency school building repair program. Under the 4758
program, the commission shall distribute moneys appropriated by 4759
the general assembly for such purpose to school districts, 4760
beginning with those districts with ~~an~~ a current, one-year 4761
adjusted valuation per pupil less than the current, one-year 4762
adjusted valuation per pupil of the school district with the two 4763
hundred ninety-third lowest adjusted valuation per pupil in the 4764
state. The commission shall submit to the controlling board for 4765
its approval or disapproval requests for allocations of lump sums 4766
of money from which the commission may disburse funds to school 4767
districts upon determining that the districts qualify for 4768
emergency building repair assistance. Any school district that 4769
receives moneys under this section shall expend them only to 4770
repair the following: 4771

- (1) Heating systems; 4772
- (2) Floors, roofs, and exterior doors; 4773
- (3) Air ducts and other air ventilation devices; 4774
- (4) Emergency exit or egress passageway lighting; 4775
- (5) Fire alarm systems; 4776
- (6) Handicapped access needs; 4777
- (7) Sewage systems; 4778
- (8) Water supplies; 4779
- (9) Asbestos removal; and 4780

(10) Any other repairs to a school building that meet the requirements of the life safety code, as interpreted by the commission.

(C) The Ohio school facilities commission shall adopt rules in accordance with Chapter 119. of the Revised Code necessary to carry out its duties and responsibilities under this section.

Sec. 3319.235. (A) The standards for the preparation of teachers adopted under section 3319.23 of the Revised Code shall require any institution that provides a course of study for the training of teachers to ensure that graduates of such course of study are skilled at integrating educational technology in the instruction of children, as evidenced by the graduate having either demonstrated proficiency in such skills in a manner prescribed by the department of education or completed a course that includes training in such skills.

(B) ~~The office of information, learning, and technology Ohio SchoolNet commission, established in division (B) of~~ pursuant to section 3301.80 of the Revised Code, shall establish model professional development programs to assist teachers who completed their teacher preparation prior to the effective date of division (A) of this section to become skilled at integrating educational technology in the instruction of children. ~~The office commission~~ shall provide technical assistance to school districts wishing to establish such programs.

Sec. 3332.05. (A) The state board of proprietary school registration shall issue a certificate of registration to an applicant of good reputation seeking to offer one or more programs upon receipt of the fee established in accordance with section 3332.07 of the Revised Code and upon determining the applicant has the facilities, resources, and faculty to provide students with

the kind of instruction that it proposes to offer and meets the 4811
minimum standards of the board. A certificate of registration 4812
shall be granted or denied within one hundred twenty days of the 4813
receipt of the application therefor by the board. A person shall 4814
obtain a separate certificate for each location at which ~~he~~ the 4815
person offers programs. A The first certificate of registration 4816
issued on or after the effective date of this amendment for each 4817
new location is valid for one year, unless earlier revoked for 4818
cause by the board under section 3332.09 of the Revised Code. Any 4819
other certificate of registration is valid for two years, unless 4820
earlier revoked for cause by the board under that section. 4821

(B) The board shall issue program authorization for an 4822
associate degree, certificate, or diploma program to an applicant 4823
holding a certificate of registration issued pursuant to division 4824
(A) of this section upon receipt of the fee established in 4825
accordance with section 3332.07 of the Revised Code and upon 4826
determining the applicant has the facilities, resources, and 4827
faculty to provide students the kind of program it proposes to 4828
offer and meets the minimum standards of the state board. 4829

The state board shall promptly furnish the Ohio board of 4830
regents a copy of all applications for issuance or renewal of 4831
program authorization to offer any associate degree program. Prior 4832
to the issuance or renewal of such program authorization the state 4833
board shall conduct an on-site visit of the school proposing the 4834
program. A representative of the board of regents shall 4835
participate in the visit. Within twenty-one days of the on-site 4836
visit the representative of the board of regents shall provide the 4837
state board with a written statement recommending approval or 4838
disapproval of the application. 4839

Any program authorization issued by the board under this 4840
division is valid only for the specified program at the location 4841

for which it is issued and does not cover any other program 4842
offered at the school or at other schools operated by the owner. 4843
Program authorization is valid for the period of time specified by 4844
the board, unless earlier suspended or revoked for cause by the 4845
board under section 3332.09 of the Revised Code. 4846

(C) The state board shall accept and review all applications 4847
for program authorization for baccalaureate, master's, and 4848
doctoral degree programs only from schools holding certificates of 4849
registration issued by the board that have held such certificates 4850
for the ten previous consecutive years. After review the board 4851
shall refer any application it finds valid to the Ohio board of 4852
regents for approval. The board of regents shall review, and 4853
approve or disapprove, such degree programs and if so approved, 4854
issue certificates of authorization to such schools to offer such 4855
degree programs pursuant to Chapter 1713. of the Revised Code. The 4856
board of regents shall notify the state board of proprietary 4857
school registration of each school registered with the state board 4858
that receives a certificate of authorization and the approval to 4859
offer any degree program. Upon receipt of such notification and 4860
the fee established in accordance with section 3332.07 of the 4861
Revised Code, the state board shall review, and may issue program 4862
authorization to offer, such a degree program. Any program 4863
authorization issued by the board under this division is valid 4864
only for the specified program at the location for which it is 4865
issued and does not cover any other program offered at the school 4866
or at other schools operated by the owner. Program authorization 4867
is valid for the period of time specified by the board, unless 4868
earlier suspended or revoked for cause by the board under section 4869
3332.09 of the Revised Code. The state board shall not issue such 4870
program authorization unless the degree program has been approved 4871
by the board of regents. 4872

(D) The board may cause an investigation to be made into the 4873

correctness of the information submitted in any application 4874
received under this section. If the board believes that false, 4875
misleading, or incomplete information has been submitted to it in 4876
connection with any application, the board shall conduct a hearing 4877
on the matter pursuant to Chapter 119. of the Revised Code, and 4878
may withhold a certificate of registration or program 4879
authorization upon finding that the applicant has failed to meet 4880
the standards for such certificate or program authorization or has 4881
submitted false, misleading, or incomplete information to the 4882
board. Application for a certificate of registration or program 4883
authorization shall be made in writing to the board on forms 4884
furnished by the board. A certificate of registration or program 4885
authorization is not transferable and shall be prominently 4886
displayed on the premises of an institution. 4887

The board shall assign registration numbers to all schools 4888
registered with it. Schools shall display their registration 4889
numbers on all school publications and on all advertisements 4890
bearing the name of the school. 4891

Notwithstanding the requirements of this section for issuance 4892
of certificates of registration and program authorization, the 4893
board may, in accordance with rules adopted by it, grant 4894
certificates of registration and program authorization to schools, 4895
colleges, institutes, or universities that have been approved by 4896
the state department of education pursuant to the "Act of March 3, 4897
1966," 80 Stat. 20, 38 U.S.C.A. 1771. 4898

Sec. 3332.07. (A) Each application for issuance and renewal 4899
of a certificate of registration, for the issuance and renewal of 4900
program authorization, for issuance and renewal of agent's 4901
permits, and for any other service specified by the state board of 4902
proprietary school registration shall be accompanied by the 4903
required fee. Fees submitted under this section are not returnable 4904

even if approval or renewal is denied. 4905

(B) Fee schedules for the issuance and renewal of 4906
certificates of registration, for the issuance and renewal of 4907
program authorization, for issuance and renewal of agent's 4908
permits, and for any other service specified by the board shall be 4909
established by rule adopted by the state board. The fee for a 4910
one-year certificate of registration shall be one-half the fee for 4911
a two-year certificate. 4912

(C) If in any fiscal year the amount received in fees under 4913
this section does not equal or exceed fifty per cent of board 4914
expenditures for the fiscal year, the board shall increase fees 4915
for the ensuing fiscal year by an amount estimated to be 4916
sufficient to produce revenues equal to fifty per cent of 4917
estimated expenditures for that ensuing fiscal year. 4918

Sec. 3333.04. The Ohio board of regents shall: 4919

(A) Make studies of state policy in the field of higher 4920
education and formulate a master plan for higher education for the 4921
state, considering the needs of the people, the needs of the 4922
state, and the role of individual public and private institutions 4923
within the state in fulfilling these needs; 4924

(B)(1) Report annually to the governor and the general 4925
assembly on the findings from its studies and the master plan for 4926
higher education for the state; 4927

(2) Report at least semiannually to the general assembly and 4928
the governor the enrollment numbers at each state-assisted 4929
institution of higher education. 4930

(C) Approve or disapprove the establishment of new branches 4931
or academic centers of state colleges and universities; 4932

(D) Approve or disapprove the establishment of state 4933

technical colleges or any other state institution of higher
education; 4934
4935

(E) Recommend the nature of the programs, undergraduate,
graduate, professional, state-financed research, and public
services which should be offered by the state colleges,
universities, and other state-assisted institutions of higher
education in order to utilize to the best advantage their
facilities and personnel; 4936
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(F) Recommend to the state colleges, universities, and other
state-assisted institutions of higher education graduate or
professional programs, including, but not limited to, doctor of
philosophy, doctor of education, and juris doctor programs, that
could be eliminated because they constitute unnecessary
duplication, as shall be determined using the process developed
pursuant to this section, or for other good and sufficient cause.
For purposes of determining the amounts of any state instructional
subsidies paid to these colleges, universities, and institutions,
the board may exclude students enrolled in any program that the
board has recommended for elimination pursuant to this division
except that the board shall not exclude any such student who
enrolled in the program prior to the date on which the board
initially commences to exclude students under this division. The
board of regents and these colleges, universities, and
institutions shall jointly develop a process for determining which
existing graduate or professional programs constitute unnecessary
duplication. 4942
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(G) Recommend to the state colleges, universities, and other
state-assisted institutions of higher education programs which
should be added to their present programs; 4960
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4962

(H) Conduct studies for the state colleges, universities, and
other state-assisted institutions of higher education to assist 4963
4964

them in making the best and most efficient use of their existing 4965
facilities and personnel; 4966

(I) Make recommendations to the governor and general assembly 4967
concerning the development of state-financed capital plans for 4968
higher education; the establishment of new state colleges, 4969
universities, and other state-assisted institutions of higher 4970
education; and the establishment of new programs at the existing 4971
state colleges, universities, and other institutions of higher 4972
education; 4973

(J) Review the appropriation requests of the public community 4974
colleges and the state colleges and universities and submit to the 4975
office of budget and management and to the chairpersons of the 4976
finance committees of the house of representatives and of the 4977
senate its recommendations in regard to the biennial higher 4978
education appropriation for the state, including appropriations 4979
for the individual state colleges and universities and public 4980
community colleges. For the purpose of determining the amounts of 4981
instructional subsidies to be paid to state-assisted colleges and 4982
universities, the board shall define "full-time equivalent 4983
student" by program per academic year. The definition may take 4984
into account the establishment of minimum enrollment levels in 4985
technical education programs below which support allowances will 4986
not be paid. Except as otherwise provided in this section, the 4987
board shall make no change in the definition of "full-time 4988
equivalent student" in effect on November 15, 1981, which would 4989
increase or decrease the number of subsidy-eligible full-time 4990
equivalent students, without first submitting a fiscal impact 4991
statement to the president of the senate, the speaker of the house 4992
of representatives, the legislative budget office of the 4993
legislative service commission, and the director of budget and 4994
management. The board shall work in close cooperation with the 4995
director of budget and management in this respect and in all other 4996

matters concerning the expenditures of appropriated funds by state	4997
colleges, universities, and other institutions of higher	4998
education.	4999
(K) Seek the cooperation and advice of the officers and	5000
trustees of both public and private colleges, universities, and	5001
other institutions of higher education in the state in performing	5002
its duties and making its plans, studies, and recommendations;	5003
(L) Appoint advisory committees consisting of persons	5004
associated with public or private secondary schools, members of	5005
the state board of education, or personnel of the state department	5006
of education;	5007
(M) Appoint advisory committees consisting of college and	5008
university personnel, or other persons knowledgeable in the field	5009
of higher education, or both, in order to obtain their advice and	5010
assistance in defining and suggesting solutions for the problems	5011
and needs of higher education in this state;	5012
(N) Approve or disapprove all new degrees and new degree	5013
programs at all state colleges, universities, and other	5014
state-assisted institutions of higher education;	5015
(O) Adopt such rules as are necessary to carry out its duties	5016
and responsibilities;	5017
(P) Establish and submit to the governor and the general	5018
assembly a clear and measurable set of goals and timetables for	5019
their achievement for each program under the supervision of the	5020
board that is designed to accomplish any of the following:	5021
(1) Increased access to higher education;	5022
(2) Job training;	5023
(3) Adult literacy;	5024
(4) Research;	5025

(5) Excellence in higher education;	5026
(6) Reduction in the number of graduate programs within the same subject area.	5027 5028
In July of each odd-numbered year, the board of regents shall submit to the governor and the general assembly a report on progress made toward these goals.	5029 5030 5031
(Q) Make recommendations to the governor and the general assembly regarding the design and funding of the student financial aid programs specified in sections 3333.12, 3333.21 to 3333.27, and 5910.02 of the Revised Code;	5032 5033 5034 5035
(R) Participate in education-related state or federal programs on behalf of the state and assume responsibility for the administration of such programs in accordance with applicable state or federal law;	5036 5037 5038 5039
(S) Adopt rules for student financial aid programs as required by sections 3333.12, 3333.21 to 3333.27, 3333.28, 3333.29 , and 5910.02 of the Revised Code, and perform any other administrative functions assigned to the board by those sections;	5040 5041 5042 5043
(T) Administer contracts under sections 3702.74 and 3702.75 of the Revised Code in accordance with rules adopted by the director of health under section 3702.79 of the Revised Code;	5044 5045 5046
(U) <u>Regularly monitor the occupancy rates of state universities' dormitory systems for the purpose of recognizing circumstances in which the financial stability of those institutions is threatened by the unavoidable costs of debt service and plant maintenance. In conjunction with the development of biennial appropriation recommendations, the board shall report to the general assembly and the legislative service commission its recommendations for financial assistance to state universities whose dormitory occupancy rates are less than seventy-five per</u>	5047 5048 5049 5050 5051 5052 5053 5054 5055

cent of designed capacity and whose ability to maintain required 5056
debt payments and required plant maintenance may be jeopardized; 5057

5058

(V) Conduct enrollment audits of state-supported institutions 5059
of higher education. 5060

Sec. 3333.12. (A) As used in this section: 5061

(1) "Eligible student" means an undergraduate student who is: 5062
5063

(a) An Ohio resident; 5064

(b) Enrolled in either of the following: 5065

(i) An accredited institution of higher education in this 5066
state that meets the requirements of Title VI of the Civil Rights 5067
Act of 1964 and is state-assisted, is nonprofit and has a 5068
certificate of authorization from the Ohio board of regents 5069
pursuant to Chapter 1713. of the Revised Code, or has a 5070
certificate of registration from the state board of proprietary 5071
school registration and program authorization to award an 5072
associate or bachelor's degree. Students who attend an institution 5073
that holds a certificate of registration shall be enrolled in a 5074
program leading to an associate or bachelor's degree for which 5075
associate or bachelor's degree program the institution has program 5076
authorization issued under section 3332.05 of the Revised Code. 5077
5078

(ii) A technical education program of at least two years 5079
duration sponsored by a private institution of higher education in 5080
this state that meets the requirements of Title VI of the Civil 5081
Rights Act of 1964. 5082

(c) Enrolled as a full-time student or enrolled as a less 5083
than full-time student for the term expected to be the student's 5084
final term of enrollment and is enrolled for the number of credit 5085

hours necessary to complete the requirements of the program in 5086
which the student is enrolled. 5087

(2) "Gross income" includes all taxable and nontaxable income 5088
of the parents, the student, and the student's spouse, except 5089
income derived from an Ohio academic scholarship ~~and~~ income 5090
earned by the student between the last day of the spring term and 5091
the first day of the fall term, ~~as published by the institution in~~ 5092
~~which the student is enrolled. In the case of self employed~~ 5093
~~persons, business expenses as defined by the Ohio board of regents~~ 5094
~~shall be subtracted from taxable and nontaxable income. Where no~~ 5095
~~gross income or inadequate gross income as determined by the board~~ 5096
~~is reported, the board shall establish a formula for determining~~ 5097
~~the means by which the family maintained itself and translate the~~ 5098
~~data into gross income for Ohio instructional grant purposes.~~ 5099
~~Family income may be verified by supplying to the board a copy of~~ 5100
~~the federal government tax return, by authorizing access to the~~ 5101
~~family federal government income tax return, and other income~~ 5102
~~exclusions designated by the board. Gross income may be verified~~ 5103
~~to the board by the institution in which the student is enrolled~~ 5104
~~using the federal financial aid eligibility verification process~~ 5105
or by other means satisfactory to the board. 5106

(3) "Resident," "full-time student," "dependent," 5108
"financially independent," and "accredited" shall be defined by 5109
rules adopted by the board. 5110

~~(4) "Federal law" means the "Higher Education Amendments of~~ 5111
~~1986," 101 Stat. 1278, 1408, 20 U.S.C.A. 1085, as amended.~~ 5112

~~(5) "Default rate" means the cohort default rate determined~~ 5113
~~by the United States secretary of education pursuant to federal~~ 5114
~~law.~~ 5115

~~(6) "School year" means the twelve months that begin on the~~ 5116

~~first day of August of a calendar year and end on the thirty first~~ 5117
~~day of July of the following calendar year.~~ 5118

(B) The Ohio board of regents shall establish and administer 5119
an instructional grant program and may adopt rules to carry out 5120
this section. The general assembly shall support the instructional 5121
grant program by such sums and in such manner as it may provide, 5122
but the board may also receive funds from other sources to support 5123
the program. If the amounts available for support of the program 5124
are inadequate to provide grants to all eligible students, 5125
preference in the payment of grants shall be given in terms of 5126
income, beginning with the lowest income category of gross income 5127
and proceeding upward by category to the highest gross income 5128
category. 5129

An instructional grant shall be paid to an eligible student 5130
through the institution in which the student is enrolled, except 5131
that no instructional grant shall be paid to any person serving a 5132
term of imprisonment. Applications for such grants shall be made 5133
as prescribed by the board, and such applications may be made in 5134
conjunction with and upon the basis of information provided in 5135
conjunction with student assistance programs funded by agencies of 5136
the United States government or from financial resources of the 5137
institution of higher education. The institution shall certify 5138
that the student applicant meets the requirements set forth in 5139
divisions (A)(1)(b) and (c) of this section. Instructional grants 5140
shall be provided to an eligible student only as long as the 5141
student is making appropriate progress toward a nursing diploma or 5142
an associate or bachelor's degree. ~~The grant shall cover any two~~ 5143
~~semesters, three quarters, or the equivalent of one academic year.~~ 5144
No student shall be eligible to receive a grant for more than ten 5145
semesters, fifteen quarters, or the equivalent of five academic 5146
years. A grant made to an eligible student on the basis of less 5147
than full-time enrollment shall be based on the number of credit 5148

hours for which the student is enrolled and shall be computed in 5149
accordance with a formula adopted by the board. No student shall 5150
receive more than one grant on the basis of less than full-time 5151
enrollment. 5152

An instructional grant shall not exceed the total 5153
instructional and general charges of the institution. 5154

(C) ~~For~~ The tables in this division prescribe the maximum 5155
grant amounts covering two semesters, three quarters, or a 5156
comparable portion of one academic year. Grant amounts for 5157
additional terms in the same academic year shall be determined 5158
under division (D) of this section. 5159

For a full-time student who is a dependent and enrolled in a 5160
nonprofit educational institution that is not a state-assisted 5161
institution and that has a certificate of authorization issued 5162
pursuant to Chapter 1713. of the Revised Code, the amount of the 5163
instructional grant for two semesters, three quarters, or a 5164
comparable portion of the academic year shall be determined in 5165
accordance with the following table: 5166

Table of Grants 5167

Gross Income	Maximum Grant \$4,428 <u>4,872</u>						5168
	Number of Dependents						
	1		5 or 2		more		5169
Under \$11,001	\$4,428	\$4,428	\$4,428	\$4,428	\$4,428	\$4,428	5170
\$11,001—\$12,000	3,984	4,428	4,428	4,428	4,428	4,428	5171
\$12,001—\$13,000	3,534	3,984	4,428	4,428	4,428	4,428	5172
\$13,001—\$14,000	3,096	3,534	3,984	4,428	4,428	4,428	5173
\$14,001—\$15,000	2,658	3,096	3,534	3,984	4,428	4,428	5174

For a full-time student who is financially independent and 5213
enrolled in a nonprofit educational institution that is not a 5214
state-assisted institution and that has a certificate of 5215
authorization issued pursuant to Chapter 1713. of the Revised 5216
Code, the amount of the instructional grant for two semesters, 5217
three quarters, or a comparable portion of the academic year shall 5218
be determined in accordance with the following table: 5219

Table of Grants 5220

Gross Income	Maximum Grant \$4,428 <u>4,872</u>							5221		
	Number of Dependents								5222	
					0	1 or more	2	3		4
Under \$3,601	\$4,428	\$4,428	\$4,428	\$4,428	\$4,428	\$4,428	\$4,428			5223
										5224
										5225
\$3,601—\$4,200	3,984	4,428	4,428	4,428	4,428	4,428	4,428			5226
										5227
\$4,201—\$4,700	3,534	3,984	4,428	4,428	4,428	4,428	4,428			5228
										5229
\$4,701—\$5,200	3,096	3,534	3,984	4,428	4,428	4,428	4,428			5230
										5231
\$5,201—\$5,700	2,658	3,096	3,534	3,984	4,428	4,428	4,428			5232
										5233
\$5,701—\$6,200	2,220	2,658	3,096	3,534	3,984	4,428	4,428			5234
										5235
\$6,201—\$7,200	1,770	2,220	2,658	3,096	3,534	3,984	3,984			5236
										5237
\$7,201—\$8,200	1,320	1,770	2,220	2,658	3,096	3,534	3,534			5238
										5239
\$8,201—\$9,200	1,092	1,320	1,770	2,220	2,658	3,096	3,096			5240
										5241
\$9,201—\$10,700	882	1,092	1,320	1,770	2,220	2,658	2,658			5242
										5243
\$10,701—\$12,200	804	882	1,092	1,320	1,770	2,220	2,220			5244

								5245
\$12,201 — \$13,700	720	804	882	1,092	1,320	1,770		5246
								5247
\$13,701 — \$15,200	0	720	804	882	1,092	1,320		5248
								5249
\$15,201 — \$18,200	0	0	720	804	882	1,092		5250
								5251
\$18,201 — \$21,200	0	0	0	720	804	882		5252
								5253
\$21,201 — \$24,200	0	0	0	0	720	804		5254
								5255
\$24,201 — \$28,900	0	0	0	0	0	720		5256
Over \$28,900	0	0	0	0	0	0		5257
<u>Under \$4,201</u>	<u>\$4,872</u>	<u>\$4,872</u>	<u>\$4,872</u>	<u>\$4,872</u>	<u>\$4,872</u>	<u>\$4,872</u>	<u>\$4,872</u>	5258
<u>\$4,201 - \$4,800</u>	<u>4,386</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	5259
<u>\$4,801 - \$5,300</u>	<u>3,888</u>	<u>4,386</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	5260
<u>\$5,301 - \$5,800</u>	<u>3,408</u>	<u>3,888</u>	<u>4,386</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	5261
<u>\$5,801 - \$6,300</u>	<u>2,928</u>	<u>3,408</u>	<u>3,888</u>	<u>4,386</u>	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	5262
<u>\$6,301 - \$6,800</u>	<u>2,442</u>	<u>2,928</u>	<u>3,408</u>	<u>3,888</u>	<u>4,386</u>	<u>4,872</u>	<u>4,872</u>	5263
<u>\$6,801 - \$7,800</u>	<u>1,944</u>	<u>2,442</u>	<u>2,928</u>	<u>3,408</u>	<u>3,888</u>	<u>4,386</u>	<u>4,386</u>	5264
<u>\$7,801 - \$8,800</u>	<u>1,452</u>	<u>1,944</u>	<u>2,442</u>	<u>2,928</u>	<u>3,408</u>	<u>3,888</u>	<u>3,888</u>	5265
<u>\$8,801 - \$9,800</u>	<u>1,200</u>	<u>1,452</u>	<u>1,944</u>	<u>2,442</u>	<u>2,928</u>	<u>3,408</u>	<u>3,408</u>	5266
<u>\$9,801 - \$11,300</u>	<u>966</u>	<u>1,200</u>	<u>1,452</u>	<u>1,944</u>	<u>2,442</u>	<u>2,928</u>	<u>2,928</u>	5267
<u>\$11,301 - \$12,800</u>	<u>882</u>	<u>966</u>	<u>1,200</u>	<u>1,452</u>	<u>1,944</u>	<u>2,442</u>	<u>2,442</u>	5268
<u>\$12,801 - \$14,300</u>	<u>792</u>	<u>882</u>	<u>966</u>	<u>1,200</u>	<u>1,452</u>	<u>1,944</u>	<u>1,944</u>	5269
<u>\$14,301 - \$15,800</u>	<u>396</u>	<u>792</u>	<u>882</u>	<u>966</u>	<u>1,200</u>	<u>1,452</u>	<u>1,452</u>	5270
<u>\$15,801 - \$18,800</u>	<u>0</u>	<u>396</u>	<u>792</u>	<u>882</u>	<u>966</u>	<u>1,200</u>	<u>1,200</u>	5271
<u>\$18,801 - \$21,800</u>	<u>0</u>	<u>0</u>	<u>396</u>	<u>792</u>	<u>882</u>	<u>966</u>	<u>966</u>	5272
<u>\$21,801 - \$24,800</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>396</u>	<u>792</u>	<u>882</u>	<u>882</u>	5273
<u>\$24,801 - \$29,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>396</u>	<u>792</u>	<u>792</u>	5274
<u>\$29,501 - \$34,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>396</u>	<u>396</u>	5275
<u>Over \$34,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	5276

For a full-time student who is a dependent and enrolled in an 5277

educational institution that holds a certificate of registration 5278
 from the state board of proprietary school registration, the 5279
 amount of the instructional grant for two semesters, three 5280
quarters, or a comparable portion of the academic year shall be 5281
 determined in accordance with the following table: 5282

Table of Grants 5283

Maximum Grant ~~\$3,750~~ 4,128 5284

Gross Income Number of Dependents 5285

1 5 or 5286
 more 4

Under ~~\$11,001~~ ~~\$3,750~~ ~~\$3,750~~ ~~\$3,750~~ ~~\$3,750~~ ~~\$3,750~~ 5287
 5288

~~\$11,001~~—~~\$12,000~~ ~~3,384~~ ~~3,750~~ ~~3,750~~ ~~3,750~~ ~~3,750~~ 5289
 5290

~~\$12,001~~—~~\$13,000~~ ~~2,988~~ ~~3,384~~ ~~3,750~~ ~~3,750~~ ~~3,750~~ 5291
 5292

~~\$13,001~~—~~\$14,000~~ ~~2,616~~ ~~2,988~~ ~~3,384~~ ~~3,750~~ ~~3,750~~ 5293
 5294

~~\$14,001~~—~~\$15,000~~ ~~2,268~~ ~~2,616~~ ~~2,988~~ ~~3,384~~ ~~3,750~~ 5295
 5296

~~\$15,001~~—~~\$16,000~~ ~~1,860~~ ~~2,268~~ ~~2,616~~ ~~2,988~~ ~~3,384~~ 5297
 5298

~~\$16,001~~—~~\$17,000~~ ~~1,506~~ ~~1,860~~ ~~2,268~~ ~~2,616~~ ~~2,988~~ 5299
 5300

~~\$17,001~~—~~\$20,000~~ ~~1,152~~ ~~1,506~~ ~~1,860~~ ~~2,268~~ ~~2,616~~ 5301
 5302

~~\$20,001~~—~~\$23,000~~ ~~924~~ ~~1,152~~ ~~1,506~~ ~~1,860~~ ~~2,268~~ 5303
 5304

~~\$23,001~~—~~\$26,000~~ ~~738~~ ~~924~~ ~~1,152~~ ~~1,506~~ ~~1,860~~ 5305
 5306

~~\$26,001~~—~~\$29,000~~ ~~696~~ ~~738~~ ~~924~~ ~~1,152~~ ~~1,506~~ 5307
 5308

5309

<u>Under \$4,201</u>	<u>\$4,128</u>	<u>\$4,128</u>	<u>\$4,128</u>	<u>\$4,128</u>	<u>\$4,128</u>	<u>\$4,128</u>	5375
<u>\$4,201 - \$4,800</u>	<u>3,726</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	5376
<u>\$4,801 - \$5,300</u>	<u>3,288</u>	<u>3,726</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	5377
<u>\$5,301 - \$5,800</u>	<u>2,874</u>	<u>3,288</u>	<u>3,726</u>	<u>4,128</u>	<u>4,128</u>	<u>4,128</u>	5378
<u>\$5,801 - \$6,300</u>	<u>2,490</u>	<u>2,874</u>	<u>3,288</u>	<u>3,726</u>	<u>4,128</u>	<u>4,128</u>	5379
<u>\$6,301 - \$6,800</u>	<u>2,046</u>	<u>2,490</u>	<u>2,874</u>	<u>3,288</u>	<u>3,726</u>	<u>4,128</u>	5380
<u>\$6,801 - \$7,800</u>	<u>1,656</u>	<u>2,046</u>	<u>2,490</u>	<u>2,874</u>	<u>3,288</u>	<u>3,726</u>	5381
<u>\$7,801 - \$8,800</u>	<u>1,266</u>	<u>1,656</u>	<u>2,046</u>	<u>2,490</u>	<u>2,874</u>	<u>3,288</u>	5382
<u>\$8,801 - \$9,800</u>	<u>1,014</u>	<u>1,266</u>	<u>1,656</u>	<u>2,046</u>	<u>2,490</u>	<u>2,874</u>	5383
<u>\$9,801 - \$11,300</u>	<u>810</u>	<u>1,014</u>	<u>1,266</u>	<u>1,656</u>	<u>2,046</u>	<u>2,490</u>	5384
<u>\$11,301 - \$12,800</u>	<u>762</u>	<u>810</u>	<u>1,014</u>	<u>1,266</u>	<u>1,656</u>	<u>2,046</u>	5385
<u>\$12,801 - \$14,300</u>	<u>672</u>	<u>762</u>	<u>810</u>	<u>1,014</u>	<u>1,266</u>	<u>1,656</u>	5386
<u>\$14,301 - \$15,800</u>	<u>336</u>	<u>672</u>	<u>762</u>	<u>810</u>	<u>1,014</u>	<u>1,266</u>	5387
<u>\$15,801 - \$18,800</u>	<u>-0-</u>	<u>336</u>	<u>672</u>	<u>762</u>	<u>810</u>	<u>1,014</u>	5388
<u>\$18,801 - \$21,800</u>	<u>-0-</u>	<u>-0-</u>	<u>336</u>	<u>672</u>	<u>762</u>	<u>810</u>	5389
<u>\$21,801 - \$24,800</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>336</u>	<u>672</u>	<u>762</u>	5390
<u>\$24,801 - \$29,500</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>336</u>	<u>672</u>	5391
<u>\$29,501 - \$34,500</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>336</u>	5392
<u>Over \$34,500</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	5393

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Table of Grants

				Maximum Grant \$1,782 <u>1,956</u>			5394
							5395
							5396
							5397
							5398
							5399
							5400
Gross Income				Number of Dependents			5401
					1	5 or	5402
						more	
<u>Under \$11,001</u>	<u>\$1,782</u>	<u>\$1,782</u>	<u>\$1,782</u>	<u>\$1,782</u>	<u>\$1,782</u>	<u>\$1,782</u>	5403
							5404
<u>\$11,001 - \$12,000</u>	<u>1,602</u>	<u>1,782</u>	<u>1,782</u>	<u>1,782</u>	<u>1,782</u>	<u>1,782</u>	5405
							5406

\$12,001 — \$13,000	1,416	1,602	1,782	1,782	1,782	5407
						5408
\$13,001 — \$14,000	1,254	1,416	1,602	1,782	1,782	5409
						5410
\$14,001 — \$15,000	1,074	1,254	1,416	1,602	1,782	5411
						5412
\$15,001 — \$16,000	882	1,074	1,254	1,416	1,602	5413
						5414
\$16,001 — \$17,000	708	882	1,074	1,254	1,416	5415
						5416
\$17,001 — \$20,000	534	708	882	1,074	1,254	5417
						5418
\$20,001 — \$23,000	432	534	708	882	1,074	5419
						5420
\$23,001 — \$26,000	348	432	534	708	882	5421
						5422
\$26,001 — \$29,000	324	348	432	534	708	5423
						5424
\$29,001 — \$31,000	294	324	348	432	534	5425
Over \$31,000	—	—	—	—	—	5426
<u>Under \$13,001</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	5427
<u>\$13,001 - \$14,000</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	5428
<u>\$14,001 - \$15,000</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	5429
<u>\$15,001 - \$16,000</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	5430
<u>\$16,001 - \$17,000</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	5431
<u>\$17,001 - \$20,000</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	5432
<u>\$20,001 - \$23,000</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	5433
<u>\$23,001 - \$26,000</u>	<u>582</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	5434
<u>\$26,001 - \$29,000</u>	<u>468</u>	<u>582</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	5435
<u>\$29,001 - \$30,000</u>	<u>378</u>	<u>468</u>	<u>582</u>	<u>774</u>	<u>966</u>	5436
<u>\$30,001 - \$31,000</u>	<u>348</u>	<u>378</u>	<u>468</u>	<u>582</u>	<u>774</u>	5437
<u>\$31,001 - \$32,000</u>	<u>318</u>	<u>348</u>	<u>378</u>	<u>468</u>	<u>582</u>	5438
<u>\$32,001 - \$33,000</u>	<u>162</u>	<u>318</u>	<u>348</u>	<u>378</u>	<u>468</u>	5439

									5472
\$9,201 - \$10,700	348	432	534	708	882	1,074			5473
									5474
\$10,701 - \$12,200	324	348	432	534	708	882			5475
									5476
\$12,201 - \$13,700	294	324	348	432	534	708			5477
									5478
\$13,701 - \$15,200	0	294	324	348	432	534			5479
									5480
\$15,201 - \$18,200	0	0	294	324	348	432			5481
									5482
\$18,201 - \$21,200	0	0	0	294	324	348			5483
									5484
\$21,201 - \$24,200	0	0	0	0	294	324			5485
									5486
\$24,201 - \$28,900	0	0	0	0	0	294			5487
Over \$28,900	0	0	0	0	0	0			5488
<u>Under \$4,201</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>	<u>\$1,956</u>		5489
<u>4,201 - \$4,800</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>		5490
<u>\$4,801 - \$5,300</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>		5491
<u>\$5,301 - \$5,800</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>		5492
<u>\$5,801 - \$6,300</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>	<u>1,956</u>		5493
<u>\$6,301 - \$6,800</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>	<u>1,956</u>		5494
<u>\$6,801 - \$7,800</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	<u>1,764</u>	<u>1,956</u>		5495
<u>\$7,801 - \$8,800</u>	<u>582</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	<u>1,554</u>	<u>1,956</u>		5496
<u>\$8,801 - \$9,800</u>	<u>468</u>	<u>582</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	<u>1,380</u>	<u>1,956</u>		5497
<u>\$9,801 - \$11,300</u>	<u>378</u>	<u>468</u>	<u>582</u>	<u>774</u>	<u>966</u>	<u>1,182</u>	<u>1,956</u>		5498
<u>\$11,301 - \$12,800</u>	<u>348</u>	<u>378</u>	<u>468</u>	<u>582</u>	<u>774</u>	<u>966</u>	<u>1,956</u>		5499
<u>\$12,801 - \$14,300</u>	<u>318</u>	<u>348</u>	<u>378</u>	<u>468</u>	<u>582</u>	<u>774</u>	<u>1,956</u>		5500
<u>\$14,301 - \$15,800</u>	<u>162</u>	<u>318</u>	<u>348</u>	<u>378</u>	<u>468</u>	<u>582</u>	<u>1,956</u>		5501
<u>\$15,801 - \$18,800</u>	<u>0</u>	<u>162</u>	<u>318</u>	<u>348</u>	<u>378</u>	<u>468</u>	<u>1,956</u>		5502
<u>\$18,801 - \$21,800</u>	<u>0</u>	<u>0</u>	<u>162</u>	<u>318</u>	<u>348</u>	<u>378</u>	<u>1,956</u>		5503
<u>\$21,801 - \$24,800</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>162</u>	<u>318</u>	<u>348</u>	<u>1,956</u>		5504

<u>\$24,801 - \$29,500</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>162</u>	<u>318</u>	5505
<u>\$29,501 - \$34,500</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>162</u>	5506
<u>Over \$34,500</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	5507

(D) For a full-time student enrolled in an eligible institution for a semester or quarter in addition to the portion of the academic year covered by a grant determined under division (C) of this section, the maximum grant amount shall be a percentage of the maximum prescribed in the applicable table of that division. The maximum grant for a fourth quarter shall be one-third of the maximum amount prescribed under that division. The maximum grant for a third semester shall be one-half of the maximum amount prescribed under that division. 5508
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(E) No grant shall be made to any student in a course of study in theology, religion, or other field of preparation for a religious profession unless such course of study leads to an accredited bachelor of arts, bachelor of science, or associate of arts degree. 5517
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~~(E)~~(F)(1) Except as provided in division ~~(E)~~(F)(2) of this section, no grant shall be made to any student for enrollment during a ~~school~~ fiscal year in an institution with a cohort default rate determined by the United States secretary of education pursuant to the "Higher Education Amendments of 1986," 100 Stat. 1278, 1408, 20 U.S.C.A. 1085, as amended, as of the fifteenth day of June preceding ~~such school~~ the fiscal year, equal to or greater than thirty per cent for each of the preceding two fiscal years. 5522
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(2) Division ~~(E)~~(F)(1) of this section does not apply to the following: 5531
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(a) Any student enrolled in an institution that under the federal law appeals its loss of eligibility for federal financial aid and the United States secretary of education determines its 5533
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cohort default rate after recalculation is lower than the rate 5536
specified in division ~~(E)~~(F)(1) of this section or the secretary 5537
determines due to mitigating circumstances the institution may 5538
continue to participate in federal financial aid programs. The 5539
board shall adopt rules requiring institutions to provide 5540
information regarding an appeal to the board. 5541

(b) Any student who has previously received a grant under 5542
this section who meets all other requirements of this section. 5543

(3) The board shall adopt rules for the notification of all 5544
institutions whose students will be ineligible to participate in 5545
the grant program pursuant to division ~~(E)~~(F)(1) of this section. 5546

(4) A student's attendance at an institution whose students 5547
lose eligibility for grants under division ~~(E)~~(F)(1) of this 5548
section shall not affect that student's eligibility to receive a 5549
grant when enrolled in another institution. 5550

~~(F)~~(G) Institutions of higher education that enroll students 5551
receiving instructional grants under this section shall report to 5552
the board all students who have received instructional grants but 5553
are no longer eligible for all or part of such grants and shall 5554
refund any moneys due the state within thirty days after the 5555
beginning of the quarter or term immediately following the quarter 5556
or term in which the student was no longer eligible to receive all 5557
or part of the student's grant. There shall be an interest charge 5558
of one per cent per month on all moneys due and payable after such 5559
thirty-day period. The board shall immediately notify the office 5560
of budget and management and the legislative budget office of the 5561
legislative service commission of all refunds so received. 5562

Sec. 3333.20. (A) ~~On or before September 1, 1993, the~~ The 5563
Ohio board of regents shall ~~adopt~~ maintain educational service 5564
~~standards that shall apply to all~~ expectations for community 5565
colleges, university branches, technical colleges, and state 5566

community colleges established under Chapters 3354., 3355., 3357., 5567
and 3358. of the Revised Code, respectively. These ~~standards shall~~ 5568
expectations provide for guidance to such institutions ~~to offer or~~ 5569
~~demonstrate at least the following~~ regarding minimum services and 5570
programs that should be available to every community. The 5571
expectations are: 5572

(1) ~~An appropriate~~ A range of career or technical ~~programs~~ 5573
programming designed to prepare individuals for employment in 5574
specific careers at the technical or paraprofessional level; 5575

(2) Commitment to an effective array of developmental 5576
education services providing opportunities for academic skill 5577
enhancement; 5578

(3) Partnerships with industry, business, government, and 5579
labor for the ~~retraining~~ education and training of the workforce 5580
~~and to enhance~~ the economic development of the community; 5581

(4) Noncredit continuing education opportunities; 5582

(5) ~~College transfer programs or the initial two years of a~~ 5583
~~baccalaureate degree for students planning to transfer to~~ 5584
~~institutions offering baccalaureate programs~~ Programs and services 5585
that assist student advancement toward a baccalaureate degree; 5586

(6) Linkages with high schools to ensure that graduates are 5587
adequately prepared for ~~post-secondary instruction~~ higher 5588
education; 5589

(7) ~~Student access provided according to a convenient~~ 5590
~~schedule and program quality provided at an affordable price~~ A 5591
learning environment that is accessible to students and that uses 5592
the highest quality instructional techniques; 5593

(8) ~~That student~~ Student fees charged by any institution that 5594
are as low as possible, especially ~~if the~~ at any institution ~~is~~ 5595
~~being~~ supported by a local tax levy; 5596

(9) A high level of community involvement in the 5597
decision-making process in such critical areas as course delivery, 5598
range of services, fees and budgets, and administrative personnel. 5599

(B) ~~The~~ As needed, the board of regents shall consult with 5600
representatives of state-assisted colleges and universities, as 5601
defined in section 3333.041 of the Revised Code, in developing 5602
appropriate methods for achieving or maintaining the ~~standards~~ 5603
expectations adopted pursuant to division (A) of this section. 5604

~~(C) In considering institutions that are co-located, the 5605
board of regents shall apply the standards to them in two manners:~~ 5606

~~(1) As a whole entity;~~ 5607

~~(2) As separate entities, applying the standards separately 5608
to each.~~ 5609

~~When distributing any state funds among institutions based on 5610
the degree to which they meet the standards, the board of regents 5611
shall provide to institutions that are co-located the higher 5612
amount produced by the two judgments under divisions (C)(1) and 5613
(2) of this section.~~ 5614

Sec. 3333.27. As used in this section: 5615

(A) "Eligible institution" means a nonprofit Ohio institution 5616
of higher education that holds a certificate of authorization 5617
issued under section 1713.02 of the Revised Code and meets the 5618
requirements of Title VI of the Civil Rights Act of 1964. 5619

(B) "Resident" and "full-time student" have the meanings 5621
established for purposes of this section by rule of the Ohio board 5622
of regents. 5623

The board shall establish and administer a student choice 5624
grant program and shall adopt rules for the administration of the 5625

program. 5626

The board may make a grant to any resident of this state who 5627
is enrolled as a full-time student in a bachelor's degree program 5628
at an eligible institution and maintains an academic record that 5629
meets or exceeds the standard established pursuant to this section 5630
by rule of the board, except that no grant shall be made to any 5631
individual who was enrolled as a student in an institution of 5632
higher education on or before July 1, 1984, or is serving a term 5633
of imprisonment. The grant shall not exceed the lesser of the 5634
total instructional and general charges of the institution in 5635
which the student is enrolled, or an amount equal to one-fourth of 5636
the total of any state instructional subsidy amount distributed by 5637
the board in the second fiscal year of the preceding biennium for 5638
all full-time students enrolled in bachelor's degree programs at 5639
four-year state-assisted institutions of higher education divided 5640
by the sum of the actual number of full-time students enrolled in 5641
bachelor's degree programs at four-year state-assisted 5642
institutions of higher education reported to the board for such 5643
year by the institutions to which the subsidy was distributed. 5644

The board shall prescribe the form and manner of application 5645
for grants including the manner of certification by eligible 5646
institutions that each applicant from such institution is enrolled 5647
in a bachelor's degree program as a full-time student and has an 5648
academic record that meets or exceeds the standard established by 5649
the board. 5650

A grant awarded to an eligible student shall be paid to the 5651
institution in which the student is enrolled, and the institution 5652
shall reduce the student's instructional and general charges by 5653
the amount of the grant. Each grant awarded shall be prorated and 5654
paid in equal installments at the time of enrollment for each term 5655
of the academic year for which the grant is awarded. No student 5656
shall be eligible to receive a grant for more than ten semesters, 5657

fifteen quarters, or the equivalent of five academic years. 5658

The receipt of an Ohio student choice grant shall not affect 5659
a student's eligibility for assistance, or the amount of such 5660
assistance, granted under section 3315.33, 3333.12, 3333.22, 5661
3333.26, 5910.03, 5910.032, or 5919.34 of the Revised Code. If a 5662
student receives assistance under one or more of such sections, 5663
the student choice grant made to the student shall not exceed the 5664
difference between the amount of assistance received under such 5665
sections and the total instructional and general charges of the 5666
institution in which the student is enrolled. 5667

The general assembly shall support the student choice grant 5668
program by such sums and in such manner as it may provide, but the 5669
board may also receive funds from other sources to support the 5670
program. 5671

No grant shall be made to any student enrolled in a course of 5672
study leading to a degree in theology, religion, or other field of 5673
preparation for a religious profession unless the course of study 5674
leads to an accredited bachelor of arts or bachelor of science 5675
degree. 5676

Institutions of higher education that enroll students 5677
receiving grants under this section shall report to the board the 5678
name of each student who has received such a grant but who is no 5679
longer eligible for all or part of such grant and shall refund all 5680
moneys due to the state within thirty days after the beginning of 5681
the term immediately following the term in which the student was 5682
no longer eligible to receive all or part of the grant. There 5683
shall be an interest charge of one per cent per month on all 5684
moneys due and payable after such thirty-day period. The board 5685
shall immediately notify the office of budget and management and 5686
the legislative budget office of the legislative service 5687
commission of all refunds received. 5688

Sec. 5747.01. Except as otherwise expressly provided or 5689
clearly appearing from the context, any term used in this chapter 5690
has the same meaning as when used in a comparable context in the 5691
Internal Revenue Code, and all other statutes of the United States 5692
relating to federal income taxes. 5693

As used in this chapter: 5694

(A) "Adjusted gross income" or "Ohio adjusted gross income" 5695
means adjusted gross income as defined and used in the Internal 5696
Revenue Code, adjusted as provided in ~~divisions (A)(1) to (17) of~~ 5697
this section: 5698

(1) Add interest or dividends on obligations or securities of 5699
any state or of any political subdivision or authority of any 5700
state, other than this state and its subdivisions and authorities. 5701

(2) Add interest or dividends on obligations of any 5702
authority, commission, instrumentality, territory, or possession 5703
of the United States that are exempt from federal income taxes but 5704
not from state income taxes. 5705

(3) Deduct interest or dividends on obligations of the United 5706
States and its territories and possessions or of any authority, 5707
commission, or instrumentality of the United States to the extent 5708
included in federal adjusted gross income but exempt from state 5709
income taxes under the laws of the United States. 5710

(4) Deduct disability and survivor's benefits to the extent 5711
included in federal adjusted gross income. 5712

(5) Deduct benefits under Title II of the Social Security Act 5713
and tier 1 railroad retirement benefits to the extent included in 5714
federal adjusted gross income under section 86 of the Internal 5715
Revenue Code. 5716

(6) Add, in the case of a taxpayer who is a beneficiary of a 5717
trust that makes an accumulation distribution as defined in 5718

section 665 of the Internal Revenue Code, the portion, if any, of 5719
such distribution that does not exceed the undistributed net 5720
income of the trust for the three taxable years preceding the 5721
taxable year in which the distribution is made. "Undistributed net 5722
income of a trust" means the taxable income of the trust increased 5723
by (a)(i) the additions to adjusted gross income required under 5724
division (A) of this section and (ii) the personal exemptions 5725
allowed to the trust pursuant to section 642(b) of the Internal 5726
Revenue Code, and decreased by (b)(i) the deductions to adjusted 5727
gross income required under division (A) of this section, (ii) the 5728
amount of federal income taxes attributable to such income, and 5729
(iii) the amount of taxable income that has been included in the 5730
adjusted gross income of a beneficiary by reason of a prior 5731
accumulation distribution. Any undistributed net income included 5732
in the adjusted gross income of a beneficiary shall reduce the 5733
undistributed net income of the trust commencing with the earliest 5734
years of the accumulation period. 5735

(7) Deduct the amount of wages and salaries, if any, not 5736
otherwise allowable as a deduction but that would have been 5737
allowable as a deduction in computing federal adjusted gross 5738
income for the taxable year, had the targeted jobs credit allowed 5739
and determined under sections 38, 51, and 52 of the Internal 5740
Revenue Code not been in effect. 5741

(8) Deduct any interest or interest equivalent on public 5742
obligations and purchase obligations to the extent included in 5743
federal adjusted gross income. 5744

(9) Add any loss or deduct any gain resulting from the sale, 5745
exchange, or other disposition of public obligations to the extent 5746
included in federal adjusted gross income. 5747

(10) Regarding tuition credits purchased under Chapter 3334. 5748
of the Revised Code: 5749

(a) Deduct the following:	5750
(i) For credits that as of the end of the taxable year have not been refunded pursuant to the termination of a tuition payment contract under section 3334.10 of the Revised Code, the amount of income related to the credits, to the extent included in federal adjusted gross income;	5751 5752 5753 5754 5755
(ii) For credits that during the taxable year have been refunded pursuant to the termination of a tuition payment contract under section 3334.10 of the Revised Code, the excess of the total purchase price of the tuition credits refunded over the amount of refund, to the extent the amount of the excess was not deducted in determining federal adjusted gross income;	5756 5757 5758 5759 5760 5761
(b) Add the following:	5762
(i) For credits that as of the end of the taxable year have not been refunded pursuant to the termination of a tuition payment contract under section 3334.10 of the Revised Code, the amount of loss related to the credits, to the extent the amount of the loss was deducted in determining federal adjusted gross income;	5763 5764 5765 5766 5767
(ii) For credits that during the taxable year have been refunded pursuant to the termination of a tuition payment contract under section 3334.10 of the Revised Code, the excess of the amount of refund over the purchase price of each tuition credit refunded, to the extent not included in federal adjusted gross income.	5768 5769 5770 5771 5772 5773
(11) Deduct, in the case of a self-employed individual as defined in section 401(c)(1) of the Internal Revenue Code and to the extent not otherwise allowable as a deduction in computing federal adjusted gross income for the taxable year, the amount paid during the taxable year for insurance that constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents. No deduction under division (A)(11) of this section	5774 5775 5776 5777 5778 5779 5780

shall be allowed to any taxpayer who is eligible to participate in 5781
any subsidized health plan maintained by any employer of the 5782
taxpayer or of the spouse of the taxpayer. No deduction under 5783
division (A)(11) of this section shall be allowed to the extent 5784
that the sum of such deduction and any related deduction allowable 5785
in computing federal adjusted gross income for the taxable year 5786
exceeds the taxpayer's earned income, within the meaning of 5787
section 401(c) of the Internal Revenue Code, derived by the 5788
taxpayer from the trade or business with respect to which the plan 5789
providing the medical coverage is established. 5790

(12) Deduct any amount included in federal adjusted gross 5791
income solely because the amount represents a reimbursement or 5792
refund of expenses that in a previous year the taxpayer had 5793
deducted as an itemized deduction pursuant to section 63 of the 5794
Internal Revenue Code and applicable United States department of 5795
the treasury regulations. 5796

(13) Deduct any portion of the deduction described in section 5797
1341(a)(2) of the Internal Revenue Code, for repaying previously 5798
reported income received under a claim of right, that meets both 5799
of the following requirements: 5800

(a) It is allowable for repayment of an item that was 5801
included in the taxpayer's adjusted gross income for a prior 5802
taxable year and did not qualify for a credit under division (A) 5803
or (B) of section 5747.05 of the Revised Code for that year; 5804

(b) It does not otherwise reduce the taxpayer's adjusted 5805
gross income for the current or any other taxable year. 5806

(14) Deduct an amount equal to the deposits made to, and net 5807
investment earnings of, a medical savings account during the 5808
taxable year, in accordance with section 3924.66 of the Revised 5809
Code. The deduction allowed by division (A)(14) of this section 5810
does not apply to medical savings account deposits and earnings 5811

otherwise deducted or excluded for the current or any other	5812
taxable year from the taxpayer's federal adjusted gross income.	5813
(15)(a) Add an amount equal to the funds withdrawn from a	5814
medical savings account during the taxable year, and the net	5815
investment earnings on those funds, when the funds withdrawn were	5816
used for any purpose other than to reimburse an account holder	5817
for, or to pay, eligible medical expenses, in accordance with	5818
section 3924.66 of the Revised Code;	5819
(b) Add the amounts distributed from a medical savings	5820
account under division (A)(2) of section 3924.68 of the Revised	5821
Code during the taxable year.	5822
(16) Add any amount claimed as a credit under section	5823
5747.059 of the Revised Code to the extent that such amount	5824
satisfies either of the following:	5825
(a) The amount was deducted or excluded from the computation	5826
of the taxpayer's federal adjusted gross income as required to be	5827
reported for the taxpayer's taxable year under the Internal	5828
Revenue Code;	5829
(b) The amount resulted in a reduction of the taxpayer's	5830
federal adjusted gross income as required to be reported for any	5831
of the taxpayer's taxable years under the Internal Revenue Code.	5832
(17) Deduct the amount contributed by the taxpayer to an	5833
individual development account program established by a county	5834
department of human services pursuant to sections 329.11 to 329.14	5835
of the Revised Code for the purpose of matching funds deposited by	5836
program participants. On request of the tax commissioner, the	5837
taxpayer shall provide any information that, in the tax	5838
commissioner's opinion, is necessary to establish the amount	5839
deducted under division (A)(17) of this section.	5840
<u>(18) If the taxpayer is married and files a joint return and</u>	5841

the combined federal adjusted gross income of the taxpayer and the 5842
taxpayer's spouse for the taxable year does not exceed one hundred 5843
thousand dollars, or if the taxpayer is single and has a federal 5844
adjusted gross income for the taxable year not exceeding fifty 5845
thousand dollars, deduct amounts paid during the taxable year for 5846
qualified tuition and fees paid to an eligible institution for the 5847
taxpayer, the taxpayer's spouse, or any dependent of the taxpayer, 5848
who is a resident of this state and is enrolled in or attending a 5849
program that culminates in a degree or diploma at an eligible 5850
institution. The deduction may be claimed only to the extent that 5851
qualified tuition and fees are not otherwise deducted or excluded 5852
for any taxable year from federal or Ohio adjusted gross income. 5853
The deduction may not be claimed for educational expenses for 5854
which the taxpayer claims a credit under section 5747.27 of the 5855
Revised Code. 5856

(19) Add any reimbursement received during the taxable year 5857
of any amount the taxpayer deducted under division (A)(18) of this 5858
section in any previous taxable year to the extent the amount is 5859
not otherwise included in Ohio adjusted gross income. 5860

(B) "Business income" means income arising from transactions, 5861
activities, and sources in the regular course of a trade or 5862
business and includes income from tangible and intangible property 5863
if the acquisition, rental, management, and disposition of the 5864
property constitute integral parts of the regular course of a 5865
trade or business operation. 5866

(C) "Nonbusiness income" means all income other than business 5867
income and may include, but is not limited to, compensation, rents 5868
and royalties from real or tangible personal property, capital 5869
gains, interest, dividends and distributions, patent or copyright 5870
royalties, or lottery winnings, prizes, and awards. 5871

(D) "Compensation" means any form of remuneration paid to an 5873

employee for personal services.	5874
(E) "Fiduciary" means a guardian, trustee, executor,	5875
administrator, receiver, conservator, or any other person acting	5876
in any fiduciary capacity for any individual, trust, or estate.	5877
(F) "Fiscal year" means an accounting period of twelve months	5878
ending on the last day of any month other than December.	5879
(G) "Individual" means any natural person.	5880
(H) "Internal Revenue Code" means the "Internal Revenue Code	5881
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.	5882
(I) "Resident" means:	5883
(1) An individual who is domiciled in this state, subject to	5884
section 5747.24 of the Revised Code;	5885
(2) The estate of a decedent who at the time of death was	5886
domiciled in this state. The domicile tests of section 5747.24 of	5887
the Revised Code and any election under section 5747.25 of the	5888
Revised Code are not controlling for purposes of division (I)(2)	5889
of this section.	5890
(J) "Nonresident" means an individual or estate that is not a	5891
resident. An individual who is a resident for only part of a	5892
taxable year is a nonresident for the remainder of that taxable	5893
year.	5894
(K) "Pass-through entity" has the same meaning as in section	5895
5733.04 of the Revised Code.	5896
(L) "Return" means the notifications and reports required to	5897
be filed pursuant to this chapter for the purpose of reporting the	5898
tax due and includes declarations of estimated tax when so	5899
required.	5900
(M) "Taxable year" means the calendar year or the taxpayer's	5901
fiscal year ending during the calendar year, or fractional part	5902

thereof, upon which the adjusted gross income is calculated 5903
pursuant to this chapter. 5904

(N) "Taxpayer" means any person subject to the tax imposed by 5905
section 5747.02 of the Revised Code or any pass-through entity 5906
that makes the election under division (D) of section 5747.08 of 5907
the Revised Code. 5908

(O) "Dependents" means dependents as defined in the Internal 5909
Revenue Code and as claimed in the taxpayer's federal income tax 5910
return for the taxable year or which the taxpayer would have been 5911
permitted to claim had the taxpayer filed a federal income tax 5912
return. 5913

(P) "Principal county of employment" means, in the case of a 5914
nonresident, the county within the state in which a taxpayer 5915
performs services for an employer or, if those services are 5916
performed in more than one county, the county in which the major 5917
portion of the services are performed. 5918

(Q) As used in sections 5747.50 to 5747.55 of the Revised 5919
Code: 5920

(1) "Subdivision" means any county, municipal corporation, 5921
park district, or township. 5922

(2) "Essential local government purposes" includes all 5923
functions that any subdivision is required by general law to 5924
exercise, including like functions that are exercised under a 5925
charter adopted pursuant to the Ohio Constitution. 5926

(R) "Overpayment" means any amount already paid that exceeds 5927
the figure determined to be the correct amount of the tax. 5928

(S) "Taxable income" applies to estates only and means 5929
taxable income as defined and used in the Internal Revenue Code 5930
adjusted as follows: 5931

(1) Add interest or dividends on obligations or securities of 5932

any state or of any political subdivision or authority of any	5933
state, other than this state and its subdivisions and authorities;	5934
(2) Add interest or dividends on obligations of any	5935
authority, commission, instrumentality, territory, or possession	5936
of the United States that are exempt from federal income taxes but	5937
not from state income taxes;	5938
(3) Add the amount of personal exemption allowed to the	5939
estate pursuant to section 642(b) of the Internal Revenue Code;	5940
(4) Deduct interest or dividends on obligations of the United	5941
States and its territories and possessions or of any authority,	5942
commission, or instrumentality of the United States that are	5943
exempt from state taxes under the laws of the United States;	5944
	5945
(5) Deduct the amount of wages and salaries, if any, not	5946
otherwise allowable as a deduction but that would have been	5947
allowable as a deduction in computing federal taxable income for	5948
the taxable year, had the targeted jobs credit allowed under	5949
sections 38, 51, and 52 of the Internal Revenue Code not been in	5950
effect;	5951
(6) Deduct any interest or interest equivalent on public	5952
obligations and purchase obligations to the extent included in	5953
federal taxable income;	5954
(7) Add any loss or deduct any gain resulting from sale,	5955
exchange, or other disposition of public obligations to the extent	5956
included in federal taxable income;	5957
(8) Except in the case of the final return of an estate, add	5958
any amount deducted by the taxpayer on both its Ohio estate tax	5959
return pursuant to section 5731.14 of the Revised Code, and on its	5960
federal income tax return in determining either federal adjusted	5961
gross income or federal taxable income;	5962

(9) Deduct any amount included in federal taxable income 5963
solely because the amount represents a reimbursement or refund of 5964
expenses that in a previous year the decedent had deducted as an 5965
itemized deduction pursuant to section 63 of the Internal Revenue 5966
Code and applicable treasury regulations; 5967

(10) Deduct any portion of the deduction described in section 5968
1341(a)(2) of the Internal Revenue Code, for repaying previously 5969
reported income received under a claim of right, that meets both 5970
of the following requirements: 5971

(a) It is allowable for repayment of an item that was 5972
included in the taxpayer's taxable income or the decedent's 5973
adjusted gross income for a prior taxable year and did not qualify 5974
for a credit under division (A) or (B) of section 5747.05 of the 5975
Revised Code for that year. 5976

(b) It does not otherwise reduce the taxpayer's taxable 5977
income or the decedent's adjusted gross income for the current or 5978
any other taxable year. 5979

(11) Add any amount claimed as a credit under section 5980
5747.059 of the Revised Code to the extent that the amount 5981
satisfies either of the following: 5982

(a) The amount was deducted or excluded from the computation 5983
of the taxpayer's federal taxable income as required to be 5984
reported for the taxpayer's taxable year under the Internal 5985
Revenue Code; 5986

(b) The amount resulted in a reduction in the taxpayer's 5987
federal taxable income as required to be reported for any of the 5988
taxpayer's taxable years under the Internal Revenue Code. 5989

(T) "School district income" and "school district income tax" 5990
have the same meanings as in section 5748.01 of the Revised Code. 5991
5992

(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) 5993
of this section, "public obligations," "purchase obligations," and 5994
"interest or interest equivalent" have the same meanings as in 5995
section 5709.76 of the Revised Code. 5996

(V) "Limited liability company" means any limited liability 5997
company formed under Chapter 1705. of the Revised Code or under 5998
the laws of any other state. 5999

(W) "Pass-through entity investor" means any person who, 6000
during any portion of a taxable year of a pass-through entity, is 6001
a partner, member, shareholder, or investor in that pass-through 6002
entity. 6003

(X) "Banking day" has the same meaning as in section 1304.01 6004
of the Revised Code. 6005

(Y) "Month" means a calendar month. 6006

(Z) "Quarter" means the first three months, the second three 6007
months, the third three months, or the last three months of the 6008
taxpayer's taxable year. 6009

(AA)(1) "Eligible institution" means a state university or 6010
state institution of higher education as defined in section 6011
3345.011 of the Revised Code, or a private, nonprofit college, 6012
university, or other post-secondary institution located in this 6013
state that possesses a certificate of authorization issued by the 6014
Ohio board of regents pursuant to Chapter 1713. of the Revised 6015
Code or a certificate of registration issued by the state board of 6016
proprietary school registration under Chapter 3332. of the Revised 6017
Code. 6018

(2) "Qualified tuition and fees" means tuition and fees 6019
imposed by an eligible institution as a condition of enrollment or 6020
attendance, not exceeding two thousand five hundred dollars in 6021
each of the individual's first two years of post-secondary 6022

education. If the individual is a part-time student, "qualified 6023
tuition and fees" includes tuition and fees paid for the academic 6024
equivalent of the first two years of post-secondary education 6025
during a maximum of five taxable years, not exceeding a total of 6026
five thousand dollars. "Qualified tuition and fees" does not 6027
include: 6028

(a) Expenses for any course or activity involving sports, 6029
games, or hobbies unless the course or activity is part of the 6030
individual's degree or diploma program; 6031

(b) The cost of books, room and board, student activity fees, 6032
athletic fees, insurance expenses, or other expenses unrelated to 6033
the individual's academic course of instruction; 6034

(c) Tuition, fees, or other expenses paid or reimbursed 6035
through an employer, scholarship, grant in aid, or other 6036
educational benefit program. 6037

(BB) Any term used in this chapter that is not otherwise 6038
defined in this section and that is not used in a comparable 6039
context in the Internal Revenue Code and other statutes of the 6040
United States relating to federal income taxes has the same 6041
meaning as in section 5733.40 of the Revised Code. 6042

Sec. 5910.032. (A) A war orphans scholarship, as provided 6043
under sections 5910.01 to 5910.06 of the Revised Code, shall be 6044
granted to the child of any person who, in the course of honorable 6045
service in the armed services of the United States, was declared 6046
by the United States department of defense to be a prisoner of war 6047
or missing in action as a result of the United States' 6048
participation in armed conflict on or after January 1, 1960, ~~and~~ 6049
~~who~~ if either of the following apply: 6050

(1) The parent, at the time of entry into the armed services 6051
of the United States, or at the time the ~~person~~ parent was 6052

declared to be a prisoner of war or missing in action, was a 6053
resident of Ohio; 6054

(2) If the parent did not enter the armed services as a 6055
resident of Ohio and was not a resident of Ohio when declared a 6056
prisoner of war or missing in action, the child has resided in 6057
Ohio for the year immediately preceding the year in which the 6058
application for the scholarship is made and any four of the last 6059
ten years. Such 6060

The scholarships shall be in addition to the total number of 6061
scholarships provided under section 5910.05 of the Revised Code. 6062
Notwithstanding section 5910.03 of the Revised Code, scholarships 6063
provided under this section shall be made to any such child who, 6064
at the time of application, has attained the sixteenth, but not 6065
the twenty-first, birthday. The termination of a child's parent or 6066
guardian's status as a prisoner of war or being missing in action 6067
does not affect such child's eligibility for the benefit provided 6068
by this section. 6069

(B) Scholarships provided under this section shall consist of 6070
either of the following: 6071

(1) A scholarship of the type described in division (A) of 6072
section 5910.04 of the Revised Code together with reasonable and 6073
necessary expenses for room, board, books, and laboratory fees. 6074
The additional amount for such expenses shall be paid from moneys 6075
appropriated by the general assembly for such purpose. 6076

(2) A scholarship of the type described in division (B) of 6077
section 5910.04 of the Revised Code together with an additional 6078
grant equal to the average value of the reasonable and necessary 6079
expenses granted under division (B)(1) of this section during the 6080
preceding year for room, board, books, and laboratory fees. The 6081
additional grant shall be paid from moneys appropriated by the 6082
general assembly for such purpose, and shall be paid to the child 6083

through the institution in which the child is enrolled. In no case 6084
shall the additional grant exceed the amount actually expended by 6085
the child for room, board, books, and laboratory fees. 6086

Section 2. That existing sections 125.05, 3301.80, 3301.801, 6087
3313.21, 3314.02, 3314.03, 3314.06, 3314.08, 3314.09, 3314.11, 6088
3316.05, 3316.06, 3317.02, 3317.022, 3317.023, 3317.024, 3317.029, 6089
3317.0212, 3317.0216, 3317.03, 3317.033, 3317.05, 3317.051, 6090
3317.06, 3317.082, 3317.11, 3317.162, 3317.51, 3318.01, 3318.011, 6091
3318.05, 3318.06, 3318.08, 3318.081, 3318.082, 3318.13, 3318.14, 6092
3318.15, 3318.16, 3318.17, 3318.18, 3318.21, 3318.25, 3318.26, 6093
3318.29, 3318.35, 3319.235, 3332.05, 3332.07, 3333.04, 3333.12, 6094
3333.20, 3333.27, 5747.01, and 5910.032 and sections 3317.0214, 6095
3317.053, 3317.16, 3318.23, 3318.24, and 3318.27 of the Revised 6096
Code are hereby repealed. 6097

Section 3. Except as otherwise provided, all appropriation 6099
line items (ALI) in this act are hereby appropriated out of any 6100
moneys in the state treasury to the credit of the designated fund, 6101
which are not otherwise appropriated. For all appropriations made 6102
in this act, those amounts in the first column are for fiscal year 6103
2000 and those amounts in the second column are for fiscal year 6104
2001. 6105

<u>FND</u>	<u>ALI</u>	<u>ALI TITLE</u>	<u>FY 2000</u>	<u>FY 2001</u>	
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6106

Section 4. EDU DEPARTMENT OF EDUCATION 6108

General Revenue Fund 6109

GRF 200-100	Personal Services	\$ 11,940,600	\$ 12,265,000	6110
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GRF 200-320	Maintenance and	\$ 9,293,979	\$ 8,943,979	6111
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Equipment

GRF 200-406	Head Start	\$ 97,992,016	\$ 101,843,825	6112
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GRF 200-408	Public Preschool	\$ 18,316,606	\$ 18,756,205	6113
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GRF 200-410	Professional Development	\$ 27,528,834	\$ 28,403,834	6114
GRF 200-411	Family and Children First	\$ 10,642,188	\$ 10,642,188	6115
GRF 200-416	Vocational Education Match	\$ 2,325,916	\$ 2,381,738	6116
GRF 200-420	Technical Systems Development	\$ 3,450,000	\$ 2,350,000	6117
GRF 200-422	School Management Assistance	\$ 1,387,186	\$ 1,440,836	6118
GRF 200-424	Policy Analysis	\$ 505,354	\$ 637,655	6119
GRF 200-426	Ohio Educational Computer Network	\$ 25,089,772	\$ 37,004,086	6120
GRF 200-431	School Improvement Models	\$ 25,100,000	\$ 24,975,000	6121
GRF 200-432	School Conflict Management	\$ 411,645	\$ 421,524	6122
GRF 200-437	Student Proficiency	\$ 16,097,983	\$ 15,692,045	6123
GRF 200-441	American Sign Language	\$ 231,449	\$ 237,003	6124
GRF 200-442	Child Care Licensing	\$ 1,477,003	\$ 1,518,359	6125
GRF 200-445	OhioReads Admin/Volunteer Support	\$ 5,000,000	\$ 5,000,000	6126
GRF 200-446	Education Management Information System	\$ 13,799,674	\$ 12,649,674	6127
GRF 200-447	GED Testing/Adult High School	\$ 2,033,187	\$ 2,081,983	6128
GRF 200-455	Community Schools	\$ 3,500,000	\$ 3,500,000	6129
GRF 200-500	School Finance Equity	\$ 36,845,562	\$ 23,941,627	6130
GRF 200-501	Base Cost Funding	\$ 3,286,233,067	\$ 3,560,563,368	6131
GRF 200-502	Pupil Transportation	\$ 264,505,200	\$ 290,450,245	6132
GRF 200-503	Bus Purchase Allowance	\$ 38,132,291	\$ 39,047,466	6133
GRF 200-505	School Lunch Match	\$ 9,450,000	\$ 9,450,000	6134

GRF 200-509	Adult Literacy Education	\$ 9,361,964	\$ 9,586,651	6135
GRF 200-511	Auxiliary Services	\$ 110,255,190	\$ 118,083,309	6136
GRF 200-514	Post-Secondary/Adult Vocational Education	\$ 21,171,866	\$ 21,679,991	6137
GRF 200-520	Disadvantaged Pupil Impact Aid	\$ 391,208,953	\$ 391,208,954	6138
GRF 200-521	Gifted Pupil Program	\$ 38,169,302	\$ 39,229,245	6139
GRF 200-524	Educational Excellence and Competency	\$ 9,000,000	\$ 9,000,000	6140
GRF 200-532	Nonpublic Administrative Cost Reimbursement	\$ 48,062,292	\$ 51,474,714	6141
GRF 200-533	School-Age Child Care	\$ 1,070,720	\$ 1,096,417	6142
GRF 200-534	Desegregation Costs	\$ 12,000,000	\$ 11,700,000	6143
GRF 200-540	Special Education Enhancements	\$ 126,283,848	\$ 137,684,164	6144
GRF 200-545	Vocational Education Enhancements	\$ 223,253,842	\$ 233,292,398	6145
GRF 200-546	Charge-Off Supplement	\$ 10,000,000	\$ 20,000,000	6146
GRF 200-547	Power Equalization	\$ 21,900,000	\$ 34,700,000	6147
GRF 200-551	Reading Improvement	\$ 1,704,454	\$ 1,745,361	6148
GRF 200-552	County MR/DD Boards Vehicle Purchases	\$ 1,627,152	\$ 1,666,204	6149
GRF 200-553	County MR/DD Boards Transportation Operating	\$ 8,006,400	\$ 9,895,910	6150
GRF 200-558	Emergency Loan Interest Subsidy	\$ 6,940,447	\$ 5,470,150	6151
GRF 200-566	OhioReads Grants	\$ 25,000,000	\$ 25,000,000	6152
GRF 200-570	School Improvement Incentive Grants	\$ 10,000,000	\$ 10,000,000	6153
GRF 200-572	Teacher Incentive	\$ 5,000,000	\$ 0	6154

		Grants				
GRF	200-573	Character Education	\$	1,000,000	\$	1,000,000 6155
GRF	200-574	Substance Abuse	\$	2,300,000	\$	2,420,000 6156
		Prevention				
GRF	200-575	12th Grade Proficiency	\$	17,500,000	\$	17,500,000 6157
		Stipend				
GRF	200-901	Property Tax	\$	636,200,000	\$	673,960,000 6158
		Allocation - Education				
GRF	200-906	Tangible Tax Exemption	\$	69,000,000	\$	71,000,000 6159
		- Education				
TOTAL GRF		General Revenue Fund	\$	5,717,305,942	\$	6,112,591,108 6160
		General Services Fund Group				6161
138	200-606	Computer Services	\$	4,255,067	\$	4,374,209 6162
4D1	200-602	Ohio	\$	293,321	\$	301,534 6163
		Prevention/Education				
		Resource Center				
4L2	200-681	Teacher Certification	\$	3,774,544	\$	3,880,232 6164
		and Licensure				
452	200-638	Miscellaneous Revenue	\$	295,000	\$	295,000 6165
5H3	200-687	School District	\$	30,000,000	\$	30,000,000 6166
		Solvency Assistance				
596	200-656	Ohio Career	\$	699,399	\$	718,084 6167
		Information System				
TOTAL GSF		General Services				6168
Fund Group			\$	39,317,331	\$	39,569,059 6169
		Federal Special Revenue Fund Group				6170
309	200-601	Educationally	\$	8,560,567	\$	8,988,595 6171
		Disadvantaged				
366	200-604	Adult Basic Education	\$	14,901,137	\$	14,901,137 6172
3H9	200-605	Head Start	\$	250,000	\$	250,000 6173
		Collaboration Project				
367	200-607	School Food Services	\$	9,492,000	\$	9,783,000 6174

3T4	200-613	Public Charter Schools	\$	3,157,895	\$	4,725,000	6175
368	200-614	Veterans' Training	\$	609,517	\$	626,584	6176
369	200-616	Vocational Education	\$	7,500,000	\$	8,000,000	6177
3L6	200-617	Federal School Lunch	\$	163,500,000	\$	170,500,000	6178
3L7	200-618	Federal School Breakfast	\$	40,500,000	\$	44,500,000	6179
3L8	200-619	Child and Adult Care Programs	\$	58,600,000	\$	58,600,000	6180
3L9	200-621	Vocational Education Basic Grant	\$	55,583,418	\$	57,139,754	6181
3M0	200-623	ESEA Chapter One	\$	375,633,666	\$	394,415,350	6182
370	200-624	Education of All Handicapped Children	\$	274,949	\$	0	6183
3T5	200-625	Coordinated School Health	\$	536,437	\$	536,437	6184
3N7	200-627	School-to-Work	\$	13,864,500	\$	14,252,706	6185
371	200-631	EEO Title IV	\$	488,052	\$	508,917	6186
374	200-647	E.S.E.A. Consolidated Grants	\$	107,096	\$	110,094	6187
376	200-653	J.T.P.A.	\$	5,123,365	\$	5,266,819	6188
3R3	200-654	Goals 2000	\$	19,453,001	\$	20,425,651	6189
378	200-660	Math/Science Technology Investments	\$	11,686,926	\$	12,271,272	6190
3C5	200-661	Federal Dependent Care Programs	\$	17,996,709	\$	17,996,709	6191
3D1	200-664	Drug Free Schools	\$	20,026,500	\$	20,587,242	6192
3D2	200-667	Honors Scholarship Program	\$	1,976,400	\$	2,371,680	6193
3E2	200-668	AIDS Education Project	\$	620,774	\$	620,774	6194
3S7	200-673	Child Care School Age	\$	5,135,000	\$	5,278,000	6195
3M1	200-678	ESEA Chapter Two	\$	61,901,429	\$	16,591,501	6196
3M2	200-680	Ind W/Disab Education Act	\$	143,000,000	\$	162,000,000	6197

3P9	200-686	SRRC/FRC Evaluation	\$	51,350	\$	52,788	6198
		Project					
		TOTAL FED Federal Special					6199
		Revenue Fund Group	\$	1,040,530,688	\$	1,051,300,010	6200
		State Special Revenue Fund Group					6201
4M4	200-637	Emergency Service	\$	762,548	\$	783,899	6202
		Telecommunication					
		Training					
4R7	200-695	Indirect Cost Recovery	\$	2,868,561	\$	2,948,881	6203
4V7	200-633	Interagency Vocational	\$	645,359	\$	663,429	6204
		Support					
454	200-610	Guidance and Testing	\$	503,912	\$	516,484	6205
455	200-608	Commodity Foods	\$	8,000,000	\$	8,000,000	6206
598	200-659	Auxiliary Services	\$	1,292,714	\$	1,328,910	6207
		Mobile Units					
620	200-615	Educational Grants	\$	1,500,000	\$	1,500,000	6208
		TOTAL SSR State Special Revenue					6209
		Fund Group	\$	15,573,094	\$	15,741,603	6210
		Lottery Profits Education Fund Group					6211
017	200-612	Base Cost Funding	\$	656,247,000	\$	660,467,000	6212
017	200-682	Lease Rental Payment	\$	29,753,000	\$	29,733,000	6213
		Reimbursement					
		TOTAL LPE Lottery Profits					6214
		Education Fund Group	\$	686,000,000	\$	690,200,000	6215
		TOTAL ALL BUDGET FUND GROUPS	\$	7,498,727,055	\$	7,909,401,780	6216

Section 4.01.

6218

Personal Services

Of the foregoing appropriation item 200-100, Personal Services, \$120,000 in each fiscal year shall be used to support the salary and fringe benefits of a teacher in residence and support staff at the Governor's Office.

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Maintenance and Equipment 6223

Of the foregoing appropriation item 200-320, Maintenance and 6224
Equipment, up to \$25,000 may be expended in each year of the 6225
biennium for State Board of Education out-of-state travel. 6226

Of the foregoing appropriation item 200-320, Maintenance and 6227
Equipment, \$4,000,000 in each fiscal year shall be reserved to 6228
fund expenses associated with the Department of Education's move 6229
from the Ohio Departments Building. 6230

Of the foregoing appropriation item 200-320, Maintenance and 6231
Equipment, \$30,000 in each fiscal year shall be used to fund the 6232
travel expenses and administrative overhead of the Teacher in 6233
Residence and support staff at the Governor's Office. 6234

Section 4.02. 6235

Head Start

The foregoing appropriation item 200-406, Head Start, shall 6236
be distributed by the Department of Education to Head Start 6237
agencies. A "Head Start agency" means an entity that has been 6238
approved to be an agency in accordance with Section 641 [42 U.S.C. 6239
9836] of the Head Start Act and amendments thereto, or an entity 6240
designated for state Head Start funding under this section. 6241
Participation in state funded Head Start programs is voluntary. 6242

Moneys distributed under this heading shall not be used to 6243
reduce expenditures from funds received by a Head Start agency 6244
from any other sources. Section 3301.31 of the Revised Code does 6245
not apply to funds distributed under this heading. In lieu of 6246
section 3301.31 of the Revised Code, distribution of moneys under 6247
this heading shall be as follows: 6248

(A) In fiscal years 2000 and 2001, up to two per cent of the 6249
total appropriation may be used by the Department for 6250
administrative costs of complying with this section; developing 6251

program capacity; and assisting programs with facilities planning, 6252
construction, renovation, or lease agreements in combination with 6253
the Community Development Finance Fund (CDFF). Up to \$3,000,000 in 6254
fiscal year 2000 and \$1,500,000 in fiscal year 2001 may be used 6255
for training in early literacy for Head Start classroom teachers 6256
and administrators to support the OhioReads Initiative. 6257

(B) The department shall provide an annual report to the 6258
Governor, the Speaker of the House of Representatives, the 6259
President of the Senate, the State Board of Education, Head Start 6260
grantees, and other interested parties. The report shall include 6261
the following: 6262

(1) The number and per cent of eligible children by county 6263
and by grantee; 6264

(2) The amount of state funds requested for continuation per 6265
grantee; 6266

(3) The amount of state funds received for continuation per 6267
grantee; 6268

(4) A summary of program performance on the state critical 6269
performance indicators; 6270

(5) A summary of developmental progress of children 6271
participating in the state funded Head Start program; 6272

(6) Any other data reflecting the performance of Head Start 6273
that the department considers pertinent. 6274

(C) For purposes of this section, "eligible child" means a 6275
child who is at least three years of age and not of compulsory 6276
school age whose family earns no more than 100 per cent of the 6277
federal poverty level. 6278

The Department of Education, in consultation with the 6279
Department of Human Services, interested parties, and Head Start 6280
agencies shall formulate a method for determining an estimate of 6281

the number of eligible children and the per cent served by 6282
grantee(s) in each county. 6283

(D) After setting aside amounts to make any payments due from 6284
the prior fiscal year, in fiscal years 2000 and 2001, funds shall 6285
first be distributed to recipients of Head Start funds during the 6286
preceding fiscal year. Awards under this division may be reduced 6287
by the amount received in that year for one-time start-up costs 6288
and may be adjusted for actual months of program operation or 6289
enrollment as reported during the first full week of December, and 6290
may be increased by a reasonable percentage for inflation to be 6291
determined by the Department of Education and in accordance with 6292
this section. The Department may redistribute dollars to programs 6293
demonstrating an unmet need based on updated assessments of family 6294
needs and community resources, with special attention to the 6295
projected impact of welfare reform. In fiscal years 2000 and 2001, 6296
the department may authorize recipients to carry over funds to the 6297
subsequent fiscal year. 6298

The Department may reallocate unobligated or unspent money to 6299
participating Head Start agencies for purposes of program 6300
expansion, improvement, or special projects to promote excellence 6301
and innovation. 6302

(E) Costs for developing and administering a Head Start 6303
program may not exceed fifteen per cent of the total approved 6304
costs of the program. 6305

All recipients of funds shall maintain such fiscal control 6306
and accounting procedures as may be necessary to ensure the 6307
disbursement of, and accounting for, these funds. The control of 6308
funds provided in this program, and title to property obtained 6309
therefrom, shall be under the authority of the approved recipient 6310
for purposes provided in the program. The approved recipient shall 6311
administer and use such property and funds for the purposes 6312

specified. 6313

Each recipient shall furnish the department an annual audit 6314
that includes the review of state funds received under this 6315
section. 6316

(F) The department shall prescribe target levels for critical 6317
performance indicators for the purpose of assessing Head Start 6318
programs. On-site reviews and follow-up visits shall be based on 6319
grantee progress in meeting the prescribed target levels. 6320

The department may audit a Head Start agency's financial and 6321
program records. Head Start agencies that have financial practices 6322
not in accordance with standard accounting principles, that fail 6323
to substantially meet the Head Start performance standards, or 6324
that exhibit below-average performance shall be subject to an 6325
on-site review. 6326

The department shall require corrective plans of action for 6327
programs not achieving target levels or financial and program 6328
standards. Action plans shall include activities to be conducted 6329
by the grantee and timelines for activities to be completed and 6330
timelines for additional data submission to the department 6331
demonstrating targets have been met. The Policy Council 6332
chairperson and the appropriate grantee board official shall sign 6333
the corrective plans of action. 6334

Programs not meeting performance targets in accordance with 6335
the plan of action and prescribed timelines may have their 6336
continuation funding reduced, be disqualified for expansion 6337
consideration until targets are met, or have all state funds 6338
withdrawn and a new grantee established. 6339

The department shall require school districts to collect 6340
"preschool" information by program type. All data shall be 6341
reported via the Education Management Information System (EMIS). 6342

(G) The Department shall require Head Start grantees to 6343
document child progress, using a common instrument prescribed by 6344
the department, and report results annually. The department shall 6345
determine the dates for documenting and reporting. 6346

The State Board of Education shall adopt rules addressing the 6347
use of screening and assessment data, including, but not limited 6348
to, all the following: 6349

(1) Protection of the identity of individual children through 6350
assignment of a unique but not personally identifiable code; 6351
6352

(2) Parents' rights; 6353

(3) Use of the data by school personnel as it relates to 6354
kindergarten entrance. 6355

(H) New agencies may be designated for state Head Start 6356
funding if a Head Start agency voluntarily waives its right for 6357
funding or is de-funded based on performance. 6358

When such a condition exists, the department shall conduct a 6359
competitive bidding process to select a new agency to provide 6360
state funded continuation and/or expansion services. The bidding 6361
process shall include notices of competitive bidding mailed to 6362
delegate agencies in the affected area and to newspapers in the 6363
Head Start service area. 6364

Section 3313.646 of the Revised Code does not apply to funds 6365
distributed under this section. 6366

(I) It is the intent of the General Assembly that 6367
appropriations for appropriation items 200-406, Head Start, and 6368
200-408, Public Preschool, be available for transfer between Head 6369
Start and public preschool programs so that unallocated funds may 6370
be used between the two programs. 6371

Section 4.03. 6372

Public Preschool

The Department of Education shall distribute the foregoing 6373
appropriation item 200-408, Public Preschool, to pay the costs of 6374
comprehensive preschool programs. As used in this section, "school 6375
district" means a city, local, exempted village, or joint 6376
vocational school district, or an educational service center. 6377

(A) In fiscal years 2000 and 2001, up to two per cent of the 6378
total appropriation may be used by the department for 6379
administrative costs of complying with this section; developing 6380
program capacity; and assisting programs with facilities planning, 6381
construction, renovation, or lease agreements in conjunction with 6382
the Community Development Finance Fund (CDFS). 6383

(B) The department shall provide an annual report to the 6384
Governor, the Speaker of the House of Representatives, the 6385
President of the Senate, the State Board of Education, Head Start 6386
grantees, and other interested parties. The report shall include: 6387

(1) The number and per cent of eligible children by county 6388
and by school district; 6389

(2) The amount of state funds requested for continuation per 6390
school district; 6391

(3) The amount of state funds received for continuation per 6392
school district; 6393

(4) A summary of program performance on the state critical 6394
performance indicators in the public preschool program; 6395

(5) A summary of developmental progress of children 6396
participating in the state funded public preschool program; 6397

(6) Any other data reflecting the performance of public 6398
preschool programs that the department considers pertinent. 6399

(C) For purposes of this section "eligible child" means a 6400
child who is at least three years of age whose family earns no 6401
more than 185 per cent of the federal poverty level. 6402

The Department of Education, in consultation with the 6403
Department of Human Services, interested parties, and Head Start 6404
agencies shall formulate a method for determining an estimate of 6405
the number of eligible children and the percentage served by 6406
grantees in each county. 6407

(D) After setting aside amounts to make any payments due from 6408
the prior fiscal year, in fiscal years 2000 and 2001, funds shall 6409
first be distributed to recipients of funds during the preceding 6410
fiscal year. Awards under this division may be reduced by the 6411
amount received in that fiscal year for one-time start-up costs 6412
and may be adjusted for actual months of program operation or 6413
enrollment as reported during the first full week of December, and 6414
may be increased by a reasonable percentage to be determined by 6415
the Department of Education. The department may redistribute 6416
dollars to programs demonstrating an unmet need based on updated 6417
assessments of family needs and community resources, with special 6418
attention to the projected impact of welfare reform. In fiscal 6419
years 2000 and 2001, the department may authorize recipients to 6420
carry over funds to the subsequent fiscal year. 6421

The department may reallocate unobligated or unspent money to 6422
participating school districts for purposes of program expansion, 6423
improvement, or special projects to promote excellence and 6424
innovation. 6425

(E) Costs for developing and administering a preschool 6426
program may not exceed fifteen per cent of the total approved 6427
costs of the program. 6428

All recipients of funds shall maintain such fiscal control 6429
and accounting procedures as may be necessary to ensure the 6430

disbursement of, and accounting for, these funds. The control of 6431
funds provided in this program, and title to property obtained 6432
therefrom, shall be under the authority of the approved recipient 6433
for purposes provided in the program. The approved recipient shall 6434
administer and use such property and funds for the purposes 6435
specified. 6436

(F) The department shall prescribe target levels for critical 6437
performance indicators for the purpose of assessing public 6438
preschool programs. On-site reviews and follow-up visits shall be 6439
based on progress in meeting the prescribed target levels. 6440

The department may audit a school district's preschool 6441
financial and program records. School districts that have 6442
financial practices not in accordance with standard accounting 6443
principles, that operate preschool programs that fail to 6444
substantially meet the Head Start performance standards, or that 6445
exhibit below-average performance shall be subject to an on-site 6446
review. 6447
6448

The department shall require corrective plans of action for 6449
programs not achieving target levels or financial and program 6450
standards. Action plans shall include activities to be conducted 6451
by the grantee and timelines for activities to be completed and 6452
timelines for additional data submission to the department 6453
demonstrating that targets have been met. The appropriate school 6454
board official shall sign the corrective plans of action. 6455

Public preschool programs not meeting performance targets in 6456
accordance with the plan of action and prescribed timelines may 6457
have their continuation funding reduced, be disqualified for 6458
expansion consideration until targets are met, or have all state 6459
funds withdrawn and a new program established. 6460

(G) The department shall require public preschool programs to 6461

document child progress, using a common instrument prescribed by 6462
the department, and report results annually. The department shall 6463
determine the dates for documenting and reporting. 6464

The State Board of Education shall adopt rules addressing the 6465
use of screening and assessment data, including, but not limited 6466
to, all of the following: 6467

(1) Protection of the identity of individual children through 6468
assignment of a unique but not personally identifiable code; 6469
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(2) Parents' rights; 6471

(3) Use of the data by school personnel as it relates to 6472
kindergarten entrance. 6473

(H) Each school district shall develop a sliding fee scale 6474
based on the family incomes in the district and shall charge 6475
families who earn more than the federal poverty level for 6476
preschool. 6477

(I) It is the intent of the General Assembly that 6478
appropriations for line item 200-406, Head Start, and 200-408, 6479
Public Preschool, be available for transfer between Head Start and 6480
Public Preschool programs so that unallocated funds may be used 6481
between the two programs. 6482

Section 4.04. 6483

Professional Development

Of the foregoing appropriation item 200-410, Professional 6484
Development, \$5,997,829 in each fiscal year shall be used by the 6485
Department of Education to develop a statewide comprehensive 6486
system of twelve professional development centers that support 6487
local educators' ability to foster academic achievement in the 6488
students they serve. The centers shall include training teachers 6489
on site-based management concepts to encourage teachers to become 6490

involved in the management of their schools.

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Of the foregoing appropriation item 200-410, Professional Development, \$1,321,292 in each fiscal year shall be used by the Department of Education to establish programs targeted at recruiting under-represented populations into the teaching profession. In each year, the appropriation item shall be used by the department to include, but not be limited to, alternative teacher licensure or certification programs emphasizing the recruitment of highly qualified minority candidates into teaching, including emphasizing the recruitment of highly qualified minority candidates into teaching positions in schools which have a high percentage of minority students. The recruitment programs shall also target recruiting qualified candidates available as a result of downsizing of the military and business sectors. Funding shall also be targeted to statewide, regional, and local programs that are competitively selected as promising programs demonstrating the potential of significantly increasing Ohio's minority teaching force.

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Of the foregoing appropriation item 200-410, Professional Development, \$9,659,713 in each fiscal year shall be distributed on a per teacher basis to all school districts, joint vocational school districts, and chartered nonpublic schools for locally developed teacher training and professional development and for the establishment of local professional development committees. School districts and joint vocational school districts shall not be precluded from using these funds for cooperative activities on a county or regional basis. School districts with pass rates of less than 75 per cent on the fourth grade reading proficiency test shall allocate no less than 40 per cent of these funds for professional development for teachers in elementary literacy skills.

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Of the foregoing appropriation item 200-410, Professional Development, \$1,925,000 in fiscal year 2000 and \$2,300,000 in fiscal year 2001 shall be used by the Department of Education to pay the application fee for teachers from public and chartered nonpublic schools applying to the National Board for Professional Teaching Standards for professional teaching certificates or licenses that the board offers, and to provide grants in each fiscal year to recognize and reward teachers who become certified by the board pursuant to section 3319.55 of the Revised Code.

In each fiscal year, the appropriation item shall be used to pay for the first 400 applications received by the department. Each prospective applicant for certification or licensure shall submit an application to the Department of Education. When the department has collected a group of applications, but no later than 30 days after receipt of the first application in a group, it shall send the applications to the National Board for Professional Teaching Standards along with a check to cover the cost of the application fee for all applicants in that group.

Of the foregoing appropriation item 200-410, Professional Development, up to \$300,000 shall be used each fiscal year by the Department of Education to support the connection of teacher applicants to university programs that enhance applicant learning and professional development during the National Board Certification process.

Of the foregoing appropriation item 200-410, Professional Development, up to \$1,875,000 in each fiscal year shall be allocated for entry year programs. Each fiscal year, up to \$1,250,000 shall be used for mentors and assessor training, and up to \$1,475,000 for peer review. The Department of Education shall select eligible beginning teachers to participate in a year-long entry year program that provides guidance and coaching by experienced school district and university faculty and regular

teacher performance assessment. The program is designed to assess 6554
each beginning teacher with the Education Testing Service's Praxis 6555
III examination. These funds shall be used to support the 6556
supervisory, teaching, and assessment services associated with the 6557
pilot residency program in urban, suburban, and rural sites. 6558

Of the foregoing appropriation item 200-410, Professional 6559
Development, up to \$1,250,000 in fiscal year 2000 and \$1,750,000 6560
in fiscal year 2001 shall be used for teacher institution report 6561
cards. Each teacher preparation institution approved for teacher 6562
training shall receive a grant up to \$25,000 to develop and 6563
implement the report cards. In fiscal year 2001, up to \$500,000 6564
shall be used to develop reporting mechanisms for the teacher 6565
institution report cards. 6566

Of the foregoing appropriation item 200-410, Professional 6567
Development, up to \$650,000 in each fiscal year shall be used to 6568
continue Ohio leadership academies to develop and train 6569
superintendents, principals, other administrators, and school 6570
board members in new leadership and management practices to 6571
support high performance schools. This training shall be 6572
coordinated with other locally administered leadership programs. 6573

Of the foregoing appropriation item 200-410, Professional 6574
Development, up to \$850,000 in each fiscal year shall be used to 6575
support a two-year Principal's Leadership Academy that will serve 6576
principals and their staff teams. An advisory panel comprised of 6577
national business and education experts shall advise the Ohio 6578
Department of Education on content and delivery of curriculum and 6579
instruction. 6580

Of the foregoing appropriation item 200-410, Professional 6581
Development, up to \$975,000 in each fiscal year shall be used to 6582
establish an entry year program for principals. Grants shall be 6583
issued to pilot sites that shall develop prototypes of the program 6584

in a variety of contexts. These sites shall also pilot the School 6585
Leaders Licensure Assessment, which was developed by the 6586
Educational Testing Service at a cost of \$450 per assessment. 6587

Sec. 4.05. Family and Children First 6588

(A) Of the foregoing appropriation item 200-411, Family and 6589
Children First, the Department of Education shall transfer up to 6590
\$3,677,188 in each fiscal year by intrastate transfer voucher to 6591
the Department of Mental Retardation and Developmental 6592
Disabilities. These funds shall be spent on direct grants to 6593
county family and children first councils created under section 6594
121.37 of the Revised Code. The funds shall be used as partial 6595
support payment and reimbursement for the maintenance and 6596
treatment costs of multi-need children that come to the attention 6597
of the Family and Children First Cabinet Council pursuant to 6598
section 121.37 of the Revised Code. The Department of Mental 6599
Retardation and Developmental Disabilities shall administer the 6600
distribution of the direct grants to the county councils. The 6601
Department of Mental Retardation and Developmental Disabilities 6602
may use up to five per cent of this amount for administrative 6603
expenses associated with the distribution of funds to the county 6604
councils. 6605

(B) Of the funds appropriated in this item, up to \$1,775,000 6606
in each fiscal year shall be used as administrative grants to 6607
county family and children first councils to provide a portion of 6608
the salary and fringe benefits necessary to fund county council 6609
coordinators, administrative support, training, or parental 6610
involvement. The total initial grant under this provision to any 6611
county family and children first council shall not exceed \$20,000. 6612
In the event that not all counties in the state have established a 6613
county council, at the beginning of the fourth quarter of a fiscal 6614
year, any remaining funds to be used as administrative grants may 6615

be redirected by the Family and Children First Cabinet Council to 6616
other priorities and activities. Of the funds appropriated in this 6617
item, up to \$15,000 shall be used by the Family and Children First 6618
Cabinet Council for administrative costs, including stipends to 6619
family representatives participating in approved activities of the 6620
initiative, educational and informational forums, and technical 6621
assistance to local family and children first councils. 6622

(C) Of the foregoing appropriation item 200-411, Family and 6623
Children First, up to \$5,190,000 in each fiscal year shall be used 6624
to fund school-based or school-linked school readiness resource 6625
centers in school districts where there is a concentration of risk 6626
factors to school readiness and success, including indicators of 6627
poverty, health, and family stability. The purpose of these 6628
centers is to assist in providing services to families of 6629
school-age children who want and need support. 6630

School readiness resource centers shall be located in each of 6631
the state's 21 urban school districts as defined in division (O) 6632
of section 3317.02 of the Revised Code, as that section existed 6633
prior to July 1, 1998. The Ohio Family and Children First Cabinet 6634
Council, in consultation with the Department of Education and 6635
school districts, shall identify individual schools based on 6636
quantitative and qualitative factors that reflect both the need 6637
for school readiness resource centers and the local capacity for 6638
redesigning, as necessary, a delivery system of family support 6639
services. The council and the Department of Education shall 6640
organize and provide technical assistance to the school districts 6641
and communities in planning, developing, and implementing the 6642
centers. The council shall also negotiate a performance agreement 6643
that details required program characteristics, service options, 6644
and expected results. 6645

Each urban school district and community may receive up to 6646
\$240,000 to maintain three school readiness resource centers that 6647

are located in or linked to elementary, middle, and high school 6648
sites that are connected by student assignment patterns within the 6649
school districts. Each school district shall work with a 6650
representative of the local family and children first council and 6651
a representative cross-section of families and community leaders 6652
in the district to operate the school readiness resource centers 6653
based upon conditions agreed to in the performance agreement 6654
negotiated with the state council. 6655

Up to \$50,000 in each fiscal year may be used by the Ohio 6656
Family and Children First Cabinet Council for an evaluation of the 6657
effectiveness of the school readiness resource centers. Up to 6658
\$100,000 in each fiscal year may be used by the cabinet council to 6659
approve technical assistance and oversee the implementation of the 6660
centers. The administration and management of the school readiness 6661
resource centers may be contracted out through a competitive 6662
bidding process established by the cabinet council in consultation 6663
with the Department of Education. 6664

Section 4.06. 6665

Vocational Education Match

The foregoing appropriation item 200-416, Vocational 6666
Education Match, shall be used by the Department of Education to 6667
provide vocational administration matching funds pursuant to 20 6668
U.S.C. 2311. 6669

Technical Systems Development 6670

The foregoing appropriation item 200-420, Technical Systems 6671
Development, shall be used to support several information system 6672
development projects that are designed to improve the performance 6673
and customer service of the Ohio Department of Education. 6674
Implementation of these systems shall allow the department to 6675
provide greater levels of assistance and more timely information 6676

to school districts, administrators, and legislators. 6677

Up to \$2,500,000 in fiscal year 2000 shall be used for 6678
development and testing of the school administration software of 6679
EMIS. Up to \$250,000 in fiscal year 2000 shall be used for the 6680
construction plans of the EMIS redesign. 6681

In fiscal year 2000, up to \$300,000 may be used for the 6682
Department's maintenance contract for database management 6683
software; up to \$100,000 shall be used for Phase I of the 6684
Department's data warehouse software purchase and maintenance 6685
fees; and up to \$300,000 shall be used for Phase II of the data 6686
warehouse project. 6687

In fiscal year 2001, up to \$1,800,000 shall be used for EMIS 6688
conversion, including district support and technical assistance; 6689
up to \$350,000 may be used for the Department's annual maintenance 6690
contract for database management software; and up to \$200,000 6691
shall be used to support the data warehouse project. 6692

School Management Assistance 6693

The foregoing appropriation item 200-422, School Management 6694
Assistance, shall be used by the Department of Education to 6695
provide fiscal technical assistance and inservice education for 6696
school district management personnel and to administer, monitor, 6697
and implement the fiscal watch and fiscal emergency provisions 6698
under Chapter 3316. of the Revised Code. 6699

Policy Analysis 6700

The foregoing appropriation item 200-424, Policy Analysis, 6701
shall be used by the Department of Education to develop software 6702
and other computer assistance to maintain and enhance a system of 6703
administrative, statistical, and legislative education information 6704
to be used for policy analysis. The data base shall be kept 6705
current at all times. Such a system will be used to supply 6706

information and analysis of data to the General Assembly and other 6707
state policy makers, including the Office of Budget and Management 6708
and the Legislative Budget Office of the Legislative Service 6709
Commission. 6710

The Department of Education may use funding from this line 6711
item to purchase or contract for the development of software 6712
systems or contract for policy studies that will assist in the 6713
provision and analysis of policy-related information. 6714

Ohio Education Computer Network 6715

The foregoing appropriation item 200-426, Ohio Educational 6716
Computer Network, shall be used by the Department of Education to 6717
maintain a system of information technology throughout Ohio and to 6718
provide technical assistance for such a system in support of the 6719
State Education Technology Plan pursuant to section 3301.07 of the 6720
Revised Code. 6721

This system shall support the development, maintenance, and 6722
operation of a network of uniform and compatible computer-based 6723
information and instructional systems. The technical assistance 6724
shall include, but not be restricted to, the development and 6725
maintenance of adequate computer software systems to support 6726
network activities. Program funds may be used, through a formula 6727
and guidelines devised by the department, to subsidize the 6728
activities of not more than twenty-four designated data 6729
acquisition sites, as defined by State Board of Education rules, 6730
to provide to school districts and chartered nonpublic schools 6731
computer-based student and teacher instructional and 6732
administrative information services, including approved 6733
computerized financial accounting, to assure the effective 6734
operation of local automated administrative and instructional 6735
systems. 6736

In order to broaden the scope of the use of technology for 6737

education, the department may use up to \$250,000 in each fiscal
year to coordinate the activities of the computer network with
other agencies funded by the department or the state. In order to
improve the efficiency of network activities, the department and
data acquisition sites may jointly purchase equipment, materials,
and services from funds provided under this appropriation for use
by the network and, when considered practical by the department,
may utilize the services of appropriate state purchasing agencies.

Of the foregoing appropriation item 200-426, Ohio Educational
Computer Network, up to \$10,260,000 in fiscal year 2000 and
\$19,000,000 in fiscal year 2001 shall be used by the Department of
Education to support connections of all public school buildings to
the Ohio Education Computer Network. In each fiscal year the
Department of Education shall use these funds to help reimburse
data acquisition sites or school districts for the operational
costs associated with using the Ohio Education Computer Network.
The Department of Education shall develop a formula and guidelines
for the distribution of these funds to the data acquisition sites
or individual school districts.

For fiscal year 2000, the Department of Education shall use
up to \$1,939,772 to continue to manage and develop the statewide
union catalog and InfOhio Network of library resources that will
be accessible to all school districts through the Ohio Education
Computer Network up to \$1,994,086 in fiscal year 2001 shall be
used for the Union Catalog and InfOhio Network.

The Department of Education shall use up to \$2,430,000 in
fiscal year 2000 and up to \$4,500,000 in fiscal year 2001 to
assist designated data acquisition sites with operational costs
associated with the increased use of the Ohio Education Computer
Network by chartered nonpublic schools. The Department of
Education shall develop a formula and guidelines for distribution
of these funds to designated data acquisition sites.

Section 4.07.

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School Improvement Models

The foregoing appropriation item 200-431, School Improvement Models, shall be used by the Department of Education to continue to support the creation of a statewide network of school improvement sites by providing competitive venture capital grants to schools that demonstrate the capacity to invent or adapt school improvement models. The department shall showcase projects of exceptional merit and shall promote the networking of venture schools with both venture and nonventure schools so that administrators and teachers outside the district can benefit from the knowledge gained at these sites. Up to \$8,850,000 in fiscal year 2000 shall be used to provide grants of \$25,000 to 354 schools and up to \$6,225,000 in fiscal year 2001 shall be used to provide grants of \$25,000 to 249 schools.

Up to \$250,000 in each fiscal year shall be used by the Department of Education for personal services and maintenance costs necessary to administer the grants.

The Superintendent of Public Instruction shall assess individual school district responses to the performance audits conducted by the Auditor of State as required by Am. Sub. H.B. 215 of the 122nd General Assembly. These assessments shall be compiled into a report to the Speaker of the House of Representatives, the President of the Senate, and the chairs and ranking minority members of the House and Senate committees on education and finance.

Of the foregoing appropriation item 200-431, School Improvement Models, \$5,000,000 shall be used in each fiscal year for the development and distribution of school report cards pursuant to section 3302.03 of the Revised Code and the development of core competencies for the proficiency tests.

Of the foregoing appropriation item 200-431, School Improvement Models, \$250,000 in each fiscal year shall be used for the development and operation of a Safe Schools Center. The Department of Education shall oversee the creation of a center that provides resources to school district personnel, parents, juvenile justice representatives, and law enforcement that identify effective strategies for improving school safety and reducing threats to the security of students and school personnel.

Of the foregoing appropriation item 200-431, School Improvement Models, \$5,850,000 in fiscal year 2000 and \$5,300,000 in fiscal year 2001 shall be used to provide technical assistance for comprehensive school improvement.

Of the foregoing appropriation item 200-431, School Improvement Models, \$5,150,000 in fiscal year 2000 and \$8,200,000 in fiscal year 2001 shall be used for professional development in literacy for classroom teachers, administrators, and literacy specialists to support the OhioReads initiative.

School Conflict Management

Of the foregoing appropriation item 200-432, School Conflict Management, amounts shall be used by the Department of Education for the purpose of providing dispute resolution and conflict management training, consultation, and materials for school districts, and for the purpose of providing competitive school conflict management grants to school districts.

The Department of Education shall assist the Commission on Dispute Resolution and Conflict Management in the development and dissemination of the school conflict management program.

Student Proficiency

The foregoing appropriation item 200-437, Student Proficiency, shall be used to develop, field test, print,

distribute, score, and report results from the tests required 6830
under sections 3301.0710 and 3301.0711 of the Revised Code and for 6831
similar purposes as required by section 3301.27 of the Revised 6832
Code. 6833

American Sign Language 6834

Of the foregoing appropriation item 200-441, American Sign 6835
Language, up to \$150,000 in each fiscal year shall be used to 6836
implement pilot projects for the integration of American Sign 6837
Language deaf language into the kindergarten through twelfth-grade 6838
curriculum. 6839

The remainder of the appropriation shall be used by the 6840
Department of Education to provide supervision and consultation to 6841
school districts in dealing with parents of handicapped children 6842
who are deaf or hard of hearing, in integrating American Sign 6843
Language as a foreign language, and in obtaining interpreters and 6844
improving their skills. 6845

Child Care Licensing 6846

The foregoing appropriation item 200-442, Child Care 6847
Licensing, shall be used by the Department of Education to license 6848
and to inspect preschool and school-age child care programs in 6849
accordance with sections 3301.52 to 3301.59 of the Revised Code. 6850

OhioReads Administration/Volunteer Support 6851

The foregoing appropriation item 200-445, OhioReads 6852
Admin/Volunteer Support, may be allocated by the OhioReads Council 6853
for volunteer coordinators in public school buildings, to 6854
educational service centers for costs associated with volunteer 6855
coordination, for background checks for volunteers, to evaluate 6856
the OhioReads Program, and for operating expenses associated with 6857
administering the program. 6858

Section 4.08. 6859

Education Management Information System

The foregoing appropriation item 200-446, Education 6860
Management Information System, shall be used to provide school 6861
districts with the means to implement local automated information 6862
systems, to implement the common student information management 6863
software developed by the Department of Education, and to 6864
implement, develop, and improve the Education Management 6865
Information System (EMIS). 6866

Up to \$1,000,000 in each fiscal year shall be used by the 6867
Department of Education to assist designated data acquisition 6868
sites or school districts with deployment of the common student 6869
information management software, and for hardware, personnel, 6870
equipment, staff development, software, and forms modification, as 6871
well as to support EMIS special report activities in the 6872
department that are designed to use the data collected by the 6873
system. 6874

Up to \$2,714,234 in fiscal year 2000 and \$2,782,090 in fiscal 6875
year 2001 shall be distributed to designated data acquisition 6876
sites for costs relating to the processing, storing, and transfer 6877
of data for the effective operation of the EMIS. These costs may 6878
include, but are not limited to, personnel, hardware, software 6879
development, communications connectivity, professional development 6880
and support services, and to provide services to participate in 6881
the State Education Technology Plan pursuant to section 3301.07 of 6882
the Revised Code. 6883

Up to \$6,023,718 in fiscal year 2000 and \$6,174,310 in fiscal 6884
year 2001 shall be distributed to school districts and joint 6885
vocational school districts on a per-pupil basis. From this money, 6886
each school district with enrollment greater than 100 students and 6887
each vocational school district shall receive a minimum of \$5,000 6888
for each year of the biennium. Each school district with 6889
enrollment between one and one hundred and each county office of 6890

education shall receive \$3,000 for each year of the biennium. This 6891
money shall be used for costs associated with the development and 6892
operation of local automated record based information systems that 6893
provide data as required by the education management information 6894
system, and facilitate local district, school, and classroom 6895
management activities. 6896

GED Testing/Adult High School 6897

The foregoing appropriation item 200-447, GED Testing/Adult 6898
High School, shall be used to provide General Educational 6899
Development (GED) testing at no cost to first time applicants, 6900
pursuant to rules adopted by the State Board of Education. Of the 6901
foregoing appropriation item 200-447, GED Testing/Adult High 6902
School, up to \$250,000 in each fiscal year shall be used by the 6903
department to reimburse local school districts for a portion of the 6904
costs incurred in providing summer instructional or intervention 6905
services to students who have not graduated due to their inability 6906
to pass one or more parts of the state's ninth grade proficiency 6907
test. School districts may provide these services to students 6908
directly or contract with post-secondary or nonprofit 6909
community-based institutions in providing instruction. The 6910
remainder of the appropriation shall be used for state 6911
reimbursement to school districts for adult high school continuing 6912
education programs pursuant to section 3313.531 of the Revised 6913
Code or for costs associated with awarding adult high school 6914
diplomas under section 3313.611 of the Revised Code. 6915

Community Schools 6916

Of the foregoing appropriation item 200-455, Community 6917
Schools, up to \$100,000 in each fiscal year may be used by the 6918
Lucas County Educational Service Center to pay for additional 6919
services and responsibilities under Section 50.52 of Am. Sub. H.B. 6920
215 of the 122nd General Assembly, subject to the reporting by the 6921

service center of actual expenses incurred to the Department of 6922
Education. In each fiscal year, up to \$400,000 may be used by the 6923
Office of School Options in the Department of Education for 6924
additional services and responsibilities under section 3314.11 of 6925
the Revised Code. 6926

The remaining appropriation may be used by the Department of 6927
Education and the Lucas County Educational Service Center to make 6928
grants of up to \$50,000 to each proposing group with a preliminary 6929
agreement obtained under division (C)(2) of section 3314.02 of the 6930
Revised Code or division (B)(2) of Section 50.52 of Am. Sub. H.B. 6931
215 of the 122nd General Assembly in order to defray planning and 6932
initial start-up costs. In the first year of operation of a 6933
community school, the Department of Education and the Lucas County 6934
Educational Service Center may make a grant of no more than 6935
\$100,000 to the governing authority of the school to partially 6936
defray additional start-up costs. The amount of the grant shall be 6937
based on a thorough examination of the needs of the community 6938
school. The Department of Education and the Lucas County 6939
Educational Service Center shall not utilize moneys received under 6940
this section for any other purpose other than those specified 6941
under this section. The department shall allocate an amount to the 6942
Lucas County Educational Service Center for grants under this 6943
paragraph. 6944

A community school awarded start-up grants from appropriation 6945
item 200-613, Public Charter Schools (Fund 3T4), shall not be 6946
eligible for grants under this section. 6947

Section 4.09. 6948

School Finance Equity

The foregoing appropriation item 200-500, School Finance 6949
Equity, shall be distributed to school districts based on the 6950
formula specified in section 3317.0213 of the Revised Code. 6951

Section 4.10. 6952

Base Cost Funding

Of the foregoing appropriation item 200-501, Base Cost 6953
Funding, up to \$6,000,000 in each year of the biennium shall be 6954
expended by the State Board of Education for the extended service 6955
allowance which shall be the teachers' salaries pursuant to the 6956
schedule contained in section 3317.13 of the Revised Code, plus 6957
fifteen per cent for retirement and sick leave; up to \$425,000 6958
shall be expended in each year of the biennium for court payments 6959
pursuant to section 2151.357 of the Revised Code; an amount shall 6960
be available each year of the biennium for the cost of the 6961
reappraisal guarantee pursuant to section 3317.04 of the Revised 6962
Code; an amount shall be available in each year of the biennium to 6963
make payments to school districts pursuant to division (A)(2) of 6964
section 3317.022 of the Revised Code; up to \$15,000,000 in each 6965
year of the biennium shall be reserved for payments pursuant to 6966
sections 3317.026, 3317.027, and 3317.028 of the Revised Code 6967
except that the Controlling Board may increase the \$15,000,000 6968
amount if presented with such a request from the Department of 6969
Education. Of the foregoing appropriation item 200-501, Base Cost 6970
Funding, up to \$14,000,000 shall be used in each fiscal year to 6971
provide additional state aid to school districts for students in 6972
category three special education ADM pursuant to division (C)(4) 6973
of section 3317.022 of the Revised Code; up to \$2,000,000 in each 6974
year of the biennium shall be reserved for Youth Services tuition 6975
payments pursuant to section 3317.024 of the Revised Code; up to 6976
\$50,000,000 in fiscal year 2000 and up to \$52,000,000 in fiscal 6977
year 2001 shall be reserved to fund the state reimbursement of 6978
educational service centers pursuant to section 3317.11 of the 6979
Revised Code. 6980

Of the foregoing appropriation item 200-501, Base Cost 6981

Funding, up to \$1,000,000 in each fiscal year shall be used by the Department of Education for a pilot program to pay for educational services for youth who have been assigned by a juvenile court or other authorized agency to any of the facilities described in division (A) of the section titled "Private Treatment Facility Pilot Project."

The remaining portion of this appropriation item shall be expended for base cost funding for the public schools of city, local, and exempted village school districts.

Notwithstanding section 3301.17, division (I) of section 3317.024, and division (B)(3) of section 3317.19 of the Revised Code, the Department of Education shall not pay in fiscal years 2000 and 2001 the driver education subsidy to school districts and commercial driver training schools.

Section 4.11.

Pupil Transportation

Of the foregoing appropriation item 200-502, Pupil Transportation, up to \$755,000 may be used by the Department of Education each year for training prospective and experienced school bus drivers in accordance with training programs prescribed by the department; up to \$38,175,000 in fiscal year 2000 and \$50,490,000 in fiscal year 2001 shall be used for handicapped transportation; and the remainder shall be used for the state reimbursement of public school districts' costs in transporting pupils to and from the school to which they attend in accordance with the district's policy, State Board of Education standards, and the Revised Code.

Bus Purchase Allowance

The foregoing appropriation item 200-503, Bus Purchase Allowance, shall be distributed to school districts and

educational service centers pursuant to rules adopted under 7011
section 3317.07 of the Revised Code. Up to 25 per cent of the 7012
amount appropriated may be used to reimburse school districts and 7013
educational service centers for the purchase of buses to transport 7014
handicapped and nonpublic school students. 7015

School Lunch 7016

The foregoing appropriation item 200-505, School Lunch Match, 7017
shall be used to provide matching funds to obtain federal funds 7018
for the school lunch program. 7019

Section 4.12. 7020

Adult Literacy Education

The foregoing appropriation item 200-509, Adult Literacy 7021
Education, shall be used to support adult basic and literacy 7022
education instructional programs, the State Literacy Resource 7023
Center Program, and the State Advisory Council on Adult Education 7024
and Literacy. 7025

Of the foregoing appropriation item 200-509, Adult Literacy 7026
Education, up to \$520,000 in fiscal year 2000 and \$532,500 in 7027
fiscal year 2001 shall be used for the support and operation of 7028
the State Literacy Resource Center and the State Advisory Council 7029
on Adult Education and Literacy. 7030

The remainder shall be used to continue to satisfy the state 7031
match and maintenance of effort requirements for the support and 7032
operation of the Ohio Department of Education administered 7033
instructional grant program for Adult Basic and Literacy Education 7034
in accordance with the department's state plan for Adult Basic and 7035
Literacy Education as approved by the State Board of Education and 7036
the Secretary of the United States Department of Education. 7037

Auxiliary Services 7038

The foregoing appropriation item 200-511, Auxiliary Services, 7039

shall be used by the State Board of Education for the purpose of 7040
implementing section 3317.06 of the Revised Code. Of the 7041
appropriation, up to \$1,000,000 in each fiscal year of the 7042
biennium may be used for payment of the Post-Secondary Enrollment 7043
Options Program for nonpublic students pursuant to section 3365.10 7044
of the Revised Code. 7045

Post-Secondary/Adult Vocational Education 7046

The foregoing appropriation item 200-514, 7047
Post-Secondary/Adult Vocational Education, shall be used by the 7048
State Board of Education to provide post-secondary/adult 7049
vocational education pursuant to sections 3313.52 and 3313.53 of 7050
the Revised Code. 7051

Of the foregoing appropriation item 200-514, 7052
Post-Secondary/Adult Vocational Education, up to \$500,000 in each 7053
fiscal year shall be allocated for the Ohio Career Information 7054
System (OCIS) and used for the dissemination of career information 7055
data to public schools, libraries, rehabilitation centers, two- 7056
and four-year colleges and universities, and other governmental 7057
units. 7058

Of the foregoing appropriation item 200-514, 7059
Post-Secondary/Adult Vocational Education, up to \$30,000 in each 7060
fiscal year shall be used for the statewide coordination of the 7061
activities of the Ohio Young Farmers. 7062

Disadvantaged Pupil Impact Aid 7063

The foregoing appropriation item 200-520, Disadvantaged Pupil 7064
Impact Aid, shall be distributed to school districts according to 7065
the provisions of section 3317.029 of the Revised Code. However, 7066
no money shall be distributed for all-day kindergarten to any 7067
school district whose three-year average formula ADM exceeds 7068
17,500 but whose DPIA index is not at least equal to 1.00, unless 7069
the Department of Education certifies that sufficient funds exist 7070

in this appropriation to make all other payments required by 7071
section 3317.029 of the Revised Code. 7072

The Department of Education shall pay all-day, everyday 7073
kindergarten funding to all school districts in fiscal year 2000 7074
and fiscal year 2001 that qualified for and provided the service 7075
in a preceding fiscal year pursuant to section 3317.029 of the 7076
Revised Code, regardless of changes to such districts' DPIA 7077
indexes in fiscal year 2000 and fiscal year 2001. 7078

The Department of Education shall pay to community schools an 7079
amount for all-day kindergarten if the school district in which 7080
the student is entitled to attend school is eligible but does not 7081
receive a payment for all-day kindergarten, pursuant to division 7082
(B) of section 3314.13 of the Revised Code, and the student is 7083
reported by the community school as enrolled in all-day 7084
kindergarten at the community school. 7085

Of the foregoing appropriation item 200-520, Disadvantaged 7086
Pupil Impact Aid, up to \$3,000,000 in each year of the biennium 7087
shall be used for school breakfast programs. Of the \$3,000,000, up 7088
to \$500,000 shall be used each year by the Department of Education 7089
to provide start-up grants to rural school districts and to school 7090
districts with less than 1,500 ADM that start school breakfast 7091
programs. The remainder of the \$3,000,000 shall be used to: (1) 7092
partially reimburse school buildings within school districts that 7093
are required to have a school breakfast program pursuant to 7094
section 3313.813 of the Revised Code, at a rate decided upon by 7095
the department, for each breakfast served to any pupil enrolled in 7096
the district; (2) partially reimburse districts participating in 7097
the National School Lunch Program that have at least 20 per cent 7098
of students who are eligible for free and reduced meals according 7099
to federal standards, at a rate decided upon by the department; 7100
and (3) to partially reimburse districts participating in the 7101
National School Lunch Program for breakfast served to children 7102

eligible for free and reduced meals enrolled in the district, at a rate decided upon by the department.

Of the portion of the funds distributed to the Cleveland City School District under section 3317.029 of the Revised Code calculated under division (F)(2) of that section, up to \$11,217,000 in fiscal year 2000 and up to \$13,866,000 in fiscal year 2001 shall be used to operate the pilot school choice program in the Cleveland City School District pursuant to sections 3313.974 to 3313.979 of the Revised Code.

Of the foregoing appropriation item 200-520, Disadvantaged Pupil Impact Aid, \$900,000 in fiscal year 2000 and \$1,154,915 in fiscal year 2001 shall be used to support dropout recovery programs administered by the Department of Education, Jobs for Ohio's Graduates program.

Of the foregoing appropriation item 200-520, Disadvantaged Pupil Impact Aid, up to \$500,000 in each fiscal year shall be used by the Department of Education to encourage school districts to set high academic standards and provide a helping hand for students striving to meet them. A Summer Proficiency Academy shall be any school district's summer school program that is conducted for students who have been enrolled in the fourth and sixth grades, whether district-wide, in several school buildings or within a cluster of school buildings, that addresses the needs of students who did not pass at least three of the five parts of either the fourth-grade or sixth-grade proficiency test, that is of at least six weeks' duration, and that provides an innovative, enriching educational experience. The department shall use the funds indicated in this paragraph to make grants to those school districts that conduct such Summer Proficiency Academies and that have valuation per pupil less than 150 per cent of the statewide average valuation per pupil, to defray 75 per cent of the costs of conducting such academies. The amount of each grant shall not

exceed \$150,000 and each school district shall be eligible for up to four grants in each fiscal year. Grants shall be made to school districts based on the percentage of students failing three or more tests, with first priority given to districts with the highest failure rates. As used in this paragraph, "valuation per pupil" has the same meaning as in division (A)(4) of section 3317.0212 of the Revised Code as it existed prior to July 1, 1998.

There is hereby created the Alternative Education Advisory Council which shall consist of one representative from each of the following agencies: The Ohio Department of Education, the Department of Youth Services, the Office of the Governor or at the Governor's discretion the Office of the Lieutenant Governor, and the Office of the Attorney General. The Alternative Education Advisory Council shall cease to exist on June 30, 2001.

Of the foregoing appropriation item 200-520, Disadvantaged Pupil Impact Aid, \$10,000,000 in each fiscal year shall be used for matching grants to the 21 urban school districts as defined in division (O) of section 3317.02 of the Revised Code as it existed prior to July 1, 1998, and \$10,000,000 in each fiscal year shall be used for matching grants to rural and suburban school districts for alternative educational programs for at-risk and delinquent youth in grades six through twelve. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Service's facility. The Alternative Education Advisory Council shall develop criteria for the awarding of grants for alternative educational programs to school districts. The grants shall be administered by the Ohio Department of Education.

Section 4.13.

7165

Gifted Pupil Program

The foregoing appropriation item 200-521, Gifted Pupil Program, shall be used for gifted education programs pursuant to division (F) of section 3317.022 and division (E) of section 3317.16 of the Revised Code.

Of the foregoing appropriation item 200-521, Gifted Pupil Program, the Department of Education may expend up to \$1,000,000 each year for the Summer Honors Institute for gifted freshmen and sophomore high school students. Up to \$600,000 in each fiscal year shall be used for research and demonstration projects.

Section 4.14.

Educational Excellence and Competency

Of the foregoing appropriation item 200-524, Educational Excellence and Competency, up to \$23,333 in fiscal year 2000 and \$11,667 in fiscal year 2001 shall be reserved for the Ohio Science Olympiad and up to \$23,333 in fiscal year 2000 and \$11,667 in fiscal year 2001 shall be reserved for the International Science and Engineering Fair. Up to \$166,667 in fiscal year 2000 and \$83,333 in fiscal year 2001 shall be reserved for a Math and Science Initiative to enhance math and science education for elementary students in a county-wide collaborative.

The Department of Education shall distribute \$150,000 in fiscal year 2000 and \$100,000 in fiscal year 2001 to the Christopher Project. The department shall distribute \$80,000 in fiscal year 2000 and \$40,000 in fiscal year 2001 to the Regional District/University Consortium to Validate At-Risk Programs for Rural School Districts. The Department shall distribute \$75,000 in each fiscal year to the Cincinnati Artworks Project. In each fiscal year of the biennium, \$100,000 shall be used for Ledgemont Education Excellency. In addition, the department shall distribute \$275,000 in each fiscal year to the Summit County Technology

Project. 7195

In each fiscal year, \$300,000 shall be used for a pilot 7196
project for the integration and implementation of distance 7197
learning, virtual reality, and computer technology to prepare 7198
students for careers in industry. Of this amount, \$65,000 in each 7199
fiscal year shall be distributed to the Math, Science and 7200
Industrial Technology Institute at Kent State University-Trumbull 7201
Campus for purposes of this pilot project and \$235,000 in each 7202
fiscal year shall be distributed to the Trumbull County 7203
Educational Service Center for the Industrial Technology Career 7204
Academy pilot project. In each fiscal year, \$140,000 shall be used 7205
for the Crouse School Readiness Program. 7206

Of the foregoing appropriation item 200-524, Educational 7207
Excellence and Competency, \$850,000 in fiscal year 2000 and 7208
\$850,000 in fiscal year 2001 shall be used to assist local school 7209
districts in the implementation of financial literacy programs as 7210
part of the school curriculum in kindergarten through grade six. 7211
The funds shall be used to purchase financial literacy 7212
instructional materials, including student books, hands-on 7213
material, and supporting teacher guides, which promote economic 7214
awareness by addressing fundamental life skills such as earning 7215
money, saving money, and spending money wisely. The financial 7216
literacy curriculum shall also introduce students to the concepts 7217
of economic interdependence, profit, loss, investment, and supply 7218
and demand. In fiscal year 2001, each school district shall be 7219
eligible for one \$1,000 grant for each kindergarten through sixth 7220
grade level in each school building. A school building with five 7221
or more classes per grade level may receive up to \$2,000 for that 7222
grade level. 7223

The remainder of the appropriation shall be used by the 7224
Department of Education to fund programs each year as follows: 7225

	FY 2000	FY 2001	
			7226

Earn and Learn	\$ 686,667	\$ 343,333	7227
Trumbull County "Make Learning Fun"	\$ 50,000	\$ 25,000	7229
LEAF	\$ 43,333	\$ 21,667	7230
Coventry	\$ 16,667	\$ 8,333	7231
Columbus Youth Corp	\$ 33,333	\$ 16,667	7232
Montgomery County Summer Math program	\$ 143,333	\$ 71,667	7234
Columbus City District's "I Know I Can"	\$ 600,000	\$ 600,000	7236
Dayton-Montgomery County Scholarship Program	\$ 600,000	\$ 600,000	7238
Cleveland Scholarship	\$ 333,333	\$ 166,667	7239
Cleveland Initiative for Education	\$ 240,000	\$ 120,000	7240
Cincinnati Scholarship Foundation	\$ 600,000	\$ 600,000	7241
Improved Solutions for Urban Systems (ISUS)	\$ 100,000	\$ 100,000	7243
Lorain County Access	\$ 150,000	\$ 150,000	7244
Amer-I-Can	\$ 850,000	\$ 850,000	7245
London Learns	\$ 100,000	\$ 100,000	7246
Project Succeed	\$1,000,000	\$1,000,000	7247
Toledo Tech Academy	\$ 300,000	\$ 300,000	7248
Toledo International Language Center	\$ 133,333	\$ 66,667	7250
Greater Toledo School-To-Work Consortium	\$ 100,000	\$ 100,000	7252
Muskingum Valley Services Center	\$ 100,000	\$ 100,000	7253
O.U. Leadership	\$ 75,000	\$ 75,000	7254
For the Cleveland Initiative in Education program, the grant shall support its mentoring and advocacy program.			7255 7256
Of the foregoing appropriation item 200-524, Educational Excellence and Competency, \$83,000 in fiscal year 2000 and \$83,000			7257 7258

in fiscal year 2001 shall be used for the Shaker Heights 7259
Educational Mobility program. 7260

Of the foregoing appropriation item 200-524, Educational 7261
Excellence and Competency, up to \$133,333 in fiscal year 2000 and 7262
\$66,667 in fiscal year 2001 shall be used for the W.E.B. Dubois 7263
Talented Tenth Teacher Training Academy. The program will provide 7264
a summer honors program to promising minority students identified 7265
by their school districts as potential future teachers. 7266

Each program or entity that receives funds under the 7267
foregoing appropriation item 200-524, Educational Excellence and 7268
Competency, shall submit annually to the chairpersons of the 7269
education committees of the House of Representatives and the 7270
Senate and to the Department of Education a report that includes a 7271
description of the services supported by the funds, a description 7272
of the results achieved by those services, an analysis of the 7273
effectiveness of the program, and an opinion as to the program's 7274
applicability to other school districts. No funds shall be 7275
provided by the Department of Education to a district for a fiscal 7276
year until its report for the prior fiscal year has been 7277
submitted. 7278

Nonpublic Administrative Cost Reimbursement 7279

The foregoing appropriation item 200-532, Nonpublic 7280
Administrative Cost Reimbursement, shall be used by the State 7281
Board of Education for the purpose of implementing section 7282
3317.063 of the Revised Code. 7283

School-Age Child Care 7284

Of the foregoing appropriation item 200-533, School-Age Child 7285
Care, up to \$200,000 in each fiscal year shall be used for the 7286
"Training Ohio's Parents for Success" Program. Up to \$500,000 in 7287
each fiscal year shall be used for the "Parents as Teachers" 7288
Program. 7289

Of the foregoing appropriation item 200-533, School-Age Child 7290
Care, up to \$62,500 in each fiscal year shall be used by the 7291
Cincinnati YWCA for its Home Instruction Program for Preschool 7292
Youngsters (HIPPY). 7293

As used under this heading "school-age child care" means a 7294
program of child care conducted outside of regular school hours 7295
for school age children. 7296

The remainder of the foregoing appropriation item 200-533, 7297
School-Age Child Care, shall be used by the Department of 7298
Education to provide grants to city, local, and exempted village 7299
school districts and educational service centers for school-age 7300
child care programs. In each fiscal year, the department shall 7301
make grants. All grants shall be awarded by the department on the 7302
basis of project proposals submitted by school district boards of 7303
education or educational service center governing boards. The 7304
board of education of each district or governing board of each 7305
educational service center that receives a grant shall keep a 7306
record of how the grant is used, and issue a report at the end of 7307
the school year for which the grant was made explaining the goals 7308
and objectives determined, the activities implemented, and the 7309
progress made toward achieving goals and objectives. 7310

Desegregation Costs 7311

The foregoing appropriation item 200-534, Desegregation 7312
Costs, shall be used to pay desegregation costs. 7313

(A) Notwithstanding any section of law to the contrary, if in 7314
each fiscal year, due to federal court order, the Department of 7315
Education is obligated to pay for desegregation costs in any 7316
school district, the costs shall be paid from the foregoing 7317
appropriation item 200-534, Desegregation Costs. 7318

Of the foregoing appropriation item 200-534, Desegregation 7319
Costs, in fiscal year 2000 or in fiscal year 2001 any unobligated 7320

balances may be used to cover the legal fees associated with 7321
desegregation cases brought against the state. 7322

By the first day of May of each year, the Department of 7323
Education shall determine if the appropriation exceeds the state's 7324
obligation for desegregation costs. Any appropriations in excess 7325
of the state's obligation shall be transferred to appropriation 7326
item 200-406, Head Start, by the Director of Budget and 7327
Management. 7328

(B) As part of managing state desegregation costs, any board 7329
of education of a school district subject to a federal court 7330
desegregation order that requires the district board to bus 7331
students for the purpose of racial balance shall, within one year 7332
of the effective date of this section: 7333

(1) Update its plan required under Am. Sub. H.B. 298 of the 7334
119th General Assembly designed to satisfy the court so as to 7335
obtain release from the court's desegregation order; and 7336

(2) Submit an updated copy of the plan to the State Board of 7337
Education. 7338

Upon request of the district board, the State Board shall provide 7339
technical assistance to the school district board in developing a 7340
plan. 7341

Within ninety days of the date on which the plan is submitted 7342
to the State Board of Education, the district board, or the 7343
district board and the State Board of Education jointly if both 7344
are parties to the desegregation case, shall submit the plan to 7345
the court and apply for release from the court's desegregation 7346
order. 7347

Of the foregoing appropriation item 200-534, Desegregation 7348
Costs, Dayton City Schools shall receive at least \$9,000,000 in 7349
each of fiscal year 2000 and fiscal year 2001. 7350

Section 4.15.

7351

Special Education Enhancements

Of the foregoing appropriation item 200-540, Special Education Enhancements, up to \$44,000,000 in fiscal year 2000 and up to \$48,400,000 in fiscal year 2001 shall be used to fund special education and related services at MR/DD boards for eligible students under section 3317.20 of the Revised Code. Up to \$2,500,000 of these amounts shall be used in each fiscal year to fund up to 57 special education classroom and related services units at institutions.

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Of the foregoing appropriation item 200-540, Special Education Enhancements, up to \$3,081,000 in fiscal year 2000 and \$3,167,268 in fiscal year 2001 shall be used for home instruction for handicapped children; up to \$2,150,000 in fiscal year 2000 and up to \$3,150,000 in fiscal year 2001 shall be used for parent mentoring programs; and up to \$2,567,000 in fiscal year 2000 and \$2,639,390 in fiscal year 2001 may be used for school psychology interns.

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Of the foregoing appropriation item 200-540, Special Education Enhancements, \$2,550,800 in fiscal year 2000 and \$3,704,000 in fiscal year 2001 shall be used by the Department of Education to assist school districts in funding aides pursuant to paragraph (A)(3)(c)(i)(b) of rule 3301-51-04 of the Administrative Code.

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Of the foregoing appropriation item 200-540, Special Education Enhancements, \$71,934,548 in fiscal year 2000 and \$76,623,506 in fiscal year 2001 shall be distributed by the Department of Education to county boards of mental retardation and developmental disabilities, educational service centers, and school districts for preschool special education units and preschool supervisory units in accordance with section 3317.161 of

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the Revised Code. The department may reimburse county boards of 7381
mental retardation and developmental disabilities, educational 7382
service centers, and school districts for related services as 7383
defined in rule 3301-31-05 of the Ohio Administrative Code, for 7384
preschool occupational and physical therapy services provided by a 7385
physical therapy assistant and certified occupational therapy 7386
assistant, and for an instructional assistant. To the greatest 7387
extent possible, the Department of Education shall allocate these 7388
units to school districts and educational service centers. The 7389
Controlling Board may approve the transfer of unallocated funds 7390
from appropriation item 200-501, Base Cost Funding, to 7391
appropriation item 200-540, Special Education Enhancements, to 7392
fully fund existing units as necessary or to fully fund additional 7393
units. The Controlling Board may approve the transfer of 7394
unallocated funds from appropriation item 200-540, Special 7395
Education Enhancements, to appropriation item 200-501, Base Cost 7396
Funding, to fully fund existing units, as necessary, or to fully 7397
fund additional units. 7398

The Department of Education shall require school districts, 7399
educational service centers, and county MR/DD boards serving 7400
preschool children with disabilities to document child progress 7401
using a common instrument prescribed by the department and report 7402
results annually. The reporting dates and methodology shall be 7403
determined by the department. 7404

The department shall adopt rules addressing the use of 7405
screening and assessment data including, but not limited to: 7406

(1) Protection of the identity of individual children through 7407
assignment of a unique, but not personally identifiable, code; 7408
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(2) Parents' rights; and 7410

(3) Use of the child data by school personnel as it relates 7411

to kindergarten entrance. 7412

Section 4.16. 7413

Vocational Education Enhancements

Of the foregoing appropriation item 200-545, Vocational 7414
Education Enhancements, up to \$148,169,970 in fiscal year 2000 and 7415
up to \$153,009,107 in fiscal year 2001 shall be used to fund a per 7416
pupil, equalized, weighted funding formula for vocational 7417
education provided at joint vocational school districts. Up to 7418
\$7,500,000 in fiscal year 2000 and up to \$7,800,000 in fiscal year 7419
2001 shall be used to provide equalized weighted funding to 7420
special education students enrolled at joint vocational schools. 7421

Of the foregoing appropriation item 200-545, Vocational 7422
Education Enhancements, up to \$2,500,000 in fiscal year 2000 and 7423
\$2,616,000 in fiscal year 2001 shall be used to fund up to 51 7424
vocational education units at institutions. Up to \$9,975,000 in 7425
fiscal year 2000 and up to \$10,972,500 in fiscal year 2001 shall 7426
be used to fund the Jobs for Ohio Graduates (JOG) program, up to 7427
\$2,315,200 in fiscal year 2000 and up to \$2,431,012 in fiscal year 7428
2001 may be used to support tech prep consortia. 7429

Of the foregoing appropriation item 200-545, Vocational 7430
Education Enhancements, up to \$4,270,030 in fiscal year 2000 and 7431
up to \$4,483,531 in fiscal year 2001 shall be used by the 7432
Department of Education to fund competitive grants to tech prep 7433
consortia that expand the number of students enrolled in tech prep 7434
programs. Such grant funds shall be used to directly support 7435
expanded tech prep programs provided to students enrolled in 7436
school districts, including joint vocational school districts. 7437

If federal funds for vocational education cannot be used for 7438
local school district leadership without being matched by state 7439
funds, then an amount as determined by the Superintendent of 7440

Public Instruction shall be made available from state funds 7441
appropriated for vocational education. If any state funds are used 7442
for this purpose, federal funds in an equal amount shall be 7443
distributed for vocational education in accordance with 7444
authorization of the state plan for vocational education for Ohio 7445
as approved by the Secretary of the United States Department of 7446
Education. 7447

Of the foregoing appropriation item 200-545, Vocational 7448
Education Enhancements, \$6,144,277 in fiscal year 2000 and 7449
\$6,451,490 in fiscal year 2001 shall be used to enable students to 7450
develop career plans, to identify initial educational and career 7451
goals, and to develop a career passport which provides a clear 7452
understanding of the student's knowledge, skills, and credentials 7453
to present to future employers, universities, and other training 7454
institutes. The amount shall be allocated to school districts 7455
pursuant to guidelines developed by the Department of Education 7456
for programs described in section 3313.607 of the Revised Code for 7457
children in the kindergarten through twelfth grades. Funds so 7458
allocated shall be used for educational materials, services, 7459
career information, curriculum development, staff development, 7460
mentorships, career exploration, and career assessment instruments 7461
as needed to develop individualized career plans and passports. 7462

Of the foregoing appropriation item 200-545, Vocational 7463
Education Enhancements, \$5,188,703 in fiscal year 2000 and 7464
\$5,707,573 in fiscal year 2001 shall be used to provide an amount 7465
to each eligible school district for the replacement or updating 7466
of equipment essential for the instruction of students in job 7467
skills taught as part of a vocational program or programs approved 7468
for such instruction by the State Board of Education. School 7469
districts replacing or updating vocational education equipment may 7470
purchase or lease such equipment. The Department of Education 7471
shall review and approve all equipment requests and may allot 7472

appropriated funds to eligible school districts on the basis of 7473
the number of units of vocational education in all eligible 7474
districts making application for funds. 7475

The State Board of Education may adopt standards of need for 7476
equipment allocation. Pursuant to the adoption of any such 7477
standards of need by the State Board of Education, appropriated 7478
funds may be allotted to eligible districts according to such 7479
standards. Equipment funds allotted under either process shall be 7480
provided to a school district on a 40, 50, or 60 per cent of cost 7481
on the basis of a district vocational priority index rating 7482
developed by the Department of Education for all districts each 7483
year. The vocational priority index shall give preference to 7484
districts with a large percentage of disadvantaged students and 7485
shall include other socio-economic factors as determined by the 7486
State Board of Education. 7487

Of the foregoing appropriation item 200-545, Vocational 7488
Education Enhancements, up to \$37,190,613 in fiscal year 2000 and 7489
up to \$39,821,184 in fiscal year 2001 shall be used for equalized 7490
weighted funding for the Vocational Education Programs in 7491
comprehensive high schools and which shall include the Graduation, 7492
Reality and Dual Role Skills (GRADS) program according to that 7493
program's rules. 7494

Section 4.17. 7495

Charge-Off Supplement

The foregoing appropriation item 200-546, Charge-Off 7496
Supplement, shall be used by the Department of Education to make 7497
payments pursuant to section 3317.0216 of the Revised Code. 7498

Power Equalization 7499

The foregoing appropriation item 200-547, Power Equalization, 7500
shall be used by the Department of Education to make payments 7501

pursuant to section 3317.0215 of the Revised Code. 7502

Reading Improvement 7503

The foregoing appropriation item 200-551, Reading 7504
Improvement, shall be used by the Department of Education to fund 7505
the Reading Recovery Training Network, to cover the cost of 7506
release time for the teacher trainers, and to provide grants to 7507
districts to implement other reading improvement programs on a 7508
pilot basis. Funds for this appropriation item may also be used to 7509
conduct evaluations of the impact and effectiveness of Reading 7510
Recovery and other reading improvement programs. 7511

In addition, the Department of Education shall report to the 7512
General Assembly and the Governor each fiscal year on the progress 7513
that has been made in implementing these programs, including an 7514
evaluation of the effectiveness of the programs. 7515

Twenty per cent of the foregoing appropriation item 200-551, 7516
Reading Improvement, shall be used for the continuation of a 7517
phonics demonstration project as described in Sub. H.B. 81 of the 7518
121st General Assembly. The Department of Education may make a 7519
portion of the funds for the demonstration project available to 7520
additional school districts that want to participate in the 7521
program that did not receive funding under the original project 7522
authorized in Sub. H.B. 81 of the 121st General Assembly. 7523

County MR/DD Boards-Vehicle Purchases 7524

The foregoing appropriation item 200-552, County MR/DD Boards 7525
Vehicle Purchases, shall be used to provide financial assistance 7526
to MR/DD boards for the purchase of vehicles as permitted in 7527
section 3317.07 of the Revised Code. 7528

The foregoing appropriation item 200-553, County MR/DD Boards 7529
Transportation Operating, shall be used to provide financial 7530
assistance for transportation operating costs as provided in 7531

section 3317.024 of the Revised Code.	7532
<u>Emergency Loan Interest Subsidy</u>	7533
The foregoing appropriation item 200-558, Emergency Loan Interest Subsidy, shall be used to provide a subsidy to school districts receiving emergency school loans pursuant to section 3313.484 of the Revised Code. The subsidy shall be used to pay these districts the difference between the amount of interest the district is paying on an emergency loan, and the interest that the district would have paid if the interest rate on the loan had been two per cent.	7534 7535 7536 7537 7538 7539 7540 7541
Section 4.18.	7542
<u>OhioReads Grants</u>	
Of the foregoing appropriation item 200-566, OhioReads Grants, \$20,000,000 each year shall be disbursed by the OhioReads Office in the Department of Education at the direction of the OhioReads Council, to provide classroom grants to public schools in city, local, and exempted village school districts; community schools; and educational service centers serving kindergarten through fourth grade students.	7543 7544 7545 7546 7547 7548 7549
Of the foregoing appropriation item 200-566, OhioReads Grants, \$5,000,000 each year shall be disbursed by the OhioReads Office in the Department of Education at the direction of the OhioReads Council, to provide community matching grants to community organizations and associations, libraries, and others for tutoring, tutor recruitment and training, and parental involvement.	7550 7551 7552 7553 7554 7555 7556
Grants awarded by the OhioReads Council are intended to improve reading outcomes, especially on the fourth grade reading proficiency test.	7557 7558 7559
<u>School Improvement Incentive Grants</u>	7560

Of the foregoing appropriation item 200-570, School Improvement Incentive Grants, \$2,000,000 in each fiscal year shall be used to provide grants of \$25,000 per building for improvements in reading performance based on selection criteria developed by the OhioReads Council.

Of the foregoing appropriation items 200-570, School Improvement Incentive Grants, \$6,500,000 in each fiscal year shall be used to provide grants of \$25,000 each to elementary schools and \$50,000 each to middle schools, junior high schools, and high schools that demonstrate significant improvement on proficiency tests, attendance rates, and graduation rates based on standards developed by the Department of Education.

Of the foregoing appropriation item 200-570, School Improvement Incentive Grants, \$500,000 in each fiscal year shall be used to provide grants of \$50,000 each to educational service centers and joint vocational school districts for exemplary programs or that demonstrate significant improvement on proficiency tests, attendance rates, and graduation rates based on standards developed by the Department of Education.

Of the foregoing appropriation item 200-570, School Improvement Incentive Grants, \$1,000,000 in each fiscal year shall be used to provide grants of \$25,000 each to schools selected for superior performance by BEST, Building Excellent Schools for Today and the 21st Century.

Teacher Incentive Grants

The foregoing appropriation item 200-572, Teacher Incentive Grants, shall be used by the Department of Education to pay one-time stipends to qualified teachers of reading, mathematics, and science. To be eligible, teacher applicants must hold a valid teaching certificate; be employed by a city, local, exempted village, or joint vocational school district; and be certified by

the district as necessary to meet an existing need for teachers 7592
with a reading, mathematics, or science credential. 7593

Individuals with an elementary school teaching certificate 7594
that successfully complete a program for a reading endorsement, 7595
and who successfully complete the examination prescribed by the 7596
State Board of Education, shall be paid a stipend of \$1,000. 7597
Individuals with a high school teaching certificate that 7598
successfully complete a program required to add mathematics or 7599
science to that certificate, and who successfully complete the 7600
mathematics or science examination prescribed by the State Board 7601
of Education, shall be paid a stipend of \$1,500. The variance in 7602
stipend amounts reflects the variance in requirements to secure 7603
the different credentials. 7604

Character Education 7605

The foregoing appropriation item 200-573, Character 7606
Education, shall be used by the Department of Education to provide 7607
matching grants of up to \$50,000 each to school districts to 7608
develop pilot character education programs. 7609

Substance Abuse Prevention 7610

Of the foregoing appropriation item 200-574, Substance Abuse 7611
Prevention, up to \$2,000,000 in fiscal year 2000 and up to 7612
\$2,120,000 in fiscal year 2001 shall be used for the Substance 7613
Abuse Coordinators Program. Of the foregoing appropriation item 7614
200-574, Substance Abuse Prevention, up to \$300,000 in each fiscal 7615
year of the biennium shall be used for the Substance Abuse 7616
Prevention Student Assistance Program. 7617

12th Grade Proficiency Stipend 7618

The foregoing appropriation item 200-575, 12th Grade 7619
Proficiency Stipend, shall be used to fund a \$500 scholarship to 7620
each student who meets the requirements of section 3365.15 of the 7621

Revised Code. 7622

Within thirty days of the effective date of this section, the 7623
Director of Budget and Management shall transfer the appropriation 7624
for this program to the Ohio Board of Regents for its 7625
administration. 7626

Auxiliary Services Mobile Repair 7627

Notwithstanding section 3317.064 of the Revised Code, if the 7628
unobligated cash balance is sufficient then the Treasurer of State 7629
shall transfer \$1,500,000 in fiscal year 2000 within thirty days 7630
of the effective date of this section and \$1,500,000 in fiscal 7631
year 2001 by August 1, 2000, from the Auxiliary Services Personnel 7632
Unemployment Compensation Fund to the Department of Education's 7633
Auxiliary Services Mobile Repair Fund (Fund 598). 7634

Transfer 7635

The Superintendent of Public Instruction shall certify to the 7636
Director of Budget and Management an amount of cash to be 7637
transferred from Fund 452, appropriation item 200-638, 7638
Miscellaneous Revenue, to Fund 620, appropriation item 200-615, 7639
Educational Grants. Such certification shall be made 30 days after 7640
the effective date of this section. 7641

Section 4.19. 7642

Lottery Profits Education Fund

Appropriation item fund 017 200-612, Base Cost Funding, shall 7643
be used in conjunction with GRF appropriation item 200-501, Base 7644
Cost Funding, to provide payments to school districts pursuant to 7645
Chapter 3317. of the Revised Code. 7646

Of the foregoing appropriation item fund 017 200-612, Base 7647
Cost Funding, \$25,000,000 in each fiscal year shall be used from 7648
the funds transferred from the Unclaimed Prizes Trust Fund 7649
pursuant to the section entitled "Transfers from the Unclaimed 7650

Prizes Fund" of this act. 7651

The Department of Education, with the approval of the 7652
Director of Budget and Management, shall determine the monthly 7653
distribution schedules of the GRF appropriation item 200-501 and 7654
fund 017 appropriation item 200-610. If adjustments to the monthly 7655
distribution schedule are necessary, the Department of Education 7656
shall make such adjustments with the approval of the Director of 7657
Budget and Management. 7658

The Director of Budget and Management shall transfer the 7659
amount appropriated under the Lottery Profits Education Fund for 7660
appropriation item 200-682, Lease Rental Payment Reimbursement, to 7661
the General Revenue Fund on a schedule determined by the director. 7662
These funds shall support the GRF appropriation item 230-428, 7663
Lease Rental Payments, of the School Facilities Commission. 7664

Lottery Profits Transfers* 7665

On 15th day of May of each fiscal year, the Director of 7666
Budget and Management shall determine if lottery profits transfers 7667
will meet the appropriation amounts from the Lottery Profits 7668
Education Fund. 7669

On or after the date specified in each fiscal year, if the 7670
director determines that lottery profits will not meet 7671
appropriations and if other funds are not available to meet the 7672
shortfall, the Superintendent of Public Instruction shall take the 7673
actions specified under the "Reallocation of Funds" section of 7674
this act. 7675

Transfers from the Unclaimed Prizes Fund 7676

By January 15 of fiscal year 2000 and by January 15 of fiscal 7677
year 2001, the Director of Budget and Management shall transfer 7678
\$25,000,000 from the State Lottery Commission's Unclaimed Prizes 7679
Fund to the Lottery Profits Education Fund, to be used solely for 7680

purposes specified in the Department of Education's budget. 7681
Transfers of unclaimed prizes under this provision shall not count 7682
as lottery profits in the determination made concerning excess 7683
profits titled "Lottery Profits" under the Department of Education 7684
in this act. 7685

Teacher Certification and Licensure 7686

The foregoing appropriation item 200-681, Teacher 7687
Certification and Licensure, shall be used by the Department of 7688
Education in each year of the biennium to administer teacher 7689
certification and licensure functions pursuant to sections 7690
3301.071, 3301.074, 3301.50, 3301.51, 3319.088, 3319.22, 3319.24 7691
to 3319.28, 3319.281, 3319.282, 3319.29, 3319.301, 3319.31, and 7692
3319.51 of the Revised Code. 7693

Section 4.20. 7694

Property Tax Allocation

The Superintendent of Public Instruction shall not request 7695
and the Controlling Board shall not approve the transfer of funds 7696
from appropriation item 200-901, Property Tax 7697
Allocation-Education, to any other appropriation line item. 7698

School District Solvency Assistance 7699

The foregoing appropriation item 200-687, School District 7700
Solvency Assistance, shall be used to make advancements to school 7701
districts to enable them to remain solvent pursuant to section 7702
3316.20 of the Revised Code. Advancements shall be subject to 7703
approval by the Controlling Board. Reimbursements from school 7704
districts for any amounts advanced shall be made to the School 7705
District Solvency Assistance Fund. 7706

Section 4.21. 7707

Distribution Formulas*

The Department of Education shall report the following to the 7708
Director of Budget and Management, the Legislative Office of 7709
Education Oversight, and the Legislative Budget Officer of the 7710
Legislative Service Commission: 7711

(A) Changes in formulas for distributing state 7712
appropriations, including administratively defined formula 7713
factors; 7714

(B) Discretionary changes in formulas for distributing 7715
federal appropriations; 7716

(C) Federally mandated changes in formulas for distributing 7717
federal appropriations. 7718

Any such changes shall be reported two weeks prior to the 7719
effective date of the change. 7720

Section 4.22. 7721

Educational Service Centers Funding

Notwithstanding division (B) of section 3317.11 of the 7722
Revised Code, no funds shall be provided to an educational service 7723
center in either fiscal year for any pupils of a city or exempted 7724
village school district unless an agreement to provide services 7725
under section 3313.843 of the Revised Code was entered into by 7726
January 1, 1997, except that funds shall be provided to an 7727
educational service center for any pupils of a city school 7728
district if the agreement to provide services was entered into 7729
within one year of the date upon which such district changed from 7730
a local school district to a city school district. If insufficient 7731
funds are appropriated in fiscal year 2000 for the purposes of 7732
division (B) of section 3317.11 of the Revised Code, the 7733
department shall first distribute to each educational service 7734
center \$32 per pupil in its service center ADM, as defined in that 7735
section. The remaining funds in the fiscal year shall be 7736

distributed to each educational service center at a rate of \$32 7737
per pupil in its client ADM, as defined in that section, that is 7738
attributable to each city and exempted village school district 7739
that had entered into an agreement with an educational service 7740
center for that fiscal year under section 3313.843 of the Revised 7741
Code by January 1, 1997, in order of the dates on which such 7742
agreements were entered into, beginning with the earliest such 7743
date; except that any service center that received funds for the 7744
pupils of a city or exempted village school district in fiscal 7745
year 1999 shall receive funds for the pupils of such district in 7746
fiscal year 2000 if such district has entered into an agreement 7747
with that educational service center for that fiscal year. If 7748
insufficient funds are appropriated in fiscal year 2001 for the 7749
purposes of division (B) of section 3317.11 of the Revised Code, 7750
the department shall first distribute to each educational service 7751
center \$32 per pupil in its service center ADM. The remaining 7752
funds in the fiscal year shall be distributed to each educational 7753
service center at a rate of \$32 per pupil in its client ADM 7754
attributable to each city and exempted village school district 7755
that had entered into an agreement with an educational service 7756
center for that fiscal year under section 3313.843 of the Revised 7757
Code by January 1, 1997, in order of the dates on which such 7758
agreements were entered into, beginning with the earliest such 7759
date; except that any educational service center that received 7760
funds for the pupils in the ADM of a city or exempted village 7761
school district in both fiscal years 1999 and 2000 shall receive 7762
funds for the pupils of such district in fiscal year 2001 if such 7763
district has entered into an agreement with that educational 7764
service center for that fiscal year. 7765

Section 4.23.

7766

Distribution-School District Subsidy Payments

The provisions of this section shall not take effect unless 7767
the Director of Budget and Management adopts an order putting them 7768
into effect and certifies a copy of the order to the 7769
Superintendent of Public Instruction and the Controlling Board. 7770

Notwithstanding any other provision of the Revised Code, the 7771
monthly distribution of payments made to school districts and 7772
educational service centers pursuant to section 3317.01 of the 7773
Revised Code for the first six months of each fiscal year shall 7774
equal, as nearly as possible, six and two-thirds per cent of the 7775
estimate of the amounts payable for each fiscal year. The monthly 7776
distribution of payments for the last six months of each fiscal 7777
year shall equal, as nearly as possible, ten per cent of the final 7778
calculation of the amounts payable to each school district for 7779
that fiscal year. 7780

The treasurer of each school district or educational service 7781
center may accrue, in addition to the payments defined in this 7782
section, to the accounts of the calendar years that end during 7783
each fiscal year, the difference between the sum of the first six 7784
months' payments in each fiscal year and the amounts the district 7785
would have received had the payments been made in, as nearly as 7786
possible in each fiscal year, twelve equal monthly payments. 7787

Notwithstanding the limitations on the amount of borrowing 7788
and time of payment provided for in section 133.10 of the Revised 7789
Code but subject to the provisions of sections 133.26 and 133.30 7790
of the Revised Code, a board of education of a school district may 7791
at any time between July 1, 1999, and December 31, 1999, or at any 7792
time between July 1, 2000, and December 31, 2000, borrow money to 7793
pay any necessary and actual expenses of the school district 7794
during the last six months of calendar years 1999 and 2000 and in 7795
anticipation of the receipt of any portion of the payments to be 7796
received by that district in the first six months of calendar 7797
years 2000 and 2001 representing the respective amounts accrued 7798

pursuant to the preceding paragraph, and issue notes to evidence 7799
that borrowing to mature no later than the thirtieth day of June 7800
of the calendar year following the calendar year in which such 7801
amount was borrowed. The principal amount borrowed in the last six 7802
months of calendar years 1999 or 2000 under this paragraph may not 7803
exceed the entire amount accrued or to be accrued by the district 7804
treasurer in those calendar years pursuant to the preceding 7805
paragraph. The proceeds of the notes shall be used only for the 7806
purposes for which the anticipated receipts are lawfully 7807
appropriated by the board of education. No board of education 7808
shall be required to use the authority granted by this paragraph. 7809
The receipts so anticipated, and additional amounts from 7810
distributions to the districts in the first six months of calendar 7811
years 2000 and 2001 pursuant to Chapter 3317. of the Revised Code 7812
needed to pay the interest on the notes, shall be deemed 7813
appropriated by the board of education to the extent necessary for 7814
the payment of the principal of and interest on the notes at 7815
maturity, and the amounts necessary to make those monthly 7816
distributions are hereby appropriated from the General Revenue 7817
Fund. For the purpose of better ensuring the prompt payment of 7818
principal of and interest on the notes when due, the resolution of 7819
the board of education authorizing the notes may direct that the 7820
amount of the receipts anticipated, together with those additional 7821
amounts needed to pay the interest on the borrowed amounts, shall 7822
be deposited and segregated, in trust or otherwise, to the extent, 7823
at the time or times, and in the manner provided in that 7824
resolution. The borrowing authorized by this section shall not 7825
constitute debt for purposes of section 133.04 of the Revised 7826
Code. School districts shall be reimbursed by the state for all 7827
necessary and actual costs to districts arising from this 7828
provision, including, without limitation, the interest paid on the 7829
notes while the notes are outstanding. The Department of Education 7830
shall adopt rules that are not inconsistent with this section for 7831

school district eligibility and application for reimbursement of 7832
such costs. Payments of these costs shall be made out of any 7833
anticipated balances in appropriation items distributed under 7834
Chapter 3317. of the Revised Code. The department shall submit all 7835
requests for reimbursement under these provisions to the 7836
Controlling Board for approval. 7837

During the last six months of each calendar year, instead of 7838
deducting the amount the Superintendent of Public Instruction 7839
would otherwise deduct from a school district's or educational 7840
service center's state aid payments in accordance with the 7841
certifications made for such year pursuant to sections 3307.56 and 7842
3309.51 of the Revised Code, the superintendent shall deduct an 7843
amount equal to forty per cent of the amount so certified. The 7844
secretaries of the retirement systems shall compute the 7845
certifications for the ensuing year under such sections as if the 7846
entire amounts certified as due in the calendar year ending the 7847
current fiscal year, but not deducted pursuant to this paragraph, 7848
had been deducted and paid in that calendar year. During the first 7849
six months of the ensuing calendar year, in addition to deducting 7850
the amounts the Superintendent of Public Instruction is required 7851
to deduct under such sections during such period, the 7852
superintendent shall deduct from a district's or educational 7853
service center's state aid payments an additional amount equal to 7854
the amount that was certified as due from the district for the 7855
calendar year that ends during the fiscal year, but that was not 7856
deducted because of this paragraph. The superintendent's 7857
certifications to the Director of Budget and Management during the 7858
first six months of the calendar year shall reflect such 7859
additional deduction. 7860

Section 4.24.

7861

Reallocation of Funds

(A) As used in this section: 7862

(1) "Basic aid" means the amount calculated for the school 7863
district received for the fiscal year under divisions (A) and (C) 7864
of section 3317.022 and sections 3317.023, 3317.025 to 3317.029, 7865
3317.0212, and 3317.0213 of the Revised Code and the amount 7866
computed for a joint vocational school district under section 7867
3317.16 of the Revised Code. 7868

(2) "Nonbasic aid" means the amount computed for a school 7869
district for fiscal year 2000 or fiscal year 2001 under Chapter 7870
3317. of the Revised Code and this act, excluding the district's 7871
basic aid and the amount computed under such chapter and acts for 7872
educational service centers, MR/DD boards, and institutions. 7873

(B) If in either fiscal year of the biennium the Governor 7874
issues an order under section 126.05 of the Revised Code to reduce 7875
expenditures and incurred obligations and the order requires the 7876
superintendent to reduce such state education payments, or if 7877
lottery profits transfers are insufficient to meet the amounts 7878
appropriated from the Lottery Profits Education Fund for base cost 7879
funding, and if other funds are not sufficient to offset the 7880
shortfall, the superintendent shall reduce nonbasic aid payments 7881
so that the total amount expended in the fiscal year will not 7882
exceed the amount available for expenditure pursuant to the 7883
Governor's order. Subject to Controlling Board approval, the 7884
superintendent shall reallocate appropriations not yet expended 7885
from one program to another. 7886

(C)(1) If further reductions in nonbasic aid are necessary 7887
following the reallocations implemented pursuant to division (B) 7888
of this section, the superintendent shall request the Controlling 7889
Board to approve the use of the money appropriated by this 7890
division. The superintendent shall include with the 7891
superintendent's request a report listing the amount of reductions 7892

that each school district will receive if the request is not 7893
approved, and also the amount of the reduction, if any, that will 7894
still be required if the use of the money appropriated by this 7895
section is approved. 7896

(2) In accordance with division (C)(1) of this section, there 7897
is hereby appropriated to the Department of Education from the 7898
unobligated balance remaining in the Lottery Profits Education 7899
Fund at the end of fiscal year 1999 the lesser of: the unobligated 7900
balance in the fund, or the amount needed to preclude a 7901
reallocation pursuant to this section. The money appropriated by 7902
this division may be spent or distributed by the department only 7903
with the approval of the Controlling Board. 7904

(D) If reductions in nonbasic aid are still necessary 7905
following the actions taken pursuant to divisions (B) and (C) of 7906
this section, the superintendent shall determine by what 7907
percentage expenditures for nonbasic aid must be reduced for the 7908
remainder of the fiscal year to make the total amount distributed 7909
for the year equal the amount appropriated or available for 7910
distribution. The superintendent shall reduce by that percentage 7911
the amount to be paid in nonbasic aid to each city, exempted 7912
village, local, and joint vocational school district, to each 7913
educational service center, to each county board of mental 7914
retardation and developmental disabilities, and to each 7915
institution providing special education programs under section 7916
3323.091 of the Revised Code for the remainder of the fiscal year. 7917

Section 4.25. 7918

Lottery Profits

(A) There is hereby created the Lottery Profits Education 7919
Reserve Fund (Fund 018) in the State Treasury. At no time shall 7920
the amount to the credit of the fund exceed \$75,000,000. 7921
Investment earnings of the Lottery Profits Education Reserve Fund 7922

shall be credited to the fund. Notwithstanding any provisions of
law to the contrary, for fiscal years 2000 and 2001, there is
hereby appropriated to the Department of Education, from the
Lottery Profits Education Reserve Fund, an amount necessary to
make loans authorized by sections 3317.0210, 3317.0211, and
3317.62 of the Revised Code. All loan repayments from loans made
in fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, or 1999
shall be deposited into the credit of the Lottery Profits
Education Reserve Fund.

(B)(1) On or before July 15, 1999, the Director of Budget and
Management shall determine the amount by which lottery profit
transfers received by the Lottery Profits Education Fund for
fiscal year 1999 exceed \$688,873,028. The amount so certified
shall be distributed in fiscal year 2000 pursuant to divisions (C)
and (D) of this section.

(2) On or before July 15, 2000, the Director of Budget and
Management shall determine the amount by which lottery profit
transfers received by the Lottery Profits Education Fund for
fiscal year 2000 exceed \$661,000,000. The amount so determined
shall be distributed in fiscal year 2001 pursuant to divisions (E)
and (F) of this section.

The Director of Budget and Management shall annually certify
the amounts determined pursuant to this section to the Speaker of
the House of Representatives and the President of the Senate.

(C) Not later than June 15, 2000, the Department of
Education, in consultation with the Director of Budget and
Management, shall determine, based upon estimates, if a
reallocation of funds as described in the section of this act
titled "Reallocation of Funds" is required.

If a reallocation of funds is required, then the
Superintendent of Public Instruction shall request Controlling

Board approval for a release of any balances in the Lottery Profits Education Fund available for the purpose of this division and pursuant to divisions (C)(1) and (2) of the section of this act titled "Reallocation of Funds." Any moneys so released are hereby appropriated.

(D) In fiscal year 2000, if the Department of Education does not determine that a reallocation of funds is necessary by the fifteenth day of June, as provided in division (C) of this section, or if there is a balance in the Lottery Profits Education Fund after the release of any amount needed to preclude a reallocation of funds as provided in division (C) of this section, the moneys in the Lottery Profits Education Fund shall be allocated as provided in this division. Any amounts so allocated are hereby appropriated.

An amount equal to five per cent of the estimated lottery profits of \$688,873,028 in fiscal year 1999 or the amount remaining in the fund, whichever is the lesser amount, shall be transferred to the Lottery Profits Education Reserve Fund within the limitations specified in division (A) of this section and be reserved and shall not be available for allocation or distribution during fiscal year 2000. Any amounts exceeding \$75,000,000 shall be distributed pursuant to division (G) of this section.

(E) Not later than June 15, 2001, the Department of Education, in consultation with the Director of Budget and Management, shall determine, based upon estimates, if a reallocation of funds as described in the section of this act titled "Reallocation of Funds" is required.

If a reallocation of funds is required, then the Superintendent of Public Instruction shall request Controlling Board approval for a release of any balances in the Lottery Profits Education Fund available for the purpose of this division

and pursuant to divisions (C)(1) and (2) of the section of this 7985
act titled "Reallocation of Funds." Any moneys so released are 7986
hereby appropriated. 7987

(F) In fiscal year 2001, if the Department of Education does 7988
not determine that a reallocation of funds is necessary by the 7989
fifteenth day of June, as provided in division (E) of this 7990
section, or if there is a balance in the Lottery Profits Education 7991
Fund after the release of any amount needed to preclude a 7992
reallocation of funds as provided in division (E) of this section, 7993
the moneys in the Lottery Profits Education Fund shall be 7994
allocated as provided in this division. Any amounts so allocated 7995
are hereby appropriated. 7996

An amount equal to five per cent of the estimated lottery 7997
profits transfers of \$661,000,000 in fiscal year 2000 or the 7998
amount remaining in the fund, whichever is the lesser amount, 7999
shall be transferred to the Lottery Profits Education Reserve Fund 8000
within the limitations specified in division (A) of this section 8001
and be reserved and shall not be available for allocation or 8002
distribution during fiscal year 2001. Any amounts exceeding 8003
\$75,000,000 shall be distributed pursuant to division (G) of this 8004
section. 8005

(G) In the appropriate fiscal year, any remaining amounts 8006
after the operations required by division (D) or (F) of this 8007
section, respectively, shall be available for distribution in 8008
accordance with this division. 8009

(1) As used in this division: 8010

(a) "State basic aid" means: 8011

(i) In the case of a city, local, or exempted village school 8012
district, the amount computed for a district under sections 8013
3317.022, 3317.023, and 3317.025 to 3317.028 of the Revised Code, 8014
plus any amount computed for the district under section 3317.0212 8015

of the Revised Code; 8016

(ii) In the case of a joint vocational school district, the 8017
amount calculated under section 3317.16 of the Revised Code. 8018

(b) "ADM" means: 8019

(i) In the case of a city, local, or exempted village school 8020
district, the district's formula ADM as defined in section 3317.02 8021
of the Revised Code, minus the portion of ADM computed under 8022
division (A)(3) of section 3317.03 of the Revised Code for 8023
students that are enrolled in a joint vocational school district; 8024

(ii) In the case of a joint vocational school district, the 8025
district's formula ADM as defined in that section. 8026

(2) Ninety-seven and forty-three one-hundredths per cent of 8027
the amount made available for distribution under this division in 8028
each fiscal year shall be distributed to city, local, joint 8029
vocational, and exempted village school districts eligible to 8030
receive funds pursuant to Chapter 3317. of the Revised Code in 8031
proportion to the percentage that the ADM of each such district is 8032
of the ADM of all districts and shall be for the use of the public 8033
schools of the district. Two and fifty-seven one-hundredths per 8034
cent of such amount made available for distribution under this 8035
division in each fiscal year shall be distributed to nonpublic 8036
schools for the purposes of section 3317.063 of the Revised Code. 8037
Not later than the first day of March of each fiscal year, the 8038
Department of Education shall compute each school district's share 8039
for that year of the amount to be distributed under this division 8040
and shall, subject to Controlling Board approval, distribute the 8041
shares so determined. 8042

Amounts distributed to school districts pursuant to this 8043
division shall be used solely to purchase textbooks and equipment. 8044
If funds have been appropriated by a board for any purposes 8045
permitted under this section, the amounts distributed to the 8046

district or educational service center under this division shall 8047
be used for additional expenditures for such purposes and shall 8048
not be substituted for funds previously appropriated by the board. 8049

(3) Districts and nonpublic schools shall report to the 8050
Department of Education no later than the last day of May of each 8051
fiscal year on the usage of funds received under this division. 8052
The Department shall compile district data and report on the usage 8053
of all funds distributed under this division to the Controlling 8054
Board by the last day of June of each fiscal year. If the 8055
Department determines that a district used funds distributed 8056
pursuant to this division for purposes not permitted, it shall 8057
reduce the district's state basic aid payments for the ensuing 8058
fiscal year by the amount improperly used. 8059

It is the intent of the General Assembly that moneys 8060
distributed pursuant to this section shall not be included in any 8061
spending base calculations when appropriations for the 2001-2002 8062
biennium are being considered. 8063

4.26.* For the school year commencing July 1, 1999, or the 8064
school year commencing July 1, 2000, or both, the Superintendent 8065
of Public Instruction may waive for the board of education of any 8066
school district the ratio of teachers to pupils in kindergarten 8067
through fourth grade required under paragraph (A)(3) of rule 8068
3301-35-03 of the Administrative Code if the following conditions 8069
apply: 8070

(A) The board of education requests the waiver; 8071

(B) After the Department of Education conducts an on-site 8072
evaluation of the district related to meeting the required ratio, 8073
the board of education demonstrates to the satisfaction of the 8074
Superintendent of Public Instruction that providing the facilities 8075
necessary to meet the required ratio during the district's regular 8076

school hours with pupils in attendance would impose an extreme 8077
hardship on the district; 8078

(C) The board of education provides assurances that are 8079
satisfactory to the Superintendent of Public Instruction that the 8080
board will act in good faith to meet the required ratio as soon as 8081
possible. 8082

4.27.* 8083

Teacher and Nonteacher Salary Schedules

(A) As used under this heading: 8084

(1) "Teachers' salary schedule" means the salary schedule 8085
adopted pursuant to section 3317.14 of the Revised Code, except 8086
that it does not include any separate salary level for teachers 8087
with twelve or more years of service or for any separate level of 8088
training and experience except those levels separately set forth 8089
in the salary schedule in section 3317.13 of the Revised Code. 8090

(2) "Nonteaching salary schedule" means the salary schedule 8091
adopted pursuant to section 3317.12 of the Revised Code. 8092

(B) If the salary for any number of years' service at any 8093
level of training and experience in a board of education's 8094
teachers' salary schedule that was in effect on June 30, 1994, was 8095
less than the amount required for that number of years' service at 8096
that level in order to be in compliance with the minimum salary 8097
requirements imposed by this act for the 1994-1995 school year, 8098
that board shall increase the salaries for each position 8099
classification and level of service in the nonteaching salary 8100
schedule for the 1994-1995 school year as follows: 8101

(1) Add the salaries at each level of training and experience 8102
in the teachers' salary schedule that was in effect on June 30, 8103
1994. 8104

(2) At each level of training and experience, increase the 8105

salary in the June 30, 1994, teachers' salary schedule if an 8106
increase is required for the 1994-1995 school year in order to 8107
bring that schedule into compliance with this act, but do not 8108
increase the salary to more than the minimum amount required to be 8109
in compliance. 8110

(3) Recompute division (B)(1) under this heading, 8111
substituting the increased salaries included in division (B)(2) 8112
under this heading. 8113

(4) Divide the sum obtained in division (B)(3) under this 8114
heading by the sum obtained in division (B)(1) under this heading. 8115

(5) Multiply the salary for each position classification and 8116
level of service included in the nonteaching salary schedule by 8117
the quotient obtained in division (B)(4) under this heading. 8118

No school district affected by this division shall pay any 8119
nonteaching school employee for the 1994-1995 school year at a 8120
rate that is less than that to which the employee would be 8121
entitled if the employee were paid under the adjusted nonteaching 8122
salary schedule computed under division (B)(5) of this heading. 8123

4.28.* Notwithstanding any provision of division (F) of 8124
section 3311.06 of the Revised Code limiting interdistrict 8125
payments under annexation agreements to amounts certified under 8126
former section 3317.029 of the Revised Code, a party to an 8127
annexation agreement entered into prior to the effective date of 8128
this section which contains an agreement to pay, in respect of its 8129
territory which is annexed territory, an amount which exceeds or 8130
exceeded the amount certified under former section 3317.029 of the 8131
Revised Code may pay such agreed amount, if the agreement 8132
expressly states the intention of the parties not to be bound by 8133
such limitation if so permitted by law. 8134

Section 4.29. 8135

Private Treatment Facility Pilot Project

(A) As used in this section:	8136
(1) The following are "participating residential treatment centers":	8137 8138
(a) Private residential treatment facilities which have entered into a contract with the Ohio Department of Youth Services to provide services to children placed at the facility by the department and which, in fiscal year 2000 or 2001 or both, the department pays through appropriation item 470-401, Care and Custody.	8139 8140 8141 8142 8143 8144
(b) Abraxas, in Shelby;	8145
(c) Paint Creek, in Bainbridge;	8146
(d) Act One, in Akron;	8147
(e) Friars Club, in Cincinnati.	8148
(2) "Education program" means an elementary or secondary education program or a special education program and related services.	8149 8150 8151
(3) "Served child" means any child receiving an education program pursuant to division (B) of this section.	8152 8153
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	8154 8155 8156 8157 8158
(5) "Residential child" means a child who resides in a participating residential treatment center and who is receiving an educational program under division (B) of this section.	8159 8160 8161
(B) A youth who is a resident of the state and has been assigned by a juvenile court or other authorized agency to a	8162 8163

residential treatment facility specified in division (A) of this 8164
section shall be enrolled in an approved educational program 8165
located in or near the facility. Approval of the educational 8166
program shall be contingent upon compliance with the criteria 8167
established for such programs by the Department of Education. The 8168
educational program shall be provided by a school district or 8169
educational service center, or by the residential facility itself. 8170
Maximum flexibility shall be given to the residential treatment 8171
facility to determine the provider. In the event that a voluntary 8172
agreement cannot be reached and the residential facility does not 8173
choose to provide the educational program, the educational service 8174
center in the county in which the facility is located shall 8175
provide the educational program at the treatment center to 8176
children under the age of twenty-two years residing in the 8177
treatment center. 8178

(C) Any school district responsible for tuition for a 8179
residential child shall, notwithstanding any conflicting provision 8180
of the Revised Code regarding tuition payment, pay tuition for the 8181
child for fiscal years 2000 and 2001 to the education program 8182
provider and in the amount specified in this division. If there is 8183
no school district responsible for tuition for a residential child 8184
and if the participating residential treatment center to which the 8185
child is assigned is located in the city, exempted village, or 8186
local school district that, if the child were not a resident of 8187
that treatment center, would be the school district where the 8188
child is entitled to attend school under sections 3313.64 and 8189
3313.65 of the Revised Code, that school district shall, 8190
notwithstanding any conflicting provision of the Revised Code, pay 8191
tuition for the child for fiscal years 2000 and 2001 under this 8192
division unless that school district is providing the educational 8193
program to the child under division (B) of this section. 8194

8195

A tuition payment under this division shall be made to the school district, educational service center, or residential treatment facility providing the educational program to the child.

The amount of tuition paid shall be:

(1) The amount of tuition determined for the district under division (A) of section 3317.08 of the Revised Code;

(2) In addition, for any student receiving special education pursuant to an individualized education program as defined in section 3323.01 of the Revised Code, a payment for excess costs. This payment shall equal the actual cost to the school district, educational service center, or residential treatment facility of providing special education and related services to the student pursuant to the student's individualized education program, minus the tuition paid for the child under division (C)(1) of this section.

A school district paying tuition under this division shall not include the child for whom tuition is paid in the district's average daily membership certified under division (A) of section 3317.03 of the Revised Code.

(D) In each of fiscal years 2000 and 2001, the Department of Education shall reimburse, from appropriations made for the purpose, a school district, educational service center, or residential treatment facility, whichever is providing the service, which has demonstrated that it is in compliance with the funding criteria for each served child for whom a school district must pay tuition under division (C) of this section. The amount of this reimbursement in either fiscal year shall be the formula amount specified in section 3317.022 of the Revised Code except that the department shall proportionately reduce this reimbursement if sufficient funds are not available to pay this amount to all qualified providers.

(E) Funds provided to a school district, educational service center, or residential treatment facility under this section shall be used to supplement, not supplant, funds from other public sources for which the school district, service center, or residential treatment facility is entitled or eligible.

(F) The Department of Education shall track the utilization of funds provided to school districts, educational service centers, and residential treatment facilities under this section and monitor the effect of the funding on the educational programs they provide in participating residential treatment facilities. The department shall monitor the programs for educational accountability.

Section 4.30. The Superintendent of Public Instruction shall contract with an independent research entity to develop a methodology and research design for an evaluation of the pilot project approved pursuant to section 3313.975 of the Revised Code. The independent research entity shall consult with the Legislative Office of Education Oversight in the development of the methodology and research for the evaluation. The evaluation shall consist of two parts. The first part shall be a formative evaluation examining the implementation of the program, which shall be completed by December 31, 1997. The second part shall be a comprehensive evaluation of the results of the program, which shall be completed by September 1, 1999. The comprehensive evaluation shall include at a minimum a study of the impact of scholarships on student attendance, conduct, commitment to education, and standardized test scores; parental involvement; the school district's ability to provide services to district students; and the availability of alternative educational opportunities. The evaluation shall also study the economic impact of scholarships on the school district.

Section 4.31. Notwithstanding division (C)(1) of section 8258
3313.975 of the Revised Code, in addition to students in 8259
kindergarten through third grade, initial scholarships may be 8260
awarded to fourth, fifth, and sixth grade students in fiscal year 8261
2000 and to fourth, fifth, sixth, and seventh grade students in 8262
fiscal year 2001. 8263

Section 4.32. Notwithstanding Chapter 3318. of the Revised 8264
Code, for purposes of complying with the local share and repayment 8265
tax requirements of section 3318.05 of the Revised Code, any 8266
school district given conditional approval for classroom 8267
facilities assistance under section 3318.04 of the Revised Code as 8268
of January 1, 1993, that approved a replacement permanent 8269
improvement levy at the November 5, 1996, election shall be 8270
permitted to use the proceeds of such levy, and any notes issued 8271
or to be issued in anticipation thereof, as available funds, 8272
within the meaning specified under section 3318.03 of the Revised 8273
Code, to pay the local share of the cost of the approved classroom 8274
facilities project. Notwithstanding the local share as previously 8275
determined for purposes of the conditional approval of the 8276
project, the local share shall be equal to the amount of proceeds 8277
to be obtained by the district under such replacement permanent 8278
improvement levy. Such school districts shall not be required to 8279
obtain approval of either of the propositions described in 8280
divisions (A) or (B) of section 3318.051 of the Revised Code. The 8281
agreement required under section 3318.08 of the Revised Code for 8282
the construction and sale of the project shall include provisions 8283
for the transfer of the proceeds of the replacement permanent 8284
improvement levy, and any notes issued in anticipation thereof, to 8285
the school district's project construction account, and for the 8286
levy of the replacement permanent improvement levy. 8287

Section 5. HEF HIGHER EDUCATION FACILITIES COMMISSION				8288
Agency Fund Group				8289
461 372-601 Operating Expenses	\$	12,000	\$ 12,000	8290
TOTAL AGY Agency Fund Group	\$	12,000	\$ 12,000	8291
TOTAL ALL BUDGET FUND GROUPS	\$	12,000	\$ 12,000	8292

Section 6. LOT STATE LOTTERY COMMISSION				8294
State Lottery Fund Group				8295
044 950-100 Personal Services	\$	22,754,332	\$ 23,095,613	8296
044 950-200 Maintenance	\$	24,644,625	\$ 25,296,625	8297
044 950-300 Equipment	\$	3,841,880	\$ 3,274,320	8298
044 950-402 Game and Advertising	\$	63,542,098	\$ 64,378,735	8299
Contracts				
044 950-601 Prizes, Bonuses, and	\$	173,555,000	\$ 172,025,000	8300
Commissions				
871 950-602 Annuity Prizes	\$	180,660,880	\$ 190,243,265	8301
872 950-603 Unclaimed Prize Awards	\$	14,500,000	\$ 10,700,000	8302
TOTAL SLF State Lottery Fund				8303
Group	\$	483,498,815	\$ 489,013,558	8304
TOTAL ALL BUDGET FUND GROUPS	\$	483,498,815	\$ 489,013,558	8305

Operating Expenses 8306

The foregoing appropriation items include all amounts 8307
 necessary for the purchase and printing of tickets, consultant 8308
 services, and advertising. The Controlling Board may, at the 8309
 request of the State Lottery Commission, authorize additional 8310
 appropriations for operating expenses of the State Lottery 8311
 Commission from the State Lottery Fund up to a maximum of 15 per 8312
 cent of anticipated total revenue accruing from the sale of 8313
 lottery tickets. Amounts authorized by the Controlling Board are 8314
 hereby appropriated. 8315

Prizes, Bonuses, and Commissions 8316

Any amounts, in addition to the amounts appropriated in 8317
appropriation item 950-601, Prizes, Bonuses, and Commissions, 8318
which are determined by the director of the State Lottery 8319
Commission to be necessary to fund prizes, bonuses, and 8320
commissions are hereby appropriated. 8321

Annuity Prizes 8322

With the approval of the Office of Budget and Management, the 8323
State Lottery Commission shall transfer cash from the State 8324
Lottery Fund Group (Fund 044) to the Deferred Prizes Trust Fund 8325
(Fund 871), in an amount sufficient to fund deferred prizes. The 8326
Treasurer of State shall, from time to time, credit the Deferred 8327
Prizes Trust Fund (Fund 871) the pro rata share of interest earned 8328
by the Treasurer of State on invested balances. 8329

Any amounts, in addition to the amounts appropriated in 8330
appropriation item 950-602, Annuity Prizes, which are determined 8331
by the director of the State Lottery Commission to be necessary to 8332
fund deferred prizes and interest earnings are hereby 8333
appropriated. 8334

Section 7. BOR BOARD OF REGENTS 8335

General Revenue Fund 8336

GRF 235-321 Operating Expenses \$ 3,106,261 \$ 3,201,422 8337

GRF 235-401 Rental Payments to the \$ 365,552,000 \$ 377,490,000 8338

Ohio Public Facilities
Commission

GRF 235-402 Sea Grants \$ 299,940 \$ 299,940 8339

GRF 235-403 Math/Science Teaching \$ 2,200,000 \$ 1,700,000 8340

Improvement

GRF 235-404 College Readiness \$ 2,650,000 \$ 2,564,000 8341

Initiatives

GRF 235-406 Articulation and \$ 1,230,950 \$ 1,109,005 8342

		Transfer					
GRF	235-408	Midwest Higher Education Compact	\$	75,000	\$	75,000	8343
GRF	235-409	Information System	\$	1,389,819	\$	1,389,819	8344
GRF	235-414	State Grants and Scholarship Administration	\$	1,360,630	\$	1,401,449	8345
GRF	235-415	JOBS Challenge	\$	8,743,864	\$	10,979,694	8346
GRF	235-417	Technology	\$	4,000,000	\$	4,000,000	8347
GRF	235-418	Access Challenge	\$	32,813,691	\$	44,824,335	8348
GRF	235-420	Success Challenge	\$	20,068,104	\$	31,939,001	8349
GRF	235-421	Higher Education Efficiency Challenge	\$	0	\$	2,000,000	8350
GRF	235-454	Research Challenge	\$	18,186,382	\$	20,318,440	8351
GRF	235-455	Productivity Improvement Challenge	\$	1,655,884	\$	1,695,625	8352
GRF	235-474	AHEC Program Support	\$	2,019,968	\$	2,019,968	8353
GRF	235-477	Access Improvement Projects	\$	1,084,842	\$	1,110,879	8354
GRF	235-501	Instructional Subsidy	\$		\$	1,633,846,940	8355
GRF	235-502	Student Support Services	\$	1,033,059	\$	1,057,853	8356
GRF	235-503	Ohio Instructional Grants	\$	96,299,061	\$	101,131,000	8357
GRF	235-504	War Orphans' Scholarships	\$	4,152,934	\$	4,517,037	8358
GRF	235-507	OhioLINK	\$	6,947,761	\$	7,668,731	8359
GRF	235-508	Air Force Institute of Technology	\$	3,500,000	\$	3,500,000	8360
GRF	235-509	Displaced Homemakers	\$	244,996	\$	244,996	8361
GRF	235-510	Ohio Supercomputer Center	\$	4,834,416	\$	4,932,218	8362
GRF	235-511	Cooperative Extension	\$	25,043,306	\$	25,858,525	8363

		Service				
GRF	235-513	OU Voinovich Center	\$	375,000	\$	375,000 8364
GRF	235-514	Central State	\$	9,744,956	\$	9,744,956 8365
		Supplement				
GRF	235-515	CWRU School of	\$	4,181,578	\$	4,281,936 8366
		Medicine				
GRF	235-518	Capitol Scholarship	\$	250,000	\$	250,000 8367
		Programs				
GRF	235-519	Family Practice	\$	6,229,607	\$	6,541,087 8368
GRF	235-520	Shawnee State	\$	2,969,965	\$	2,824,000 8369
		Supplement				
GRF	235-521	OSU Glenn Institute	\$	375,000	\$	375,000 8370
GRF	235-523	Center for Labor	\$	400,000	\$	400,000 8371
		Research				
GRF	235-524	Police and Fire	\$	244,996	\$	244,996 8372
		Protection				
GRF	235-525	Geriatric Medicine	\$	1,062,139	\$	1,087,630 8373
GRF	235-526	Primary Care	\$	3,016,605	\$	3,167,435 8374
		Residencies				
GRF	235-527	Ohio Aerospace	\$	2,374,973	\$	2,431,973 8375
		Institute				
GRF	235-530	Academic Scholarships	\$	8,000,000	\$	8,000,000 8376
GRF	235-531	Student Choice Grants	\$	41,305,526	\$	43,370,802 8377
GRF	235-535	Agricultural Research	\$	33,623,910	\$	34,430,884 8378
		and Development Center				
GRF	235-536	Ohio State University	\$	15,621,369	\$	15,996,281 8379
		Clinical Teaching				
GRF	235-537	University of	\$	12,848,363	\$	13,156,724 8380
		Cincinnati Clinical				
		Teaching				
GRF	235-538	Medical College of	\$	10,014,602	\$	10,254,953 8381
		Ohio at Toledo				
		Clinical Teaching				

GRF 235-539	Wright State University Clinical Teaching	\$	4,865,290	\$	4,982,057	8382
GRF 235-540	Ohio University Clinical Teaching	\$	4,703,423	\$	4,816,305	8383
GRF 235-541	Northeastern Ohio Universities College of Medicine Clinical Teaching	\$	4,837,466	\$	4,953,565	8384
GRF 235-547	School of International Business	\$	1,243,637	\$	1,243,637	8385
GRF 235-549	Part-time Student Instructional Grants	\$	12,308,500	\$	12,677,750	8386
GRF 235-552	Capital Component	\$	9,863,295	\$	9,863,295	8387
GRF 235-553	Dayton Area Graduate Studies Institute	\$	3,765,832	\$	3,856,212	8388
GRF 235-554	Priorities in Graduate Education	\$	3,464,704	\$	3,553,437	8389
GRF 235-555	Library Depositories	\$	2,400,000	\$	2,000,000	8390
GRF 235-556	Ohio Academic Resource Network	\$	3,227,819	\$	3,512,182	8391
GRF 235-558	Long-term Care Research	\$	318,371	\$	318,371	8392
GRF 235-561	BGSU Canadian Studies Center	\$	167,642	\$	167,642	8393
GRF 235-572	Ohio State University Clinic Support	\$	1,361,878	\$	1,394,563	8394
GRF 235-583	Urban University Programs	\$	5,098,911	\$	5,221,285	8395
GRF 235-585	Ohio University Innovation Center	\$	49,745	\$	49,745	8396
GRF 235-587	Rural University Projects	\$	1,273,070	\$	1,303,624	8397

GRF 235-588	Ohio Resource Center for Mathematics, Science, and Reading	\$ 500,000	\$ 1,000,000	8398
GRF 235-595	International Center for Water Resources Development	\$ 189,381	\$ 189,381	8399
GRF 235-596	Hazardous Materials Program	\$ 244,996	\$ 244,996	8400
TOTAL GRF	General Revenue Fund	\$ 2,407,274,582	\$ 2,509,157,581	8401
	General Services Fund Group			8402
456 235-603	Publications	\$ 35,000	\$ 35,000	8403
TOTAL GSF	General Services Fund Group	\$ 35,000	\$ 35,000	8404
	Federal Special Revenue Fund Group			8406
3H2 235-608	Human Services Project	\$ 974,506	\$ 761,000	8407
3N6 235-605	State Student Incentive Grants	\$ 2,000,000	\$ 2,000,000	8408
3T0 235-610	NHSC Ohio Loan Repayment	\$ 100,000	\$ 100,000	8409
312 235-609	Tech Prep	\$ 192,224	\$ 211,450	8410
312 235-631	Federal Grants	\$ 2,645,077	\$ 2,645,077	8411
TOTAL FED	Federal Special Revenue Fund Group	\$ 5,911,807	\$ 5,717,527	8412
	State Special Revenue Fund Group			8414
4E8 235-602	HEFC Administration	\$ 12,000	\$ 12,000	8415
4P4 235-604	Physician Loan Repayment	\$ 396,255	\$ 396,255	8416
649 235-607	Ohio State University Highway/Transportation Research	\$ 500,000	\$ 500,000	8417
682 235-606	Nursing Loan Program	\$ 603,406	\$ 618,241	8418
TOTAL SSR	State Special Revenue			8419

Fund Group	\$ 1,511,661	\$ 1,526,496	8420
TOTAL ALL BUDGET FUND GROUPS	\$ 2,414,733,050	\$ 2,516,436,604	8421

Section 7.01. 8423

Instructional Subsidy Formula

As soon as practicable during each fiscal year of the 8424
1999-2001 biennium in accordance with instructions of the Ohio 8425
Board of Regents, each state-assisted institution of higher 8426
education shall report its actual enrollment to the Ohio Board of 8427
Regents. 8428

The Ohio Board of Regents shall establish procedures required 8429
by the system of formulas set out below and for the assignment of 8430
individual institutions to categories described in the formulas. 8431
The system of formulas establishes the manner in which aggregate 8432
expenditure requirements shall be determined for each of the three 8433
components of institutional operations. In addition to other 8434
adjustments and calculations described below, the subsidy 8435
entitlement of an institution shall be determined by subtracting 8436
from the institution's aggregate expenditure requirements income 8437
to be derived from the local contributions assumed in calculating 8438
the subsidy entitlements. The local contributions for purposes of 8439
determining subsidy support shall not limit the authority of the 8440
individual boards of trustees to establish fee levels. 8441

The General Studies and Technical models shall be adjusted by 8442
the Board of Regents so that the share of state subsidy earned by 8443
those models is not altered by changes in the overall local share. 8444
A lower-division fee differential shall be used to maintain the 8445
relationship that would have occurred between these models and the 8446
Baccalaureate models had an assumed share of 37 per cent been 8447
funded. 8448

In defining the number of full-time equivalent students for 8449
state subsidy purposes, the Ohio Board of Regents shall exclude 8450

all undergraduate students who are not residents of Ohio, except 8451
those charged in-state fees in accordance with reciprocity 8452
agreements made pursuant to section 3333.17 of the Revised Code. 8453

(A) Aggregate Expenditure Per Full-Time Equivalent Student 8454

(1) Instruction and Support Services 8455

<u>Model</u>	<u>FY 2000</u>	<u>FY 2001</u>	
General Studies I	\$ 3,680	\$ 3,762	8456
General Studies II	\$ 4,060	\$ 4,305	8457
General Studies III	\$ 5,141	\$ 5,259	8458
Technical I	\$ 4,702	\$ 5,012	8459
Technical III	\$ 8,088	\$ 8,477	8460
Baccalaureate I	\$ 6,301	\$ 6,611	8461
Baccalaureate II	\$ 7,287	\$ 7,582	8462
Baccalaureate III	\$ 10,417	\$ 10,574	8463
Masters and Professional I	\$ 11,788	\$ 12,300	8464
Masters and Professional II	\$ 17,020	\$ 17,558	8465
Masters and Professional III	\$ 22,976	\$ 23,214	8466
Doctoral I	\$ 19,495	\$ 19,647	8467
Doctoral II	\$ 25,066	\$ 25,840	8468
Medical I	\$ 27,250	\$ 27,709	8469
Medical II	\$ 38,309	\$ 39,323	8470

(2) Student Services 8471

For this purpose full-time equivalent counts shall be 8472
weighted to reflect differences among institutions in the numbers 8473
of students enrolled on a part-time basis. 8474

	<u>FY 2000</u>	<u>FY 2001</u>	
All Expenditure Models	\$ 556	\$ 594	8475

(B) Plant Operation and Maintenance (POM) 8476

(1) Determination of the Square-Foot Based POM Subsidy 8477

Space undergoing renovation shall be funded at the rate 8478

allowed for storage space. 8481

In the calculation of square footage for each campus, square 8482
footage shall be weighted to reflect differences in space 8483
utilization. 8484

The space inventories for each campus shall be those 8485
determined in the fiscal year 1997 instructional subsidy, adjusted 8486
for changes attributable to the construction or renovation of 8487
facilities for which state appropriations were made or local 8488
commitments were made prior to January 1, 1995. 8489

Only fifty per cent of the space permanently taken out of 8490
operation in fiscal year 2000 or fiscal year 2001 that is not 8491
otherwise replaced by a campus shall be deleted from the fiscal 8492
year 1997 inventory. 8493

The square-foot based plant operation and maintenance subsidy 8494
for each campus shall be determined as follows: 8495

(a) For each standard room type category shown below, the 8496
subsidy-eligible net assignable square feet (NASF) for each campus 8497
shall be multiplied by the following rates, and the amounts summed 8498
for each campus to determine the total gross square-foot based POM 8499
expenditure requirement: 8500

	<u>FY 2000</u>	<u>FY 2001</u>	
Classrooms	\$5.18	\$5.33	8502
Laboratories	\$6.45	\$6.64	8503
Offices	\$5.18	\$5.33	8504
Audio Visual Data Processing	\$6.45	\$6.64	8505
Storage	\$2.30	\$2.36	8506
Circulation	\$6.53	\$6.72	8507
Other	\$5.18	\$5.33	8508

(b) The total gross square-foot POM expenditure requirement 8509
shall be allocated to models in proportion to full-time equivalent 8510
(FTE) enrollments as reported in enrollment data for all models 8511

except Doctoral I and Doctoral II. 8512

(c) The amounts allocated to models in division (B)(1)(b) 8513
above shall be multiplied by the ratio of subsidy-eligible FTE 8514
students to total FTE students reported in each model, and the 8515
amounts summed for all models. To this total amount shall be added 8516
an amount to support roads and grounds expenditures to produce the 8517
total square-foot based POM subsidy. 8518

(2) Determination of the Activity-Based POM Subsidy 8519

(a) The number of subsidy-eligible FTE students in each model 8520
shall be multiplied by the following rates for each campus for 8521
each fiscal year. 8522

	<u>FY 2000</u>	<u>FY 2001</u>	
General Studies I	\$ 498	\$ 488	8523
General Studies II	\$ 563	\$ 584	8524
General Studies III	\$1,237	\$1,217	8525
Technical I	\$ 555	\$ 553	8526
Technical II	\$1,128	\$1,175	8527
Baccalaureate I	\$ 641	\$ 655	8528
Baccalaureate II	\$1,067	\$1,109	8529
Baccalaureate III	\$1,578	\$1,598	8530
Masters & Professional I	\$ 995	\$1,022	8531
Masters & Professional II	\$1,742	\$1,895	8532
Masters & Professional III	\$2,620	\$2,614	8533
Doctoral I	\$1,433	\$1,382	8534
Doctoral II	\$2,502	\$2,613	8535
Medical I	\$2,389	\$2,485	8536
Medical II	\$3,458	\$3,362	8537

(b) The sum of the products for each campus determined in 8539
division (B)(2)(a) for each fiscal year shall be weighted by a 8540
factor to reflect sponsored research activity and job-training 8541
related public services expenditures to determine the total 8542

activity-based POM subsidy.	8543	
(C) <u>Calculation of Core Subsidy Entitlements and Adjustments</u>	8544	
(1) <u>Calculation of Core Subsidy Entitlements</u>	8545	
The calculation of the core subsidy entitlement shall consist	8546	
of the following components:	8547	
(a) For each campus and for each fiscal year, the core	8548	
subsidy entitlement shall be determined by multiplying the amounts	8549	
listed above in divisions (A)(1) and (2) and (B)(2) less assumed	8550	
local contributions, by (i) average subsidy-eligible full-time	8551	
equivalents for the two-year period ending in the prior year; and	8552	
(ii) average subsidy-eligible full-time equivalents for the	8553	
five-year period ending in the prior year for all models except	8554	
Doctoral I and Doctoral II.	8555	
(b) In calculating the core subsidy entitlements for Medical	8556	
II models only, the board shall use the following count of	8557	
full-time equivalent students in place of the two-year average and	8558	
five-year average of subsidy-eligible students.	8559	
(i) For those medical schools whose current year enrollment	8560	
is below the base enrollment, the Medical II full-time equivalent	8561	
enrollment shall equal: 65 per cent of the base enrollment plus 35	8562	
per cent of the current year enrollment, where the base enrollment	8563	
is:	8564	
Ohio State University	1010	8565
University of Cincinnati	833	8566
Medical College of Ohio at Toledo	650	8567
Wright State University	433	8568
Ohio University	433	8569
Northeastern Ohio Universities	433	8570
College of Medicine		
(ii) For those medical schools whose current year enrollment	8571	

is equal to or greater than the base enrollment, the Medical II 8572
full-time equivalent enrollment shall equal the current 8573
enrollment. 8574

(c) For all FTE-based subsidy calculations involving 8575
all-terms FTE data, FTE-based allowances shall be converted from 8576
annualized to annual rates to ensure equity and consistency of 8577
subsidy determination. 8578

(d) The Board of Regents shall compute the sum of the two 8579
calculations listed in division (C)(1)(a) above and use the 8580
greater sum as the core subsidy entitlement. 8581

The POM subsidy for each campus shall equal the greater of 8582
the square-foot-based subsidy or the activity-based POM subsidy 8583
component of the core subsidy entitlement, except that the total 8584
activity-based POM subsidy shall not exceed 161% of the 8585
square-foot based POM subsidy in fiscal year 2000 and shall not 8586
exceed 177% of the square-foot-based subsidy in fiscal year 2001. 8587

(e) In fiscal year 2000, no more than 10.94% of the total 8588
instructional subsidy shall be reserved to implement the 8589
recommendations of the Graduate Funding Commission. In fiscal year 8590
2001, no more than 10.75% of the total instructional subsidy shall 8591
be reserved for this same purpose. It is the intent of the General 8592
Assembly that the doctoral reserve be reduced 0.25 percentage 8593
points each year thereafter until no more than 10.0% of the total 8594
instructional subsidy is reserved to implement the recommendations 8595
of the Graduate Funding Commission. In fiscal year 2001, the Board 8596
of Regents shall reallocate 2% of the reserve among the 8597
state-assisted universities on the basis of a quality review as 8598
specified in the recommendations of the Graduate Funding 8599
Commission. 8600

The amount so reserved shall be allocated to universities in 8601
proportion to their share of the total number of Doctoral I 8602

equivalent FTEs as calculated on an institutional basis using 8603
fiscal year 1998 annualized FTEs as adjusted to reflect the 8604
effects of doctoral review. For the purposes of this calculation, 8605
a doctoral equivalent FTE shall equal one Doctoral I FTE, or 1.5 8606
Doctoral II FTEs. 8607

(2) Annual Hold Harmless Provision 8608

In addition to and after the other adjustments noted above, 8609
in fiscal year 2000 each campus shall have its subsidy adjusted to 8610
the extent necessary to provide an amount that is not less than 8611
100% of the instructional subsidy received by the campus in fiscal 8612
year 1999. In fiscal year 2001 each campus shall have its subsidy 8613
adjusted to the extent necessary to provide an amount that is not 8614
less than 100% of the instructional subsidy received by the campus 8615
in fiscal year 2000. 8616

(3) Capital Component Deduction 8617

After all other adjustments have been made, instructional 8618
subsidy earnings shall be reduced for each campus by the amount, 8619
if any, by which debt service charged in Am. H.B. 748 of the 121st 8620
General Assembly and Am. Sub. H.B. 850 of the 122nd General 8621
Assembly for that campus exceeds that campus' capital component 8622
earnings. 8623

(D) Reductions in Earnings 8624

If total systemwide instructional subsidy earnings in any 8625
fiscal year exceed total appropriations available for such 8626
purposes, the Board of Regents shall proportionately reduce the 8627
instructional subsidy earnings for all campuses by a uniform 8628
percentage so that the systemwide sum equals available 8629
appropriations. 8630

(E) Exceptional Circumstances 8631

Adjustments may be made to instructional subsidy payments and 8632

other subsidies distributed by the Ohio Board of Regents to 8633
state-assisted colleges and universities for exceptional 8634
circumstances. No adjustments for exceptional circumstances may be 8635
made without the recommendation of the chancellor and the approval 8636
of the Controlling Board. 8637

Distribution of Instructional Subsidy 8638

The instructional subsidy payments to the institutions shall 8639
be in substantially equal monthly amounts during the fiscal year, 8640
unless otherwise determined by the Director of Budget and 8641
Management pursuant to the provisions of section 126.09 of the 8642
Revised Code. Payments during the first six months of the fiscal 8643
year shall be based upon the instructional subsidy appropriation 8644
estimates made for the various institutions of higher education 8645
according to the Ohio Board of Regents enrollment estimates. 8646
Payments during the last six months of the fiscal year shall be 8647
distributed after approval of the Controlling Board upon the 8648
request of the Ohio Board of Regents. 8649

Law School Subsidy 8650

The instructional subsidy to state supported universities for 8651
students enrolled in law schools in fiscal year 2000 and fiscal 8652
year 2001 shall be calculated by using the number of subsidy 8653
eligible full-time equivalent law school students funded by state 8654
subsidy in fiscal year 1995 or the actual number of subsidy 8655
eligible full-time equivalent law school students at the 8656
institution in the fiscal year, whichever is less. 8657

Section 7.02. 8658

Mission-Based Core Funding for Higher Education

JOBS Challenge 8659

Funds appropriated to appropriation item 235-415, JOBS 8660
Challenge, shall be distributed to state-assisted community and 8661

technical colleges and regional campuses of state-assisted 8662
universities in support of noncredit job-related training. In each 8663
fiscal year, funds shall be distributed to campuses in proportion 8664
to each campus' share of noncredit job-related training revenues 8665
received by all campuses for the previous fiscal year. It is the 8666
intent of the General Assembly that the JOBS Challenge program 8667
reward campus noncredit job-related training efforts in the same 8668
manner that the Research Challenge Program rewards campuses for 8669
their ability to obtain sponsored research revenues. 8670

Access Challenge 8671

In each fiscal year, the foregoing appropriation item 8672
235-418, Access Challenge, shall be distributed to Ohio's 8673
state-assisted access colleges and universities in proportion to 8674
each campus' share of full-time equivalent enrollments at the 8675
General Studies level as determined in the subsidy calculation 8676
process in the previous fiscal year. For the purposes of this 8677
allocation, "access campuses" includes state-assisted community 8678
colleges, state community colleges, technical colleges, Shawnee 8679
State University, Central State University, Cleveland State 8680
University, the regional campuses of state-assisted universities, 8681
and, where they are organizationally distinct and identifiable, 8682
the community-technical colleges located at the University of 8683
Toledo, the University of Cincinnati, Youngstown State University, 8684
and the University of Akron. 8685

For the purposes of this calculation, Cleveland State 8686
University's share of full-time equivalent subsidy-eligible 8687
General Studies students shall equal its total full-time 8688
equivalent subsidy-eligible General Studies students multiplied by 8689
the ratio of the sum of full-time equivalent subsidy-eligible 8690
General Studies students enrolled in the community-technical 8691
colleges at the University of Toledo, the University of 8692
Cincinnati, Youngstown State University, and the University of 8693

Akron divided by the sum of full-time equivalent subsidy-eligible
General Studies students enrolled at those same four universities.
However, Cleveland State University shall not receive less in each
year of the 1999-2001 biennium than the amount received in fiscal
year 1999.

For each campus receiving these funds, 50 per cent of all new
subsidies received by each campus in each fiscal year shall be
used to restrain growth of in-state undergraduate tuition and
fees. For the purposes of this distribution, "new subsidies" means
all amounts received by a campus in any fiscal year from this item
in excess of amounts received by the campus from this item in the
previous fiscal year.

Success Challenge

The foregoing appropriation item 235-420, Success Challenge,
shall be used by the Ohio Board of Regents to promote degree
completion by students enrolled at a main campus of a
state-assisted university.

In each fiscal year, two-thirds of the appropriations shall
be distributed to state-assisted university main campuses in
proportion to each campus' share of the total statewide bachelor's
degrees granted by university main campuses to "at-risk" students.
In fiscal year 2000 and fiscal year 2001, an "at-risk" student
shall be defined to mean any undergraduate student who had
received an Ohio Instructional Grant during the past ten years. An
eligible institution shall not receive its share of this
distribution until it has submitted and gained Board of Regents
approval of a plan that addresses how the subsidy will be used to
better serve at-risk students and increase their likelihood of
successful completion of a bachelor's degree program.

In each fiscal year, one-third of the appropriations shall be
distributed to university main campuses in proportion to each

campus' share of the total bachelor's degrees granted by 8725
university main campuses to undergraduate students who completed 8726
their bachelor's degrees in a "timely manner" in the previous 8727
fiscal year. For the purposes of this section, "timely manner" 8728
shall mean the normal time it would take for a full-time 8729
degree-seeking undergraduate student to complete the student's 8730
degree. Generally, for such students pursuing a bachelor's degree, 8731
"timely manner" shall mean four years. Exceptions to this general 8732
rule shall be permitted for students enrolled in programs 8733
specifically designed to be completed in a longer time period. The 8734
Board of Regents shall collect base-line data beginning with the 8735
1998-99 academic year to assess the timely completion statistics 8736
by university main campuses. 8737

Higher Education Efficiency Challenge 8738

Of the foregoing appropriation item 235-421, Higher Education 8739
Efficiency Challenge, grants totaling \$2,000,000 shall be awarded 8740
in fiscal year 2001 to the state-assisted, two-year, and four-year 8741
universities or colleges that submit the best plans to increase 8742
operational efficiency. The plans shall be presented to the Ohio 8743
Board of Regents by December 31, 2000. The Board of Regents shall 8744
make awards of various amounts based on the board's assessment of 8745
the likelihood that the proposal will achieve real and long-term 8746
efficiencies in administrative or instructional operations. 8747
Preference shall be given to collaborative proposals. 8748

Research Challenge 8749

The foregoing appropriation item 235-454, Research Challenge, 8750
shall be used to enhance the basic research capabilities of public 8751
colleges and universities and accredited Ohio institutions of 8752
higher education holding certificates of authorization issued 8753
pursuant to section 1713.02 of the Revised Code, in order to 8754
strengthen the academic research for pursuing Ohio's economic 8755

redevelopment goals. The Ohio Board of Regents, in consultation
with the colleges and universities, shall administer the Research
Challenge Program and utilize a means of matching, on a fractional
basis, external funds attracted in the previous year by
institutions for basic research. The program may include
incentives for increasing the amount of external research funds
coming to such eligible institutions and for focusing research
efforts upon critical state needs. Colleges and universities shall
submit for review and approval to the Ohio Board of Regents plans
for the institutional allocation of state dollars received through
this program. Such institutional plans shall provide the rationale
for the allocation in terms of the strategic targeting of funds
for academic and state purposes, for strengthening research
programs, and for increasing the amount of external research
funds, and shall include an evaluation process to provide results
of the increased support. It is the intent of the General Assembly
that increases in funding for appropriation item 235-454, Research
Challenge, in the 1999-2001 biennium, over the 1993-1995 biennium
levels, be used by campuses as unrestricted funding for research,
in the same way that Instructional Subsidy allocations are used.

The Ohio Board of Regents shall submit a biennial report of
progress to the General Assembly.

Priorities in Graduate Education

The foregoing appropriation item 235-554, Priorities in
Graduate Education, shall be used by the Ohio Board of Regents to
support improvements in graduate programs in computer science at
state-assisted universities. In each fiscal year, up to \$200,000
may be used to support collaborative efforts in graduate education
in this program area. In fiscal year 2001, \$1,000,000 shall be
used by the Board of Regents to support improvements in graduate
programs in the life sciences at state-assisted universities.

Section 7.03.

8788

Higher Education

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8789

Board of Trustees

Funds appropriated for instructional subsidies at colleges 8790
and universities may be used to provide such branch or other 8791
off-campus undergraduate courses of study and such master's degree 8792
courses of study as may be approved by the Ohio Board of Regents. 8793

In providing instructional and other services to students, 8794
boards of trustees of state-assisted institutions of higher 8795
education shall supplement state subsidies by income from charges 8796
to students. Each board shall establish the fees to be charged to 8797
all students, including an instructional fee for educational and 8798
associated operational support of the institution and a general 8799
fee for noninstructional services, including locally financed 8800
student services facilities used for the benefit of enrolled 8801
students. The instructional fee and the general fee shall 8802
encompass all charges for services assessed uniformly to all 8803
enrolled students. Each board may also establish special purpose 8804
fees, service charges, and fines as required; such special purpose 8805
fees and service charges shall be for services or benefits 8806
furnished individual students or specific categories of students 8807
and shall not be applied uniformly to all enrolled students. A 8808
tuition surcharge shall be paid by all students who are not 8809
residents of Ohio. 8810

Boards of trustees of individual state-assisted universities 8811
shall limit combined university main campus in-state undergraduate 8812
instructional and general fee increases for an academic year over 8813
the amounts charged in the prior academic year to no more than six 8814
per cent. The boards of trustees of individual state-assisted 8815
universities shall not authorize university main campus 8816

instructional and general fee increases of more than four per cent 8817
in a single vote. Boards of trustees of individual state-assisted 8818
university branch campuses, community colleges, and technical 8819
colleges shall limit combined in-state undergraduate instructional 8820
and general fee increases for an academic year over the amounts 8821
charged in the prior academic year to no more than three per cent. 8822
These fee increase limitations apply even if an institutional 8823
board of trustees has, prior to the effective date of this 8824
section, voted to assess a higher fee for the 1999-2000 academic 8825
year. These limitations shall not apply to increases required to 8826
comply with institutional covenants related to their obligations 8827
or to meet unfunded legal mandates or legally binding obligations 8828
incurred or commitments made prior to the effective date of this 8829
act with respect to which the institution had identified such fee 8830
increases as the source of funds. Any increase required by such 8831
covenants and any such mandates, obligations, or commitments shall 8832
be reported by the Board of Regents to the Controlling Board. 8833
These limitations may also be modified by the Ohio Board of 8834
Regents, with the approval of the Controlling Board, to respond to 8835
exceptional circumstances as identified by the Ohio Board of 8836
Regents. 8837

The board of trustees of a state-assisted institution of 8838
higher education shall not authorize a waiver or nonpayment of 8839
instructional fees nor general fees for any particular student or 8840
any class of students other than waivers specifically authorized 8841
by law or approved by the chancellor. This prohibition is not 8842
intended to limit the authority of boards of trustees to provide 8843
for payments to students for services rendered the institution, 8844
nor to prohibit the budgeting of income for staff benefits or for 8845
student assistance in the form of payment of such instructional 8846
and general fees. 8847

Each state-assisted institution of higher education in its 8848

statement of charges to students shall separately identify the 8849
instructional fee, the general fee, the tuition charge, and the 8850
tuition surcharge. Fee charges to students for instruction shall 8851
not be considered to be a price of service but shall be considered 8852
to be an integral part of the state government financing program 8853
in support of higher educational opportunity for students. 8854

In providing the appropriations in support of instructional 8855
services at state-assisted institutions of higher education and 8856
the appropriations for other instruction it is the intent of the 8857
General Assembly that faculty members shall devote a proper and 8858
judicious part of their work week to the actual instruction of 8859
students. Total class credit hours of production per quarter per 8860
full-time faculty member is expected to meet the standards set 8861
forth in the budget data submitted by the Ohio Board of Regents. 8862

No state-assisted college or university shall contract 8863
additional debt to finance additional student housing or permit 8864
the construction of additional student housing on land owned or 8865
leased by such institution without the approval of the Board of 8866
Regents. In granting or denying approval, the board shall consider 8867
demographic projections and established service districts, as well 8868
as the current strength of enrollment patterns throughout the 8869
state and in the public and private institutions that have 8870
historically drawn students from the same markets as the 8871
institution requesting additional housing. The board shall also 8872
consider statewide dormitory occupancy patterns and any debt 8873
burden that would be incurred by the institution. The board shall 8874
monitor demographic trends and shall recommend that the General 8875
Assembly modify this section when there is no longer a significant 8876
risk of future enrollment decline. 8877

The board shall have no authority to prohibit the 8878
construction of privately financed housing constructed on land 8879
that is not owned or leased by the institution, even if the 8880

institution has entered or intends to enter into some type of 8881
contractual agreement with the developers or owners of such 8882
housing. 8883

The authority of government vested by law in the boards of 8884
trustees of state-assisted institutions of higher education shall 8885
in fact be exercised by those boards. Boards of trustees may 8886
consult extensively with appropriate student and faculty groups. 8887
Administrative decisions about the utilization of available 8888
resources, about organizational structure, about disciplinary 8889
procedure, about the operation and staffing of all auxiliary 8890
facilities, and about administrative personnel shall be the 8891
exclusive prerogative of boards of trustees. Any delegation of 8892
authority by a board of trustees in other areas of responsibility 8893
shall be accompanied by appropriate standards of guidance 8894
concerning expected objectives in the exercise of such delegated 8895
authority and shall be accompanied by periodic review of the 8896
exercise of this delegated authority to the end that the public 8897
interest, in contrast to any institutional or special interest, 8898
shall be served. 8899

Section 7.04. 8901

Medical School Subsidies

The foregoing appropriation item 235-515, CWRU School of 8902
Medicine, shall be disbursed to Case Western Reserve University 8903
through the Ohio Board of Regents in accordance with agreements 8904
entered into as provided for by section 3333.10 of the Revised 8905
Code, provided that the state support per full-time medical 8906
student shall not exceed that provided to full-time medical 8907
students at state universities. 8908

The foregoing appropriation items 235-536, Ohio State 8909
University Clinical Teaching; 235-537, University of Cincinnati 8910

Clinical Teaching; 235-538, Medical College of Ohio at Toledo 8911
Clinical Teaching; 235-539, Wright State University Clinical 8912
Teaching; 235-540, Ohio University Clinical Teaching; and 235-541, 8913
Northeastern Ohio Universities College of Medicine Clinical 8914
Teaching, shall be distributed through the Ohio Board of Regents. 8915

The foregoing appropriation item 235-572, OSU Clinic Support, 8916
shall be distributed through the Ohio Board of Regents to the Ohio 8917
State University for support of dental and veterinary medicine 8918
clinics. 8919

The Ohio Board of Regents shall develop plans consistent with 8920
existing criteria and guidelines as may be required for the 8921
distribution of appropriation items 235-519, Family Practice, 8922
235-525, Geriatric Medicine, and 235-526, Primary Care 8923
Residencies. 8924

Of the foregoing appropriation item 235-539, Wright State 8925
University Clinical Teaching, \$160,000 in each fiscal year shall 8926
be for the use of Wright State University's Ellis Institute for 8927
Clinical Teaching Studies to operate the clinical facility to 8928
serve the Greater Dayton area. 8929

Performance Standards for Medical Education 8930

The Ohio Board of Regents, in consultation with the 8931
state-assisted medical colleges, shall develop performance 8932
standards for medical education. Special emphasis in the standards 8933
shall be placed on attempting to ensure that at least 50 per cent 8934
of the aggregate number of students enrolled in state-assisted 8935
medical colleges continue to enter residency as primary care 8936
physicians. Primary care physicians are defined as general family 8937
practice physicians, general internal medicine practitioners, and 8938
general pediatric care physicians. The Board of Regents shall be 8939
responsible for monitoring medical school performance in relation 8940
to their plans for reaching the 50 per cent systemwide standard 8941

for primary care physicians. 8942

The foregoing appropriation item 235-526, Primary Care 8943
Residencies, shall be distributed in each fiscal year of the 8944
biennium based on whether the institution has submitted and gained 8945
approval for a plan. If the institution does not have an approved 8946
plan then it shall receive five per cent less funding per student 8947
than it would have received from its annual allocation. The 8948
remaining funding shall be distributed among those institutions 8949
that meet or exceed their targets. 8950

Area Health Education Centers 8951

The foregoing appropriation item 235-474, AHEC Program 8952
Support, shall be used by the Ohio Board of Regents to support the 8953
medical school regional AHECs' educational programs for the 8954
continued support of medical and other health professions 8955
education and for support of the Area Health Education Center 8956
program. 8957

Of the foregoing appropriation item 235-474, AHEC Program 8958
Support, \$200,000 in each fiscal year shall be disbursed to the 8959
Ohio University College of Osteopathic Medicine for the 8960
establishment of a mobile health care unit to serve the 8961
southeastern area of the state. Of the foregoing appropriation 8962
item 235-474, AHEC Program Support, \$150,000 in each fiscal year 8963
shall be used to support the Ohio Valley Community Health 8964
Information Network (OVCHIN) pilot project. 8965

Section 7.05. 8966

Midwest Higher Education Compact

The foregoing appropriation item 235-408, Midwest Higher 8967
Education Compact, shall be distributed by the Ohio Board of 8968
Regents pursuant to section 3333.40 of the Revised Code. 8969

College Readiness Initiatives 8970

Appropriation item 235-404, College Readiness Initiatives, 8971
shall be used by the Board of Regents in support of programs 8972
designed to improve the ability of high school students to enroll 8973
and succeed in higher education. These programs shall include, but 8974
not be limited to, the following: the continued administration of 8975
the Early English Composition Assessment portion of the 8976
postsecondary readiness testing program, the implementation of the 8977
State Higher Education Remediation Advisory Commission report, and 8978
the creation of a statewide outreach effort to promote the 8979
availability, need, and affordability of a college education. 8980

Mathematics and Science Teaching Improvement 8981

Appropriation item 235-403, Math/Science Teaching 8982
Improvement, shall be used by the Board of Regents in support of 8983
programs designed to raise the quality of mathematics and science 8984
teaching in primary and secondary education. Of these amounts, 8985
\$200,000 in each fiscal year shall be reserved for the Early Math 8986
Placement Test, and \$2,000,000 in fiscal year 2000 and \$1,500,000 8987
in fiscal year 2001 shall be reserved for Project Discovery. 8988

Technology 8989

Appropriation item 235-417, Technology, shall be used by the 8990
Board of Regents to support the continued implementation of the 8991
Ohio Learning Network, a statewide electronic collaborative effort 8992
designed to promote degree completion of students, workforce 8993
training of employees, and professional development through the 8994
use of advanced telecommunications and distance education 8995
initiatives. 8996

Displaced Homemakers 8997

Of the foregoing appropriation item 235-509, Displaced 8998
Homemakers, the Ohio Board of Regents shall continue funding pilot 8999
projects authorized in Am. Sub. H.B. 291 of the 115th General 9000
Assembly for the following centers: Cuyahoga Community College, 9001

University of Toledo, Southern State Community College, and Stark
Technical College. The amount of \$30,000 in each fiscal year shall
be used for the Baldwin-Wallace Single Parents Reaching Out for
Unassisted Tomorrows program.

Ohio Aerospace Institute

The foregoing appropriation item 235-527, Ohio Aerospace
Institute, shall be distributed by the Ohio Board of Regents
pursuant to section 3333.042 of the Revised Code.

Productivity Improvement Challenge

The foregoing appropriation item 235-455, Productivity
Improvement Challenge, shall be allocated by the Ohio Board of
Regents to continue increasing the capabilities of Business and
Industry Training Centers at Ohio's two-year college and
university regional campuses to meet the varied training needs of
Ohio enterprises. Funds shall be available for capacity building
projects and activities developed through the Enterprise Ohio
Network of Business and Industry Training Centers. The Regents
Advisory Committee for Workforce Development, in its advisory
role, shall assist in the development of plans and activities.

Of the foregoing appropriation item 235-455, Productivity
Improvement Challenge, \$208,000 in each fiscal year shall be used
by the Miami Valley Career and Technology Center Grant Program.

Access Improvement Projects

The foregoing appropriation item 235-477, Access Improvement
Projects, shall be used by the Ohio Board of Regents to develop
innovative statewide strategies to increase student access and
retention for specialized populations, and to provide for pilot
projects that will contribute to improving access to higher
education by specialized populations. The funds may be used for
projects that improve access for nonpublic secondary students.

Of the foregoing appropriation item 235-477, Access 9032
Improvement Projects, \$740,000 in each fiscal year shall be 9033
distributed to the Appalachian Center for Higher Education at 9034
Shawnee State University. The Board of Directors of the center 9035
shall be comprised of the presidents of Shawnee State University, 9036
Ohio University, Belmont Technical College, Hocking Technical 9037
College, Jefferson Technical College, Muskingum Area Technical 9038
College, Rio Grande Community College, Southern State Community 9039
College, Washington State Community College, the dean of either 9040
the Salem or East Liverpool regional campuses of Kent State 9041
University, as designated by the President of Kent State 9042
University, and a representative of the Board of Regents 9043
designated by the chancellor. 9044

Ohio Supercomputer Center 9045

The foregoing appropriation item 235-510, Ohio Supercomputer 9046
Center, shall be used by the Ohio Board of Regents to support the 9047
operation of the center, located at The Ohio State University, as 9048
a statewide resource available to Ohio research universities both 9049
public and private. It is also intended that the center be made 9050
accessible to private industry as appropriate. Policies of the 9051
center shall be established by a governance committee, 9052
representative of Ohio's research universities and private 9053
industry, to be appointed by the Chancellor of the Ohio Board of 9054
Regents and established for this purpose. 9055

Ohio Academic Resources Network (OARNet) 9056

The foregoing appropriation item 235-556, Ohio Academic 9057
Resource Network, shall be used to support the operations of the 9058
Ohio Academic Resources Network, which shall include support for 9059
Ohio's state-assisted colleges and universities in maintaining and 9060
enhancing network connections. 9061

Section 7.06. 9062

Pledge of Fees

* 9063

Any new pledge of fees, or new agreement for adjustment of 9064
fees, made in the 1999-2001 biennium to secure bonds or notes of a 9065
state-assisted institution of higher education for a project for 9066
which bonds or notes were not outstanding on the effective date of 9067
this section shall be effective only after approval by the Ohio 9068
Board of Regents, unless approved in a previous biennium. 9069

Rental Payments to the Ohio Public Facilities Commission 9070

The appropriations to the Ohio Board of Regents from the 9071
General Revenue Fund for the purposes of division (A) of section 9072
3333.13 of the Revised Code include the amounts necessary to meet 9073
all payments at the times required to be made during the period 9074
from July 1, 1999, to June 30, 2001, by the Ohio Board of Regents 9075
to the Ohio Public Facilities Commission pursuant to leases and 9076
agreements made under section 154.21 of the Revised Code, as 9077
certified under division (C) of section 3333.13 of the Revised 9078
Code, but limited to the aggregate amount of \$743,042,000 provided 9079
in appropriation item 235-401, Rental Payments to the Ohio Public 9080
Facilities Commission. Nothing in this section shall be deemed to 9081
contravene the obligation of the state to pay, without necessity 9082
for further appropriation, from the source pledged thereto, the 9083
bond service charges on obligations issued pursuant to section 9084
154.21 of the Revised Code. 9085

Section 7.07. 9086

Ohio Instructional Grants

Notwithstanding section 3333.12 of the Revised Code, in lieu 9087
of the tables in that section, instructional grants for all 9088
full-time students shall be made for fiscal year 2000 using the 9089

tables under this heading. 9090

The tables under this heading prescribe the maximum grant 9091
 amounts covering two semesters, three quarters, or a comparable 9092
 portion of one academic year. The grant amount for a full-time 9093
 student enrolled in an eligible institution for a semester or 9094
 quarter in addition to the portion of the academic year covered by 9095
 a grant determined under these tables shall be a percentage of the 9096
 maximum prescribed in the applicable table. The maximum grant for 9097
 a fourth quarter shall be one-third of the maximum amount 9098
 prescribed under the table. The maximum grant for a third semester 9099
 shall be one-half of the maximum amount prescribed under the 9100
 table. 9101

For a full-time student who is a dependent and enrolled in a 9102
 nonprofit educational institution that is not a state-assisted 9103
 institution and that has a certificate of authorization issued 9104
 pursuant to Chapter 1713. of the Revised Code, the amount of the 9105
 instructional grant for two semesters, three quarters, or a 9106
 comparable portion of the academic year shall be determined in 9107
 accordance with the following table: 9108

OHIO INSTRUCTIONAL GRANTS 9109

Private Institution Table of Grants 9110

Maximum Grant \$4,644 9111

Gross Income Number of Dependents 9112

1 5 or 9113

more

Gross Income	1	2	3	4	5 or more	
Under \$12,001	\$4,644	\$4,644	\$4,644	\$4,644	\$4,644	9114
\$12,001 - \$13,000	4,182	4,644	4,644	4,644	4,644	9115
\$13,001 - \$14,000	3,708	4,182	4,644	4,644	4,644	9116
\$14,001 - \$15,000	3,246	3,708	4,182	4,644	4,644	9117
\$15,001 - \$16,000	2,790	3,246	3,708	4,182	4,644	9118
\$16,001 - \$17,000	2,328	2,790	3,246	3,708	4,182	9119
\$17,001 - \$20,000	1,854	2,328	2,790	3,246	3,708	9120

\$20,001 - \$23,000	1,368	1,854	2,328	2,790	3,246	9121
\$23,001 - \$26,000	1,146	1,368	1,854	2,328	2,790	9122
\$26,001 - \$29,000	924	1,146	1,368	1,854	2,328	9123
\$29,001 - \$30,000	840	924	1,146	1,368	1,854	9124
\$30,001 - \$31,000	756	840	924	1,146	1,368	9125
\$31,001 - \$32,000	378	756	840	924	1,146	9126
\$32,001 - \$33,000	-0-	378	756	840	924	9127
\$33,001 - \$34,000	-0-	-0-	378	756	840	9128
\$34,001 - \$35,000	-0-	-0-	-0-	378	756	9129
\$35,001 - \$36,000	-0-	-0-	-0-	-0-	378	9130
Over \$36,000	-0-	-0-	-0-	-0-	-0-	9131

For a full-time student who is financially independent and enrolled in a nonprofit educational institution that is not a state-assisted institution and that has a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Private Institution Table of Grants

Gross Income	Maximum Grant \$4,644						9140
	Number of Dependents						
				0	1 or more	2	9142 3 4
Under \$3,901	\$4,644	\$4,644	\$4,644	\$4,644	\$4,644	\$4,644	9143
\$3,901 - \$4,500	4,182	4,644	4,644	4,644	4,644	4,644	9144
\$4,501 - \$5,000	3,708	4,182	4,644	4,644	4,644	4,644	9145
\$5,001 - \$5,500	3,246	3,708	4,182	4,644	4,644	4,644	9146
\$5,501 - \$6,000	2,790	3,246	3,708	4,182	4,644	4,644	9147
\$6,001 - \$6,500	2,328	2,790	3,246	3,708	4,182	4,644	9148
\$6,501 - \$7,500	1,854	2,328	2,790	3,246	3,708	4,182	9149
\$7,501 - \$8,500	1,368	1,854	2,328	2,790	3,246	3,708	9150
\$8,501 - \$9,500	1,146	1,368	1,854	2,328	2,790	3,246	9151
\$9,501 - \$11,000	924	1,146	1,368	1,854	2,328	2,790	9152

\$11,001 - \$12,500	840	924	1,146	1,368	1,854	2,328	9153
\$12,501 - \$14,000	756	840	924	1,146	1,368	1,854	9154
\$14,001 - \$15,500	378	756	840	924	1,146	1,368	9155
\$15,501 - \$18,500	-0-	378	756	840	924	1,146	9156
\$18,501 - \$21,500	-0-	-0-	378	756	840	924	9157
\$21,501 - \$24,500	-0-	-0-	-0-	378	756	840	9158
\$24,501 - \$29,200	-0-	-0-	-0-	-0-	378	756	9159
\$29,201 - \$33,900	-0-	-0-	-0-	-0-	-0-	378	9160
Over \$33,900	-0-	-0-	-0-	-0-	-0-	-0-	9161

For a full-time student who is a dependent and enrolled in an educational institution that holds a certificate of registration from the State Board of Proprietary School Registration, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Proprietary Institution Table of Grants

Maximum Grant \$3,936

Gross Income

Number of Dependents

1 5 or
more

Under \$12,001	\$3,936	\$3,936	\$3,936	\$3,936	\$3,936	9172
\$12,001 - \$13,000	3,552	3,936	3,936	3,936	3,936	9173
\$13,001 - \$14,000	3,132	3,552	3,936	3,936	3,936	9174
\$14,001 - \$15,000	2,742	3,132	3,552	3,936	3,936	9175
\$15,001 - \$16,000	2,376	2,742	3,132	3,552	3,936	9176
\$16,001 - \$17,000	1,950	2,376	2,742	3,132	3,552	9177
\$17,001 - \$20,000	1,578	1,950	2,376	2,742	3,132	9178
\$20,001 - \$23,000	1,206	1,578	1,950	2,376	2,742	9179
\$23,001 - \$26,000	966	1,206	1,578	1,950	2,376	9180
\$26,001 - \$29,000	774	966	1,206	1,578	1,950	9181
\$29,001 - \$30,000	726	774	966	1,206	1,578	9182
\$30,001 - \$31,000	642	726	774	966	1,206	9183
\$31,001 - \$32,000	324	642	726	774	966	9184

\$32,001 - \$33,000	-0-	324	642	726	774	9185
\$33,001 - \$34,000	-0-	-0-	324	642	726	9186
\$34,001 - \$35,000	-0-	-0-	-0-	324	642	9187
\$35,001 - \$36,000	-0-	-0-	-0-	-0-	324	9188
Over \$36,000	-0-	-0-	-0-	-0-	-0-	9189

For a full-time student who is financially independent and 9190
 enrolled in an educational institution that holds a certificate of 9191
 registration from the State Board of Proprietary School 9192
 Registration, the amount of the instructional grant for two 9193
 semesters, three quarters, or a comparable portion of the academic 9194
 year shall be determined in accordance with the following table: 9195

Proprietary Institution Table of Grants 9196

Maximum Grant \$3,936 9197

Gross Income

Number of Dependents 9198

0 1 or 2 9199 3 4
 more

Under \$3,901	\$3,936	\$3,936	\$3,936	\$3,936	\$3,936	\$3,936	9200
\$3,901 - \$4,500	3,552	3,936	3,936	3,936	3,936	3,936	9201
\$4,501 - \$5,000	3,132	3,552	3,936	3,936	3,936	3,936	9202
\$5,001 - \$5,500	2,742	3,132	3,552	3,936	3,936	3,936	9203
\$5,501 - \$6,000	2,376	2,742	3,132	3,552	3,936	3,936	9204
\$6,001 - \$6,500	1,950	2,376	2,742	3,132	3,552	3,936	9205
\$6,501 - \$7,500	1,578	1,950	2,376	2,742	3,132	3,552	9206
\$7,501 - \$8,500	1,206	1,578	1,950	2,376	2,742	3,132	9207
\$8,501 - \$9,500	966	1,206	1,578	1,950	2,376	2,742	9208
\$9,501 - \$11,000	774	966	1,206	1,578	1,950	2,376	9209
\$11,001 - \$12,500	726	774	966	1,206	1,578	1,950	9210
\$12,501 - \$14,000	642	726	774	966	1,206	1,578	9211
\$14,001 - \$15,500	324	642	726	774	966	1,206	9212
\$15,501 - \$18,500	-0-	324	642	726	774	966	9213
\$18,501 - \$21,500	-0-	-0-	324	642	726	774	9214
\$21,501 - \$24,500	-0-	-0-	-0-	324	642	726	9215
\$24,501 - \$29,200	-0-	-0-	-0-	-0-	324	642	9216

\$29,201 - \$33,900	-0-	-0-	-0-	-0-	-0-	324	9217
Over \$33,900	-0-	-0-	-0-	-0-	-0-	-0-	9218

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution Table of Grants

Gross Income	Maximum Grant \$1,866					Number of Dependents	
	1	2	3	4	5 or more		
Under \$12,001	\$1,866	\$1,866	\$1,866	\$1,866	\$1,866	\$1,866	9228
\$12,001 - \$13,000	1,680	1,866	1,866	1,866	1,866	1,866	9229
\$13,001 - \$14,000	1,482	1,680	1,866	1,866	1,866	1,866	9230
\$14,001 - \$15,000	1,314	1,482	1,680	1,866	1,866	1,866	9231
\$15,001 - \$16,000	1,128	1,314	1,482	1,680	1,866	1,866	9232
\$16,001 - \$17,000	924	1,128	1,314	1,482	1,680	1,680	9233
\$17,001 - \$20,000	738	924	1,128	1,314	1,482	1,482	9234
\$20,001 - \$23,000	558	738	924	1,128	1,314	1,314	9235
\$23,001 - \$26,000	450	558	738	924	1,128	1,128	9236
\$26,001 - \$29,000	360	450	558	738	924	924	9237
\$29,001 - \$30,000	336	360	450	558	738	738	9238
\$30,001 - \$31,000	306	336	360	450	558	558	9239
\$31,001 - \$32,000	156	306	336	360	450	450	9240
\$32,001 - \$33,000	-0-	156	306	336	360	360	9241
\$33,001 - \$34,000	-0-	-0-	156	306	336	336	9242
\$34,001 - \$35,000	-0-	-0-	-0-	156	306	306	9243
\$35,001 - \$36,000	-0-	-0-	-0-	-0-	156	156	9244
Over \$36,000	-0-	-0-	-0-	-0-	-0-	-0-	9245

For a full-time student who is financially independent and enrolled in a state-assisted educational institution, the amount

of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution Table of Grants								9251
Maximum Grant \$1,866								9252
Gross Income	Number of Dependents							9253
	0	1	2	3	4	5 or more	9254 3	
Under \$3,901	\$1,866	\$1,866	\$1,866	\$1,866	\$1,866	\$1,866	\$1,866	9255
\$3,901 - \$4,500	1,680	1,866	1,866	1,866	1,866	1,866	1,866	9256
\$4,501 - \$5,000	1,482	1,680	1,866	1,866	1,866	1,866	1,866	9257
\$5,001 - \$5,500	1,314	1,482	1,680	1,866	1,866	1,866	1,866	9258
\$5,501 - \$6,000	1,128	1,314	1,482	1,680	1,866	1,866	1,866	9259
\$6,001 - \$6,500	924	1,128	1,314	1,482	1,680	1,866	1,866	9260
\$6,501 - \$7,500	738	924	1,128	1,314	1,482	1,680	1,680	9261
\$7,501 - \$8,500	558	738	924	1,128	1,314	1,482	1,482	9262
\$8,501 - \$9,500	450	558	738	924	1,128	1,314	1,314	9263
\$9,501 - \$11,000	360	450	558	738	924	1,128	1,128	9264
\$11,001 - \$12,500	336	360	450	558	738	924	924	9265
\$12,501 - \$14,000	306	336	360	450	558	738	738	9266
\$14,001 - \$15,500	156	306	336	360	450	558	558	9267
\$15,501 - \$18,500	-0-	156	306	336	360	450	450	9268
\$18,501 - \$21,500	-0-	-0-	156	306	336	360	360	9269
\$21,501 - \$24,500	-0-	-0-	-0-	156	306	336	336	9270
\$24,501 - \$29,200	-0-	-0-	-0-	-0-	156	306	306	9271
\$29,201 - \$33,900	-0-	-0-	-0-	-0-	-0-	156	156	9272
Over \$33,900	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9273

The foregoing appropriation item, 235-503, Ohio Instructional Grants, shall be used to make the payments authorized by division (C) of section 3333.26 of the Revised Code to the institutions described in that division. In addition, this appropriation shall be used to reimburse the institutions described in division (B) of

section 3333.26 of the Revised Code for the cost of the waivers	9279
required by that division.	9280
<u>War Orphans' Scholarships</u>	9281
The foregoing appropriation item 235-504, War Orphans'	9282
Scholarships, shall be used to reimburse state-assisted	9283
institutions of higher education for waivers of instructional fees	9284
and general fees provided by them, and to provide grants to	9285
institutions that have received a certificate of authorization	9286
from the Ohio Board of Regents under Chapter 1713. of the Revised	9287
Code, in accordance with the provisions of section 5910.04 of the	9288
Revised Code, and to fund additional scholarship benefits provided	9289
by section 5910.032 of the Revised Code.	9290
<u>Part-time Student Instructional Grants</u>	9291
The foregoing appropriation item 235-549, Part-time Student	9292
Instructional Grants, shall be used to support a grant program for	9293
part-time undergraduate students who are Ohio residents and who	9294
are enrolled in degree granting programs.	9295
Eligibility for participation in the program shall include	9296
degree granting educational institutions that hold a certificate	9297
of registration from the State Board of Proprietary School	9298
Registration, and nonprofit institutions that have a certificate	9299
of authorization issued pursuant to Chapter 1713. of the Revised	9300
Code, as well as state-assisted colleges and universities. Grants	9301
shall be given to students on the basis of need, as determined by	9302
the college, which will, in making these determinations, give	9303
special consideration to single-parent heads-of-household and	9304
displaced homemakers who enroll in an educational degree program	9305
that prepares the individual for a career. In determining need,	9306
the college also shall consider the availability of educational	9307
assistance from a student's employer. It is the intent of the	9308
General Assembly that these grants not supplant such assistance.	9309

9310

Section 7.08.

9311

Capitol Scholarship Programs

The foregoing appropriation item 235-518, Capitol Scholarship Programs, shall be used to provide one hundred scholarships in each fiscal year in the amount of \$2,000 each for students enrolled in Ohio's public and private institutions of higher education to participate in the Washington Center Internship Program. The scholarships shall be matched by the Washington Center's scholarship funds.

Student Choice Grants

9319

The foregoing appropriation item 235-531, Student Choice Grants, shall be used to support the Student Choice Grant Program created by section 3333.27 of the Revised Code.

Academic Scholarships

9323

Notwithstanding the provision in section 3333.22 of the Revised Code requiring the annual amount of a scholarship for a scholar to be \$2,000, in lieu of that amount the annual scholarship amount awarded to any scholar who received a scholarship for the 1994-1995 academic year shall be \$1,000 for any academic year for which the scholar is eligible for a scholarship under section 3333.22 of the Revised Code.

Physician Loan Repayment

9331

The foregoing appropriation item 235-604, Physician Loan Repayment, shall be used in accordance with sections 3702.71 to 3702.81 of the Revised Code.

Nursing Loan Program

9335

The foregoing appropriation item 235-606, Nursing Loan Program, shall be used to administer the nurse education

assistance program. Up to \$148,000 in fiscal year 2000 and 9338
\$152,000 in fiscal year 2001 may be used for operating expenses 9339
associated with the program. Any additional funds needed for the 9340
administration of the program are subject to Controlling Board 9341
approval. 9342

Section 7.09. 9343

Cooperative Extension Service

Of the foregoing appropriation item 235-511, Cooperative 9344
Extension Service, \$210,000 in each fiscal year shall be used for 9345
additional staffing for county agents for expanded 4-H activities. 9346
Of the foregoing appropriation item 235-511, Cooperative Extension 9347
Service, \$210,000 in each fiscal year shall be used by the 9348
Cooperative Extension Service, through the Enterprise Center for 9349
Economic Development in cooperation with other agencies, for a 9350
public-private effort to create and operate a small business 9351
economic development program to enhance the development of 9352
alternatives to the growing of tobacco, and implement through 9353
applied research and demonstration, the production and marketing 9354
of other high value crops and value-added products. Of the 9355
foregoing appropriation item 235-511, Cooperative Extension 9356
Service, \$65,000 in each fiscal year shall be used for farm labor 9357
mediation and education programs. Of the foregoing appropriation 9358
item 235-511, Cooperative Extension Service, \$215,000 in each 9359
fiscal year shall be used to support the Ohio State University 9360
Marion Enterprise Center. 9361

Of the foregoing appropriation item 235-511, Cooperative 9362
Extension Service, \$680,000 in fiscal year 2000 and \$910,500 in 9363
fiscal year 2001 shall be used to support the Ohio Watersheds 9364
Initiative. 9365

Agricultural Research and Development Center 9366

Of the foregoing appropriation item 235-535, Agricultural
Research and Development Center, \$950,000 in each fiscal year
shall be distributed to the Piketon Agricultural Research and
Extension Center.

Of the foregoing appropriation item 235-535, Agricultural
Research and Development Center, \$200,000 in each fiscal year
shall be distributed to the Raspberry/Strawberry-Ellagic Acid
Research program at the Ohio State University Medical College in
cooperation with the Ohio State University College of Agriculture.

Cooperative Extension Service and Agricultural Research and
Development Center

The foregoing appropriation items 235-511, Cooperative
Extension Service, and 235-535, Agricultural Research and
Development Center, shall be disbursed through the Ohio Board of
Regents to the Ohio State University in monthly payments, unless
otherwise determined by the Director of Budget and Management
pursuant to the provisions of section 126.09 of the Revised Code.
Of the foregoing appropriation item 235-535, Agricultural Research
and Development Center, \$540,000 in each fiscal year shall be used
to purchase equipment.

The Ohio Agricultural Research and Development Center shall
not be required to remit payment to The Ohio State University
during the 1999-2001 biennium for cost reallocation assessments.
The cost reallocation assessments include, but are not limited to,
any assessment on state appropriations to the center.

Section 7.10.
Sea Grants

The foregoing appropriation item 235-402, Sea Grants, shall
be disbursed to The Ohio State University. The funds from this
appropriation item shall be used to conduct research on fish in

Lake Erie.	9396
<u>Information System</u>	9397
The foregoing appropriation item 235-409, Information System,	9398
shall be used by the Board of Regents to revise the higher	9399
education data system known as the Uniform Information System.	9400
<u>Student Services</u>	9401
The foregoing appropriation item 235-502, Student Support	9402
Services, shall be distributed by the Board of Regents to Ohio's	9403
state-assisted colleges and universities that incur	9404
disproportionate costs in the provision of support services to	9405
disabled students.	9406
<u>Shawnee State Supplement</u>	9407
The foregoing appropriation item 235-520, Shawnee State	9408
Supplement, shall be used by Shawnee State University as detailed	9409
by both of the following:	9410
(A) To allow Shawnee State University to keep its	9411
undergraduate fees below the statewide average, consistent with	9412
its mission of service to an economically depressed Appalachian	9413
region;	9414
(B) To allow Shawnee State University to employ new faculty	9415
to develop and teach in new degree programs that meet the needs of	9416
Appalachians.	9417
<u>Police and Fire Protection</u>	9418
The foregoing appropriation item 235-524, Police and Fire	9419
Protection, shall be used for police and fire services in the	9420
municipalities of Kent, Athens, Oxford, Fairborn, Bowling Green,	9421
Portsmouth, Xenia Township (Greene County), and Rootstown	9422
Township, which may be used to assist these local governments in	9423
providing police and fire protection for the central campus of the	9424
state-affiliated university located therein. Each participating	9425

municipality and township shall receive at least five thousand 9426
dollars per year. Funds shall be distributed by the Ohio Board of 9427
Regents. 9428

School of International Business 9429

The foregoing appropriation item 235-547, School of 9430
International Business, shall be used for the continued 9431
development and support of the School of International Business of 9432
the state universities of northeast Ohio. The money shall go to 9433
the University of Akron. These funds shall be used by the 9434
university to establish a School of International Business located 9435
at the University of Akron. It may confer with the Kent State 9436
University, Youngstown State University, and Cleveland State 9437
University as to the curriculum and other matters regarding the 9438
school. 9439

Capital Component 9440

The foregoing appropriation item 235-552, Capital Component, 9441
shall be used by the Ohio Board of Regents to implement the 9442
capital funding policy for state-assisted colleges and 9443
universities established in Am. H.B. 748 of the 121st General 9444
Assembly. Appropriations from this item shall be distributed to 9445
all campuses for which the estimated campus debt service 9446
attributable to new qualifying capital projects is less than the 9447
campus' formula-determined capital component allocation. Campus 9448
allocations shall be determined by subtracting the estimated 9449
campus debt service attributable to new qualifying capital 9450
projects from campus formula-determined capital component 9451
allocation. Moneys distributed from this appropriation item shall 9452
be restricted to capital-related purposes. 9453

Dayton Area Graduate Studies Institute 9454

The foregoing appropriation item 235-553, Dayton Area 9455
Graduate Studies Institute, shall be used by the Ohio Board of 9456

Regents to support the Dayton Area Graduate Studies Institute, an 9457
engineering graduate consortium of three universities in the 9458
Dayton area - Wright State University, The University of Dayton, 9459
and the Air Force Institute of Technology - with the participation 9460
of the University of Cincinnati and The Ohio State University. 9461

Long-Term Care Research 9462

The foregoing appropriation item 235-558, Long-term Care 9463
Research, shall be disbursed to Miami University for long-term 9464
care research. 9465

BGSU Canadian Studies Center 9466

The foregoing appropriation item 235-561, BGSU Canadian 9467
Studies Center, shall be used by the Canadian Studies Center at 9468
Bowling Green State University to study opportunities for Ohio and 9469
Ohio businesses to benefit from the Free Trade Agreement between 9470
the United States and Canada. 9471

Urban University Programs 9472

Of the foregoing appropriation item 235-583, Urban University 9473
Programs, universities receiving funds which are used to support 9474
an ongoing university unit must certify periodically in a manner 9475
approved by the Ohio Board of Regents that program funds are being 9476
matched on a one-to-one basis with equivalent resources. Overhead 9477
support may not be used to meet this requirement. Where Urban 9478
University Program funds are being used to support an ongoing 9479
university unit, matching funds must come from continuing rather 9480
than one-time sources. At each participating state-assisted 9481
institution of higher education, matching funds must be within the 9482
substantial control of the individual designated by the 9483
institution's president as the Urban University Program 9484
representative. 9485

Of the foregoing appropriation item 235-583, Urban University 9486

Programs, \$380,000 in each fiscal year shall be used to support a
public communication outreach program (WCPN). The primary purpose
of the program shall be to develop a relationship between
Cleveland State University and nonprofit communications entities.

Of the foregoing appropriation item 235-583, Urban University
Programs, \$180,000 in each fiscal year shall be used to support
the Center for the Interdisciplinary Study of Education and the
Urban Child at Cleveland State University. These funds shall be
distributed according to rules adopted by the Ohio Board of
Regents and shall be used by the center for interdisciplinary
activities targeted toward increasing the chance of lifetime
success of the urban child, including interventions beginning with
the prenatal period. The primary purpose of the center is to study
issues in urban education and to systematically map directions for
new approaches and new solutions by bringing together a cadre of
researchers, scholars, and professionals representing the social,
behavioral, education, and health disciplines.

Of the foregoing appropriation item 235-583, Urban University
Programs, \$260,000 in each fiscal year shall be used to support
the Kent State University Learning and Technology Project. This
project is a kindergarten through university collaboration between
schools surrounding Kent's eight campuses in northeast Ohio, and
corporate partners who will assist in development and delivery.

The Kent State University Project shall provide a faculty
member who has a full-time role in the development of
collaborative activities and teacher instructional programming
between Kent and the K-12th grade schools that surround its eight
campuses; appropriate student support staff to facilitate these
programs and joint activities; and hardware and software to
schools that will make possible the delivery of instruction to
pre-service and in-service teachers, and their students, in their

own classrooms or school buildings. This shall involve the 9519
delivery of low-bandwidth streaming video and web-based 9520
technologies in a distributed instructional model. 9521

Of the remainder of the appropriation, 50 per cent of the 9522
total in each fiscal year shall be distributed by the Ohio Board 9523
of Regents to Cleveland State University in support of the Urban 9524
Center of the College of Urban Affairs. The balance of the 9525
appropriation shall be distributed to the Northeast Ohio 9526
Interinstitutional Research Program, the Urban Linkages Program, 9527
and the Urban Research Technical Assistance Grant Program. 9528

International Center for Water Resources Development 9529

The foregoing appropriation item 235-595, International 9530
Center for Water Resources Development, shall be used to support 9531
the International Center for Water Resources Development at 9532
Central State University. This center shall develop methods to 9533
improve the management of water resources for Ohio and for 9534
emerging nations. 9535

Rural University Projects 9536

Of the foregoing appropriation item 235-587, Rural University 9537
Projects, Bowling Green State University shall receive \$211,330 in 9538
fiscal year 2000 and \$216,400 in fiscal year 2001. Miami 9539
University shall receive \$323,365 in fiscal year 2000 and \$331,125 9540
in fiscal year 2001. Ohio University shall receive \$738,375 in 9541
fiscal year 2000 and \$756,099 in fiscal year 2001. These funds 9542
shall be used to support the Institute for Local Government 9543
Administration and Rural Development at Ohio University, the 9544
Center for Public Management and Regional Affairs at Miami 9545
University, and the public administration program at Bowling Green 9546
State University. 9547

A small portion of the funds provided to Ohio University 9548
shall be used to establish a satellite office of the Institute for 9549

Local Government Administration and Rural Development at Shawnee 9550
State University. A small portion of the funds provided to Ohio 9551
University shall also be used for the Institute for Local 9552
Government Administration and Rural Development State and Rural 9553
Policy Partnership with the Governor's Office of Appalachia and 9554
the Appalachian delegation of the General Assembly. 9555

Ohio Resource Center for Math, Science, and Reading 9556

The foregoing appropriation item 235-588, Ohio Resource 9557
Center for Math, Science, and Reading, shall be used to support a 9558
resource center for mathematics, science, and reading to be 9559
located at a state-assisted university for the purpose of 9560
identifying best educational practices in primary and secondary 9561
schools and establishing methods for communicating them to 9562
colleges of education and school districts. 9563

Prior to December 31, 1999, the Governor, the Superintendent 9564
of Public Instruction, and the Chancellor of the Ohio Board of 9565
Regents shall conduct a search for the best location for the 9566
establishment of the Ohio Resource Center for Mathematics, 9567
Science, and Reading. The location selected shall be on the campus 9568
of one of the state universities named in section 3345.011 of the 9569
Revised Code. The university selected shall be chosen on a 9570
competitive basis from among those universities that apply to the 9571
Board of Regents. 9572

Hazardous Materials Program 9573

The foregoing appropriation item 235-596, Hazardous Materials 9574
Program, shall be disbursed to Cleveland State University for the 9575
operation of a program to certify firefighters for the handling of 9576
hazardous materials. Training shall be available to all Ohio 9577
firefighters. 9578

Ohio Higher Education Facilities Commission Support 9579

The foregoing appropriation item 235-602, HEFC 9580
Administration, shall be used by the Board of Regents for 9581
operating expenses related to the Board of Regents' support of the 9582
activities of the Ohio Higher Education Facilities Commission. 9583
Upon the request of the chancellor, the Director of Budget and 9584
Management shall transfer up to \$12,000 cash from Fund 461 to Fund 9585
4E8 in each fiscal year of the biennium. 9586

Reading Recovery Program* 9587

Notwithstanding section 3319.23 of the Revised Code, all 9588
state-assisted colleges and universities with teacher education 9589
programs shall provide instruction in the Reading Recovery 9590
Program. 9591

Section 7.11. 9592

Repayment of Research Facility Investment Fund Moneys

Notwithstanding any provision of law to the contrary, all 9593
repayments of Research Facility Investment Fund loans shall be 9594
made to the Bond Service Trust Fund. All Research Facility 9595
Investment Fund loan repayments made prior to the effective date 9596
of this section shall be transferred by the Director of Budget and 9597
Management to the Bond Service Trust Fund within sixty days of the 9598
effective date of this section. 9599

Campuses are required to make timely repayments of Research 9600
Facility Investment Fund loans, according to the schedule 9601
established by the Board of Regents. In the case of late payments, 9602
the Board of Regents is authorized to deduct from an institution's 9603
periodic subsidy distribution an amount equal to the amount of the 9604
overdue payment for that institution, transfer such amount to the 9605
Bond Service Trust Fund, and credit the appropriate institution 9606
for the repayment. 9607

Veterans' Preference 9608

The Board of Regents shall work with the Governor's Office of
Veterans' Affairs to develop specific veterans' preference
guidelines for higher education institutions. These guidelines
shall ensure that the institutions' hiring practices are in
accordance with the intent of Ohio's veterans' preference laws.

Section 7.12.

Central State University

(A) Notwithstanding sections 3345.72, 3345.74, 3345.75, and
3345.76 of the Revised Code and 126:3-1-01 of the Ohio
Administrative Code, Central State University shall adhere to the
following fiscal standards:

(1) Maintenance of a balanced budget and filing of quarterly
reports on an annualized budget with the Board of Regents,
comparing the budget to actual spending and revenues with
projected expenditures and revenues for the remainder of the year.
Such reports shall include narrative explanations as appropriate
and be filed within 30 days of the end of the quarter.

(2) Timely and accurate assessment of the current and
projected cash flow of university funds, by fund type;

(3) Timely reconciliation of all university cash and general
ledger accounts, by fund;

(4) Submission to the Auditor of State financial statements
consistent with audit requirements prescribed by the Auditor of
State within four months after the end of the fiscal year.

The Director of Budget and Management shall provide
clarification to the university on these fiscal standards as
deemed necessary. The director may also take such actions as are
necessary to ensure that the university adheres to these standards
and other fiscal standards consistent with generally accepted
accounting principles and the requirements of external entities

providing funding to the university. Such actions may include the 9638
 appointment of a financial consultant to assist Central State 9639
 University in the continuous process of design and implementation 9640
 of responsible systems of financial management and accounting. 9641

(B) The director's fiscal oversight shall continue until such 9642
 time as the university meets the same criteria as those created in 9643
 126:3-1-01(F) of the Ohio Administrative Code for the termination 9644
 of a fiscal watch. At that time Central State University shall be 9645
 relieved of the requirements of this section and subject to the 9646
 requirements of sections 3345.72, 3345.74, 3345.75, and 3345.76 of 9647
 the Revised Code. 9648

Section 8. OSB OHIO STATE SCHOOL FOR THE BLIND 9649

General Revenue Fund 9650

GRF 226-100 Personal Services	\$	5,485,586	\$	5,534,116	9651
GRF 226-200 Maintenance	\$	676,533	\$	692,770	9652
GRF 226-300 Equipment	\$	69,534	\$	71,203	9653
TOTAL GRF General Revenue Fund	\$	6,231,653	\$	6,298,089	9654

General Services Fund Group 9655

4H8 226-602 Education Reform	\$	29,900	\$	29,900	9656
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Grants

TOTAL GSF General Services 9657

Fund Group	\$	29,900	\$	29,900	9658
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State Special Revenue Fund Group 9659

4M5 226-601 Work Study &	\$	40,083	\$	40,924	9660
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Technology Investments

TOTAL SSR State Special Revenue 9661

Fund Group	\$	40,083	\$	40,924	9662
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Federal Special Revenue Fund Group 9663

3P5 226-643 Medicaid Professional	\$	125,000	\$	125,000	9664
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Services Reimbursement

310 226-626 Coordinating Unit	\$	1,173,036	\$	1,195,850	9665
TOTAL FED Federal Special					9666
Revenue Fund Group	\$	1,298,036	\$	1,320,850	9667
TOTAL ALL BUDGET FUND GROUPS	\$	7,599,672	\$	7,689,763	9668

Section 9. OSD OHIO STATE SCHOOL FOR THE DEAF 9670

General Revenue Fund					9671
GRF 221-100 Personal Services	\$	6,928,679	\$	7,132,058	9672
GRF 221-200 Maintenance	\$	944,938	\$	967,617	9673
GRF 221-300 Equipment	\$	180,715	\$	185,052	9674
TOTAL GRF General Revenue Fund	\$	8,054,332	\$	8,284,727	9675
General Services Fund Group					9676
4M1 221-602 Education Reform	\$	64,867	\$	65,210	9677

Grants

TOTAL GSF General Services					9678
Fund Group	\$	64,867	\$	65,210	9679
State Special Revenue Fund Group					9680
4M0 221-601 Educational Program	\$	16,890	\$	17,363	9681

Expenses

TOTAL SSR State Special Revenue					9682
Fund Group	\$	16,890	\$	17,363	9683
Federal Special Revenue Fund Group					9684
3R0 221-684 Medicaid Professional	\$	80,000	\$	82,240	9685

Services Reimbursement

311 221-625 Coordinating Unit	\$	848,780	\$	871,271	9686
TOTAL FED Federal Special					9687
Revenue Fund Group	\$	928,780	\$	953,511	9688
TOTAL ALL BUDGET FUND GROUPS	\$	9,064,869	\$	9,320,811	9689

Section 10. SFC SCHOOL FACILITIES COMMISSION 9691

General Revenue Fund					9692
GRF 230-428 Lease Rental Payments	\$	55,400,000	\$	70,300,000	9693

TOTAL GRF General Revenue Fund	\$	55,400,000	\$	70,300,000	9694
State Special Revenue Fund Group					9695
5E3 230-644 Operating Expenses	\$	2,609,726	\$	2,738,277	9696
TOTAL SSR State Special Revenue					9697
Fund Group	\$	2,609,726	\$	2,738,277	9698
TOTAL ALL BUDGET FUND GROUPS	\$	58,009,726	\$	73,038,277	9699

Lease Rental Payments

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The foregoing appropriation item 230-428, Lease Rental
Payments, shall be used by the School Facilities Commission to pay
bond service charges on obligations issued pursuant to Chapter
3318. of the Revised Code.

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Operating Expenses

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The foregoing appropriation item 230-644, Operating Expenses,
shall be used by the Ohio School Facilities Commission to carry
out its responsibilities pursuant to this section and Chapter
3318. of the Revised Code.

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Within ten days after the effective date of this section, or
as soon as possible thereafter, the Executive Director of the Ohio
School Facilities Commission shall certify to the Director of
Budget and Management the amount of cash to be transferred from
the School Building Assistance Fund (Fund 032) or the Public
School Building Fund (Fund 021) to the Ohio School Facilities
Commission Fund (Fund 5E3).

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By July 10, 2000, the Executive Director of the Ohio School
Facilities Commission shall certify to the Director of Budget and
Management the amount of cash to be transferred from the School
Building Assistance Fund (Fund 032) or the Public School Building
Fund (Fund 021) to the Ohio School Facilities Commission Fund
(Fund 5E3).

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Prior Year Encumbrances

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At the request of the Director of the Ohio School Facilities Commission, the Director of Budget and Management may cancel encumbrances from fiscal years 1998 and 1999 in CAP-770, School Building Program Assistance, and reestablish such encumbrances or parts of encumbrances to CAP-622, Public School Buildings, for fiscal years 2000 and 2001. Appropriations to CAP-622 shall not be increased as a result of reestablishing such encumbrances. An amount equal to the canceled encumbrances in CAP-770 shall be appropriated to CAP-775.

Disability Access Projects

The unencumbered and unallotted balances as of June 30, 1999, in appropriation item 230-649, Disability Access Project, are hereby reappropriated. The unencumbered and unallotted balances of the appropriation at the end of fiscal year 2000 are hereby reappropriated in fiscal year 2001 to fund capital projects pursuant to this section.

(A) As used in this section:

(1) "Percentile" means the percentile in which a school district is ranked according to the fiscal year 1998 ranking of school districts with regard to income and property wealth under division (B) of section 3318.011 of the Revised Code.

(2) "School district" means a city, local, or exempted village school district, but excluding a school district that is one of the state's 21 urban school districts as defined in division (O) of section 3317.02 of the Revised Code, as that section existed prior to July 1, 1998.

(3) "Valuation per pupil" means a district's total taxable value as defined in section 3317.02 of the Revised Code divided by the district's ADM as defined in division (A) of section 3317.02 of the Revised Code as that section existed prior to July 1, 1998.

(B) The School Facilities Commission shall adopt rules for 9754
awarding grants to school districts with a valuation per pupil of 9755
less than \$200,000, to be used for construction, reconstruction, 9756
or renovation projects in classroom facilities, the purpose of 9757
which is to improve access to such facilities by physically 9758
handicapped persons. The rules shall include application 9759
procedures. No school district shall be awarded a grant under this 9760
section in excess of \$100,000. In addition, any school district 9761
shall be required to pay a percentage of the cost of the project 9762
for which the grant is being awarded equal to the percentile in 9763
which the district is ranked. 9764

Section 11. NET OHIO SCHOOLNET COMMISSION 9766

General Revenue Fund 9767

GRF 228-404 Operating Expenses \$ 5,703,175 \$ 5,483,910 9768

GRF 228-406 Technical & \$ 12,408,453 \$ 12,706,256 9769

Instructional

Professional

Development

GRF 228-539 Education Technology \$ 6,707,421 \$ 6,733,475 9770

GRF 228-559 RISE - Interactive \$ 1,200,000 \$ 1,200,000 9771

Parenting Program

Total GRF General Revenue Fund \$ 26,019,049 \$ 26,123,641 9772

General Services Fund Group 9773

5D4 228-640 Conference/Special \$ 500,000 \$ 500,000 9774

Purpose Expenses

TOTAL GSF General Services 9775

Fund Group \$ 500,000 \$ 500,000 9776

State Special Revenue Fund Group 9777

4W9 228-630 Ohio SchoolNet \$ 3,389,447 \$ 52,813 9778

Telecommunity Fund

4X1 228-634 Distance Learning	\$	3,174,718	\$	3,263,413	9779
4Y4 228-698 SchoolNet Plus	\$	90,000,000	\$	0	9780
TOTAL SSR State Special Revenue					9781
Fund Group	\$	96,564,165	\$	3,316,226	9782
Federal Special Revenue Fund Group					9783
3S3 228-655 Technolgy Literacy	\$	16,650,418	\$	16,650,418	9784
Challenge					
TOTAL FED Federal Special Revenue					9785
Fund Group	\$	16,650,418	\$	16,650,418	9786
TOTAL ALL BUDGET FUND GROUPS	\$	139,733,632	\$	46,590,285	9787

SchoolNet Plus Program 9788

(A) The foregoing appropriation item 228-698, SchoolNet Plus, shall be used as follows: 9789
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(1) Up to \$20,000,000 to purchase network telecommunications equipment for each public elementary school building in Ohio to provide classroom and building access to existing and potential statewide voice, video, and data telecommunication services. The Ohio SchoolNet Commission, in consultation with the Department of Education and the Ohio Education Computer Network, shall define the standards and equipment configurations necessary to maximize the efficient use of the existing and potential statewide voice, video, and data telecommunication services. 9791
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(2) Up to \$70,000,000 to establish and equip at least one interactive computer workstation for each five children enrolled in the fifth grade based on the number of children each qualifying school district has enrolled in the fifth grade as reported in October 1999 pursuant to division (A) of section 3317.03 of the Revised Code. 9800
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(3) To pay for the cost of an independent review of all the agencies in Ohio that deliver education technology, as called for in Recommendation One of the Report of the Ohio School Technology 9806
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Implementation Task Force. 9809

(4) To pay for the cost of a statewide educational technology 9810
strategic planning process as called for in Recommendation Two of 9811
the Report of the Ohio Schools Technology Implementation Task 9812
Force. 9813

(B) Not later than November 30, 1999, the Executive Director 9814
of the Ohio SchoolNet Commission shall allocate to school 9815
districts the amount to be used pursuant to division (A)(2) of 9816
this section. A school district's allocation shall remain 9817
available until the district is ready to use it, and the school 9818
district may use its allocation in phases. A school district may 9819
use a portion of its allocation for training and staff development 9820
related to the project if approved by the Ohio SchoolNet 9821
Commission under division (C) of this section. 9822

(C) The Ohio SchoolNet Commission shall adopt procedures for 9823
the administration and implementation of the SchoolNet Plus 9824
Program. The procedures shall include application procedures, 9825
specification for education technology, and terms and conditions 9826
for participation in the program. The commission shall not approve 9827
any application for participation in the program unless it has 9828
determined that the applicant can effectively and efficiently 9829
integrate the requested education technology into schools or the 9830
selected schools or classrooms for the phase of the program. 9831

(D) Educational technology made available to school districts 9832
under division (B) of this section shall be used as an integrated 9833
part of the curriculum in fifth grade classrooms. However, if the 9834
commission determines that a school district already has at least 9835
one interactive computer workstation for each five children 9836
enrolled in the fifth grade, and the district meets other minimum 9837
requirements that may be established by the commission concerning 9838
staff training and other education technology for such grades, the 9839

commission may permit the school district to use educational 9840
technology made available to it through the SchoolNet Plus Program 9841
for children in grades six through twelve. 9842

(E) As used in this section: 9843
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(1) "Qualifying school district" means all school districts. 9845

(2) "Educational technology" includes, but is not limited to, 9846
computer hardware, equipment, training, and services; equipment 9847
used for two-way audio or video; software; and textbooks. 9848

(F) All appropriations that are unencumbered and unallotted 9849
in appropriation item 228-698, SchoolNet Plus, as of June 30, 9850
2000, are hereby appropriated for the same purpose in fiscal year 9851
2001 upon the request of the Executive Director of the Ohio 9852
SchoolNet Commission and the approval of the Director of Budget 9853
and Management. 9854
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Section 11.01. 9856

Technical and Instructional Professional Development

The foregoing appropriation item 228-406, Technical and 9857
Instructional Professional Development, shall be used by the Ohio 9858
SchoolNet Commission, to make grants to qualifying schools, 9859
including the State School for the Blind and the Ohio School for 9860
the Deaf for the provision of hardware, software, 9861
telecommunications services, and staff development to support 9862
educational uses of technology in the classroom. 9863

The Ohio SchoolNet Commission shall consider the professional 9864
development needs associated with the OhioReads Program when 9865
making funding allocations and program decisions. 9866

The Ohio Educational Telecommunications Network Commission, 9867
with the advice of the Ohio SchoolNet Commission, shall make 9868

grants totaling up to \$1,400,000 in each year of the biennium for
research development and production of interactive instructional
programming series and teleconferences to support SchoolNet. Up to
\$50,000 of this amount shall be used in each year of the biennium
to provide for the administration of these activities by the Ohio
Educational Telecommunications Network Commission. The programming
shall be targeted to the needs of the poorest 200 school districts
as determined by the district's adjusted valuation per pupil as
defined in section 3317.0213 of the Revised Code.

Of the foregoing appropriation item 228-406, Technical and
Instructional Professional Development, \$3,300,000 in each fiscal
year shall be distributed by the Ohio SchoolNet Commission to
low-wealth districts or consortia including low-wealth school
districts, as determined by the district's adjusted valuation per
pupil as defined in section 3317.0213 of the Revised Code, or the
State School for the Blind or the Ohio School for the Deaf.

The remaining appropriation allocated under this section
shall be used by the Ohio SchoolNet Commission for professional
development for teachers and administrators for the use of
educational technology. The commission shall make grants to
provide technical assistance and professional development on the
use of educational technology to school districts.

Eligible recipients of grants include regional training
centers, county offices of education, data collection sites,
instructional technology centers, institutions of higher
education, public television stations, special education resource
centers, area media centers, or other nonprofit educational
organizations. Services provided through these grants may include
use of private entities subcontracting through the grant
recipient.

Grants shall be made to entities on a contractual basis with

the Ohio SchoolNet Commission. Contracts shall include provisions
that demonstrate how services will benefit technology use in the
schools, and in particular will support SchoolNet efforts to
support technology in the schools. Contracts shall specify the
scope of assistance being offered and the potential number of
professionals who will be served. Contracting entities may be
awarded more than one grant at a time.

Grants shall be awarded in a manner consistent with the goals
of SchoolNet. Special emphasis in the award of grants shall be
placed on collaborative efforts among service providers.

Application for grants from this appropriation shall be
consistent with a school district's technology plan that shall
meet the minimum specifications for school district technology
plans as prescribed by the Ohio SchoolNet Commission. Funds
allocated through these grants may be combined with funds received
through other state or federal grants for technology as long as
the school district's technology plan specifies the use of these
funds. The commission may combine the application for these grants
with the SchoolNet application process authorized in Am. Sub. H.B.
790 of the 120th General Assembly.

Education Technology

The foregoing appropriation item 228-539, Education
Technology, shall be used to provide funding to suppliers of
information services to school districts for the provision of
hardware, software, and staff development in support of
educational uses of technology in the classroom as prescribed by
the State Plan for Technology pursuant to section 3301.07 of the
Revised Code, and to support assistive technology for children and
youth with disabilities.

Up to \$5,776,929 in each fiscal year shall be used by the
Ohio SchoolNet Commission to contract with instructional

television and \$930,492 in fiscal year 2000 and \$956,546 in fiscal 9932
year 2001 shall be used by the commission to contract with 9933
education media centers to provide Ohio schools with instructional 9934
resources and services. 9935

Resources may include, but not be limited to, the following: 9936
pre-recorded video materials (including videotape, laser discs, 9937
and CD-ROM discs); computer software for student use and/or 9938
student access to electronic communication, databases, 9939
spreadsheet, and word processing capability; live student courses 9940
or courses delivered electronically; automated media systems; and 9941
instructional and professional development materials for teachers. 9942
The commission shall cooperate with such agencies in the 9943
acquisition, development, and delivery of such educational 9944
resources to ensure high-quality and educational soundness at the 9945
lowest possible cost. Delivery of such resources may utilize a 9946
variety of technologies, with preference given to a high-speed 9947
integrated information network that can transport video, voice, 9948
data, and graphics simultaneously. 9949

Services shall include presentations and technical assistance 9950
that will help students and teachers integrate educational 9951
materials that support curriculum objectives, match specific 9952
learning styles, and are appropriate for individual interests and 9953
ability levels. 9954

Such instructional resources and services shall be made 9955
available for purchase by chartered nonpublic schools or by public 9956
school districts for the benefit of pupils attending chartered 9957
nonpublic schools. 9958

Section 11.02. 9959

Interactive Parenting Program

The foregoing appropriation item 228-559, Interactive 9960

Parenting Program, shall be used by the Ohio SchoolNet Commission 9961
to fund a grant to RISE, Inc. as partial support to train 9962
preschool staff members and parents. 9963

It is the intent of the General Assembly that the commission, 9964
in conjunction with RISE, Inc., shall develop a program which may 9965
be conducted in conjunction with state supported technology 9966
programs including, but not limited to, SchoolNet appropriation 9967
item 228-406, and Education Technology appropriation item 228-539, 9968
designed to educate preschool staff members and providers on 9969
developmentally appropriate teaching methods and to involve 9970
parents more closely in the education and development of their 9971
children. The project shall include an interactive instructional 9972
program, which shall be distributed to program participants at up 9973
to twenty-six locations throughout the state. The interactive 9974
instructional program shall be developed to enhance the 9975
professional development, training, and performance of preschool 9976
staff members; the education and care-giving skills of the parents 9977
of preschool children; and the preparation of preschool aged 9978
children for learning. 9979

The project shall utilize the grant and matching nonpublic 9980
funds to continue a direct-service program that shall include at 9981
least three teleconferences to be distributed by Ohio-based public 9982
television utilizing satellite or microwave technology in a manner 9983
designed to promote interactive communications between the program 9984
participants located at sub-sites within the Ohio Educational 9985
Broadcast Network or as determined by the commission. Program 9986
participants shall communicate with trainers and participants at 9987
other program sites through telecommunications and facsimile and 9988
on-line computer technology. To the maximum extent possible, the 9989
project shall utilize systems currently available in state 9990
supported technology programs and conduct the program in a manner 9991
that promotes innovative, interactive communications between the 9992

program participants at all the sites. Parent support groups and
teacher training sessions shall supplement the teleconferences,
and shall occur on a local basis.

RISE, Inc., may subcontract components of the project.

Individuals eligible to participate in the program shall
include those children, their parents, custodians, or guardians,
and preschool staff members who are eligible to participate in a
preschool program as defined in division (A) of section 3301.52
and section 5104.02 of the Revised Code.

(A) In addition to the foregoing, up to \$400,000 each fiscal
year may be used by RISE, Inc., to enter into a competitively bid
contract with a not-for-profit entity or entities to conduct a
series of training programs for adult volunteers who work with
adolescent youths in after school mentoring programs, including
youth-serving organizations such as Boy Scouts, Girl Scouts, Big
Brothers, Big Sisters, 4-H, and public school mentor programs. The
series of programs shall be designed to:

(1) Improve the quality and effectiveness of adult volunteers
so that they would sustain their involvement with youths over
time. Specifically, they would improve their ability to motivate,
supervise, and communicate with young people.

(2) Improve the quality and effectiveness of adult volunteers
so that the children they mentor, coach, teach, or befriend would
sustain their involvement with youth-serving organizations over
time.

(3) Encourage collaboration between all Ohio youth-serving
organizations, including: 4-H, Boy Scouts, Girls Scouts, Big
Brothers, Big Sisters, and others.

(4) Provide cost-efficient, sustainable distance learning to
both rural and urban sites.

(B) In order to be eligible for the contract with RISE, Inc., 10023
the program participants shall be able to demonstrate that leading 10024
national experts in adolescent development intervention programs 10025
will be utilized and that such program will make use of a variety 10026
of media to engage participants and assist them in learning the 10027
goals of the program. The program shall be designed to focus on 10028
the adult volunteers who assist in youth development. Training 10029
content shall focus on: 10030

(1) Development issues for youth; 10031

(2) Best practices to motivate, guide, and communicate with 10032
these youths; 10033

(3) Strategies for successful adult-to-adult interpersonal 10034
relationships that are necessary for on-going learning and 10035
support. 10036

The program may include: two broadcast seminars of three 10037
hours in length from a central up-link station, distributed in up 10038
to 88 counties; corporate settings and extension offices with 10039
on-site facilitated discussion and exercises; high 10040
production-value video sought in various locations; and direct 10041
interactive adult learning activities. The program shall develop 10042
program workbooks. The program shall also involve at least three 10043
small group facilitated follow-up discussion workshops and 10044
development and distribution of at least two home videos. The 10045
program shall also provide Internet access, interactive lines, 10046
bulletin board, and CD-ROM. 10047

Private sector supporters or RISE, Inc., subcontractors shall 10048
match 50 per cent of the contract amount awarded under this 10049
program. Upon completion of the program, a study and report shall 10050
be made by The Ohio State University with measurable outcome 10051
variables. 10052

Upon completion of each of the school years for which the 10053

grant was made, RISE, Inc., shall issue a report to the commission 10054
and the members of the General Assembly explaining the goals and 10055
objectives determined, the activities implemented, the progress 10056
made toward the achievement of the goals and objectives, and the 10057
outcome of the project. 10058

Distance Learning 10059

Appropriation item 228-634, Distance Learning, shall be 10060
distributed by the Ohio SchoolNet Commission on a grant basis to 10061
eligible school districts to establish "distance learning" in the 10062
school district. Per the agreement with Ameritech, school 10063
districts are eligible for funds if they are within an Ameritech 10064
service area. Funds to administer the program shall be expended by 10065
the commission up to the amount specified in the agreement with 10066
Ameritech. 10067

Within 30 days of the effective date of this section, the 10068
Director of Budget and Management shall transfer from fund 4XI in 10069
the State Special Revenue Fund Group any investment earnings from 10070
moneys paid to the office or to the SchoolNet Commission by any 10071
telephone company as part of a settlement agreement between the 10072
company and the Public Utilities Commission in fiscal year 1995. 10073

Section 12. SCR STATE BOARD OF PROPRIETARY SCHOOL 10074

REGISTRATION 10075

General Revenue Fund 10076

GRF 233-100 Personal Services	\$	377,366	\$	386,822	10077
GRF 233-200 Maintenance	\$	104,158	\$	107,075	10078
GRF 233-300 Equipment	\$	5,000	\$	5,000	10079
TOTAL GRF General Revenue Fund	\$	486,524	\$	498,897	10080
TOTAL ALL BUDGET FUND GROUPS	\$	486,524	\$	498,897	10081

Section 13. TTA OHIO TUITION TRUST AUTHORITY 10083

State Special Revenue Fund Group				10084	
645 095-601 Operating Expenses	\$	3,856,585	\$	4,126,546	10085
TOTAL SSR State Special Revenue				10086	
Fund Group	\$	3,856,585	\$	4,126,546	10087
TOTAL ALL BUDGET FUND GROUPS	\$	3,856,585	\$	4,126,546	10088

Operating Expenses 10089

The foregoing appropriation item 095-601, Operating Expenses, 10090
shall be used to pay the operating expenses of the Ohio Tuition 10091
Trust Authority. 10092

Section 14. 10093

Transfers of FY 1999 Ending Balances

(A) Notwithstanding divisions (B)(1)(b), (B)(2), and (C) of 10094
section 131.44 of the Revised Code, fiscal year 1999 surplus 10095
revenue that would otherwise have been transferred to the Income 10096
Tax Reduction Fund shall be distributed as provided in division 10097
(B) of this section. 10098

(B)(1) The first \$90,000,000 of such surplus revenue shall be 10099
transferred from the General Revenue Fund to Fund 4Y4, the 10100
SchoolNet Plus Fund, in the SchoolNet Commission. 10101

(2) All remaining surplus revenue shall be transferred to 10102
Fund 021, the Public School Building Fund, and such amount is 10103
hereby appropriated to item CAP-622, Public School Buildings, in 10104
the School Facilities Commission. Such appropriation shall become 10105
available on the ninety-first day after this act is filed with the 10106
Secretary of State. The School Facilities Commission may set aside 10107
up to ten per cent of such appropriation for the pilot program for 10108
low wealth school districts with exceptional needs for immediate 10109
classroom facility assistance that is described in division (B) of 10110
Section 26 of Am. Sub. H.B. 850 of the 122nd General Assembly. 10111
10112

Section 15. 10113

Property Tax Allocation - Education

The appropriation item 200-901, Property Tax Allocation - 10114
Education, made to the Department of Education, is appropriated to 10115
pay for the state's costs incurred due to the homestead exemption 10116
and the property tax rollback. In cooperation with the Department 10117
of Taxation, the Department of Education shall distribute these 10118
funds directly to the appropriate school districts of the state, 10119
notwithstanding the provisions in sections 321.24 and 323.156 of 10120
the Revised Code, which provide for payment of the homestead 10121
exemption and property tax rollback by the Tax Commissioner to the 10122
appropriate county treasurer and the subsequent redistribution of 10123
these funds to the appropriate local taxing districts by the 10124
county auditor. 10125

The appropriation item 200-906, Tangible Tax Exemption - 10126
Education, made to the Department of Education, is appropriated to 10127
pay for the state's costs incurred due to the tangible personal 10128
property tax exemption required by division (C)(3) of section 10129
5709.01 of the Revised Code. In cooperation with the Department of 10130
Taxation, the Department of Education shall distribute to each 10131
county treasurer the total amount certified by the county 10132
treasurer pursuant to section 319.311 of the Revised Code, for all 10133
school districts located in the county, notwithstanding the 10134
provision in section 319.311 of the Revised Code which provides 10135
for payment of the \$10,000 tangible personal property tax 10136
exemption by the Tax Commissioner to the appropriate county 10137
treasurer for all local taxing districts located in the county. 10138
Pursuant to division (G) of section 321.24 of the Revised Code, 10139
the county auditor shall distribute the amount paid by the 10140
Department of Education among the appropriate school districts. 10141

Upon receipt of these amounts, each school district shall 10142

distribute the amount among the proper funds as if it had been 10143
paid as real or tangible personal property taxes. Payments for the 10144
costs of administration shall continue to be paid to the county 10145
treasurer and county auditor as provided for in sections 319.54, 10146
321.26, and 323.156 of the Revised Code. 10147

Any sums, in addition to the amounts specifically 10148
appropriated in appropriation items 200-901, Property Tax 10149
Allocation - Education, for the homestead exemption and the 10150
property tax rollback payments, and 200-906, Tangible Tax 10151
Exemption - Education, for the \$10,000 tangible personal property 10152
tax exemption payments, which are determined to be necessary for 10153
these purposes, are hereby appropriated. 10154

Section 16. 10155

Personal Service Expenses

Unless otherwise prohibited by law, each appropriation in 10156
this act from which personal service expenses are paid shall bear 10157
the employer's share of public employees' retirement, workers' 10158
compensation, disabled workers' relief, and all group insurance 10159
programs; the costs of centralized accounting, centralized payroll 10160
processing, and related personnel reports and services; the cost 10161
of the Office of Collective Bargaining; the cost of the Personnel 10162
Board of Review; the cost of the Employee Assistance Program; the 10163
cost of the Equal Opportunity Center; the costs of interagency 10164
management infrastructure and the cost of administering the state 10165
employee merit system as required by section 124.07 of the Revised 10166
Code. Such costs shall be determined in conformity with 10167
appropriate sections of law and paid in accordance with procedures 10168
specified by the Office of Budget and Management. 10169

Section 17. 10170

Satisfaction of Judgments and Settlements Against the State

An appropriation contained in this act may be used for the purpose of satisfying judgments or settlements in connection with civil actions against the state in federal court not barred by sovereign immunity or the Eleventh Amendment to the Constitution of the United States, or for the purpose of satisfying judgments, settlements, or administrative awards ordered or approved by the Court of Claims in connection with civil actions against the state, pursuant to section 2743.15, 2743.19, or 2743.191 of the Revised Code. This authorization shall not apply to appropriations to be applied to or used for payment of guarantees by or on behalf of the state, for or relating to lease payments or debt service on bonds, notes, or similar obligations and those from the School Building Program Assistance Fund (Fund 032), and any other fund into which proceeds of obligations are deposited. Nothing contained in this section is intended to subject the state to suit in any forum in which it is not otherwise subject to suit, nor is it intended to waive or compromise any defense or right available to the state in any suit against it.

Section 18.

Lease Payments to OPFC, OBA, and Treasurer

Certain appropriations are in this act for the purpose of lease payments to the Ohio Public Facilities Commission, to the Ohio Building Authority, and to the Treasurer of State for the purpose of paying principal and interest on bonds or notes issued by the Ohio Public Facilities Commission, the Ohio Building Authority, or the Treasurer of State pursuant to the Ohio Constitution and acts of the General Assembly. If it is determined that additional appropriations are necessary for this purpose, such amounts are hereby appropriated.

Section 19.* That Section 45.32 of Am. Sub. H.B. 117 of the

121st General Assembly, as amended by Am. Sub. H.B. 215 of the 10200
122nd General Assembly, be amended to read as follows: 10201

"Sec. 45.32. (A) As used in this section: 10202

(1) A "client district" of an educational service center 10203
means a city or exempted village school district that has entered 10204
into an agreement with that service center pursuant to section 10205
3313.843 of the Revised Code. 10206

(2) "ADM" means the combined ADM of the local school 10207
districts having territory in a service center and the ADM of each 10208
client district of such center. 10209

(B) By June 1, 1997, in the case of any educational service 10210
centers that are serving only one local district pursuant to 10211
section 3311.051 of the Revised Code; except as otherwise provided 10212
in division (C) of this section, by June 1, 1999, in the case of 10213
any service centers with ADMs of less than 8,000 that serve fewer 10214
than six local or client school districts; and by June 1, 2000, in 10215
the case of any educational service centers with ADMs of less than 10216
8,000 that serve six or more local or client school districts, the 10217
superintendents of such service centers shall notify the 10218
Superintendent of Public Instruction of the name of one or more 10219
adjacent educational service centers with which such service 10220
centers will merge to form joint service centers. If the 10221
Superintendent does not receive such notification from a center 10222
serving only one local district or serving an ADM of less than 10223
8,000 by the required date, the Superintendent shall determine one 10224
or more suitable adjacent centers for such merger and shall notify 10225
the superintendents and governing boards of all centers involved 10226
of the determination. The centers named in the notification 10227
required by this section or determined by the Superintendent of 10228
Public Instruction pursuant to this section shall form a joint 10229

center pursuant to section 3311.053 of the Revised Code, which 10230
shall be effective on the first day of July immediately following 10231
notification by the service center, or by the Superintendent of 10232
Public Instruction, whichever applies. 10233

(C) Any educational service center created on or before July 10234
1, 1997, under a merger of two educational service centers 10235
pursuant to Section 45.32 of Am. Sub. H.B. 117 of the 121st 10236
General Assembly, which service centers each contained only one 10237
local school district at the time of the merger shall comply with 10238
division (B) of this section by June 1, 2000." 10239

Section 20.* That existing Section 45.32 of Am. Sub. H.B. 117 10240
of the 121st General Assembly, as amended by Am. Sub. H.B. 215 of 10241
the 122nd General Assembly, is hereby repealed. 10242

Section 21.* The amendment of Section 45.32 of Am. Sub. H.B. 10243
117 of the 121st General Assembly, as amended by Am. Sub. H.B. 215 10244
of the 122nd General Assembly, is in confirmation of an identical 10245
amendment to the section by Am. Sub. H.B. 770 of the 122nd General 10246
Assembly. Am. Sub. H.B. 770 properly amended the section in its 10247
body, but failed to indicate the amendment in its title. 10248

Section 22. That Section 50.52.10 of Am. Sub. H.B. 215 of the 10249
122nd General Assembly, as most recently amended by Am. Sub. H.B. 10250
770 of the 122nd General Assembly, be amended to read as follows: 10251
10252

"Sec. 50.52.10. (A) As used in this subsection: 10253

(1) "Base formula amount" means the amount specified as such 10254
in a community school's financial plan for a school year pursuant 10255
to Subsection 5 of this section. 10256

(2) "Cost-of-doing-business factor" has the same meaning as 10257

in section 3317.02 of the Revised Code. 10258

(3) "IEP" means an individualized education program as 10259
~~defined by division (E) of~~ in section 3323.01 of the Revised Code. 10260

(4) "Average county cost" means the cost, averaged among 10261
school districts within a county, of providing special education 10262
and related services to similarly handicapped children, as 10263
calculated in a manner acceptable to the Superintendent of Public 10264
Instruction. 10265

(5) "Basic aid" means the amount computed for a district 10266
under divisions (A) ~~and~~, (C)(1), (E), and (F) of section 3317.022 10267
of the Revised Code. 10268

(6) "Guarantee funds" means any payments received by a school 10269
district pursuant to section 3317.0212 of the Revised Code. 10270

(7) "Per pupil state funds" for a district means the figure 10271
obtained when the sum of the district's total annual basic aid 10272
payments plus guarantee funds is divided by the district's formula 10273
ADM as certified in section 3317.03 of the Revised Code. 10274

(8) "Entitled to attend school in the district" means a 10275
student is entitled to attend school in a district pursuant to the 10276
provisions of section 3313.64 or 3313.65 of the Revised Code. 10277

(B) The state board of education shall adopt rules requiring 10278
both of the following: 10279

(1) The board of education of each city, exempted village, 10280
and local school district in the Lucas County area to annually 10281
report the number of students entitled to attend school in the 10282
district pursuant to section 3313.64 or 3313.65 of the Revised 10283
Code in grades one through twelve, and one-half of the 10284
kindergarten students, who are enrolled in a community school 10285
established under this section and for each child, both of the 10286
following: 10287

(a) The community school in which the child is enrolled. In 10288
addition, for each such child receiving special education and 10289
related services in a community school pursuant to an IEP the 10290
board shall report the average county cost for such child. 10291

(b) If the district receives disadvantaged pupil impact aid 10292
for the child pursuant to division (B) or divisions (C) and (E) of 10293
section 3317.029 of the Revised Code, the amount received for such 10294
child. 10295

(2) The governing authority of each community school 10296
established under this section to annually report the number of 10297
students in grades one through twelve, and one-half of the 10298
kindergarten students, enrolled in the school who are not 10299
receiving special education and related services pursuant to an 10300
IEP, the number of enrolled students in grades one through twelve 10301
and one-half of the kindergarten students who are receiving 10302
special education and related services pursuant to an IEP, the 10303
number of enrolled preschool students counted in a unit approved 10304
by the State Board of Education under section 3317.05 of the 10305
Revised Code, the community school's base formula amount, and for 10306
each student, the city, exempted village, or local school district 10307
the student is entitled to attend under section 3313.64 or 3313.65 10308
of the Revised Code. 10309

(C) From the payments made to a city, exempted village, or 10310
local school district under Chapter 3317. and, if necessary, 10311
sections 321.14 and 323.156 of the Revised Code, the Department of 10312
Education shall annually subtract all of the following: 10313

(1) An amount equal to the sum of the amounts obtained when, 10314
for each community school where the district's students are 10315
enrolled, the number of the district's students reported under 10316
division (B)(2) of this subsection in grades one through twelve, 10317
and one-half of the kindergarten students, who are enrolled in 10318

that community school and are not receiving special education and 10319
related services pursuant to an IEP is multiplied by the base 10320
formula amount of that community school as adjusted by the school 10321
district's cost-of-doing-business factor. 10322

(2) The sum of the average county costs for all district 10323
students reported under division (B)(2) of this subsection who are 10324
to be receiving special education and related services pursuant to 10325
an IEP in their respective community schools, less the sum of the 10326
prorated share for each such preschool handicapped student of any 10327
amounts received from state funded units or from any federal funds 10328
to provide special education and related services to students in 10329
kindergarten through grade twelve in the respective community 10330
schools. This prorated share of state unit funding or federal 10331
funds received for each such student shall be determined on the 10332
basis of all such funds received by a community school for 10333
students receiving similar services, as calculated in a manner 10334
acceptable to the Superintendent of Public Instruction. 10335

(3) An amount equal to the sum of the amounts obtained when, 10336
for each community school where the district's students are 10337
enrolled, the number of the district's students enrolled in that 10338
community school and residing in the district in a family 10339
participating in Ohio works first under Chapter 5107. of the 10340
Revised Code is multiplied by the per pupil amount of 10341
disadvantaged pupil impact aid the school district receives that 10342
year under division (B) or divisions (C) and (E) of section 10343
3317.029 of the Revised Code. 10344

(D) The Department shall annually pay to a community school, 10345
or to any custodian of its funds designated pursuant to subsection 10346
5 of this section, all of the following: 10347

(1) An amount equal to the sum of the amounts obtained when, 10348
for each school district where the community school's students are 10349

entitled to attend school under section 3313.64 or 3313.65 of the
Revised Code, the number of students enrolled in grades one
through twelve plus one-half of the kindergarten students in the
school as reported under division (B)(2) of this subsection who
are not receiving special education and related services pursuant
to an IEP is multiplied by the community school's base formula
amount, as adjusted by that school district's
cost-of-doing-business factor;

(2) For each student enrolled in the school receiving special
education and related services pursuant to an IEP, an amount equal
to the average county cost for such student, less a prorated share
for a preschool handicapped student of any amount received from
state funded units or for any student, a prorated share of any
federal funds to provide special education and related services to
students in the community school. This prorated share shall be
determined as described under division (C)(2) of this subsection.

(3) An amount equal to the sum of the amounts obtained when,
for each school district where the community school's students are
entitled to attend school under section 3313.64 or 3313.65 of the
Revised Code, the number of that district's students enrolled in
the community school and participating in Ohio works first is
multiplied by the per pupil amount of disadvantaged pupil impact
aid that school district receives that year under division (B) or
divisions (C) and (E) of section 3317.029 of the Revised Code.

(E) For purposes of counting students in average daily
membership under section 3317.03 of the Revised Code, prior to the
first day of classes each year in any community school established
under this section, the parent, guardian, or custodian of each
student who is enrolled or intends to enroll that year in the
community school shall register the student's name and address
with the superintendent of the school district in which the

student is entitled to attend school. The superintendent shall 10382
include all such students in the district's average daily 10383
membership as if the students were enrolled during the first full 10384
week of October in that school year. 10385

(F) During the first year of operation of a community school 10386
under this section, in addition to all other payments made to any 10387
school district in which a student enrolled in the community 10388
school is entitled to attend school pursuant to Chapter 3317. of 10389
the Revised Code, the Department of Education shall pay such 10390
school district for each student enrolled in the community school 10391
who is otherwise entitled to attend school in the district an 10392
amount equal to 50 per cent of the district's per pupil state 10393
funds. 10394

(G) A community school may apply to the Department of 10395
Education for any gifted or preschool handicapped ~~or gifted unit~~ 10396
funding the school would receive if it were a school district. 10397
Upon request of its governing authority, a community school that 10398
received unit funding as a school district-operated school before 10399
it was converted to a community school shall retain any units 10400
awarded to it as a school district-operated school, provided the 10401
school continues to meet eligibility standards for the unit. 10402

A community school shall be considered a school district and 10403
its governing authority shall be considered a board of education 10404
for the purpose of applying to any state or federal agency for 10405
grants that a school district may receive under federal or state 10406
law or any appropriations act of the General Assembly. The 10407
governing authority of a community school may apply to any private 10408
entity for additional funds. 10409

(H) A board of education sponsoring a community school may 10410
utilize local funds to make enhancement grants to the school or 10411
may agree, either as part of the contract or separately, to 10412

provide any specific services to the community school at no cost 10413
to the school. 10414

(I) A community school may not levy taxes or issue bonds 10415
secured by tax revenues. 10416

(J) No community school shall charge tuition for the 10417
enrollment of any student. 10418

(K) A community school may borrow money to pay any necessary 10419
and actual expenses of the school in anticipation of the receipt 10420
of any portion of the payments to be received by the school 10421
pursuant to division (D) of this subsection. The school may issue 10422
notes to evidence such borrowing to mature no later than the end 10423
of the fiscal year in which such money was borrowed. The proceeds 10424
of the notes shall be used only for the purposes for which the 10425
anticipated receipts may be lawfully expended by the school. 10426

(L) For purposes of determining the number of students for 10427
which division (D)(3) of this subsection applies in any school 10428
year, a community school may submit to the state Department of 10429
Human Services, no later than the first day of March, a list of 10430
the students enrolled in the school. For each student on the list, 10431
the community school shall indicate the student's name, address, 10432
and date of birth and the school district where the student is 10433
entitled to attend school under section 3313.64 or 3313.65 of the 10434
Revised Code. Upon receipt of a list under this division, the 10435
Department of Human Services shall determine, for each school 10436
district where one or more students on the list are entitled to 10437
attend school under section 3313.64 or 3313.65 of the Revised 10438
Code, the number of students residing in that school district who 10439
were included in the Department's report required by section 10440
3317.10 of the Revised Code. The Department shall make this 10441
determination on the basis of information readily available to it. 10442
Upon making this determination and no later than ninety days after 10443

submission of the list by the community school, the Department 10444
shall report to the state Department of Education the number of 10445
students on the list who reside in each school district who were 10446
included in the Department's report made pursuant to section 10447
3317.10 of the Revised Code. In complying with this division, the 10448
Department of Human Services shall not report to the state 10449
Department of Education any personally identifiable information on 10450
any student." 10451

Section 23. That existing Section 50.52.10 of Am. Sub. H.B. 10452
215 of the 122nd General Assembly, as most recently amended by Am. 10453
Sub. H.B. 770 of the 122nd General Assembly, is hereby repealed. 10454

Section 24. That Section 50.52.11 of Am. Sub. H.B. 215 of the 10455
122nd General Assembly be amended to read as follows: 10456

"Sec. 50.52.11. The As used in this subsection, "native 10457
student" means a student entitled under section 3313.64 or 3313.65 10458
of the Revised Code to attend school in the school district. 10459

The board of education of the each city, local, or and 10460
exempted village school district in which a community school is 10461
located the Lucas County area shall provide transportation to and 10462
from school for its district's native students who are enrolled in 10463
the a community school within the boundaries of the district, 10464
except that the board shall be required to pick up and drop off a 10465
nonhandicapped student only at a regular school bus stop 10466
designated in accordance with the board's transportation policy. A 10467
school board is not required to provide transportation to a 10468
resident student attending a community school outside the district 10469
located in that district or another district on the same basis 10470
that it provides transportation for its native students enrolled 10471
in schools to which they are assigned by the board of education at 10472
the same grade level and who live the same distance from school 10473

except when, in the judgment of the board, confirmed by the State Board of Education, the transportation is unnecessary or unreasonable. A board shall not be required to transport nonhandicapped students to and from a community school located in another school district if the transportation would require more than thirty minutes of direct travel time as measured by school bus from the collection point designated by the district's coordinator of school transportation.

Where it is impractical to transport a pupil to and from a community school by school conveyance, a board may, in lieu of providing the transportation, pay a parent, guardian, or other person in charge of the child, but only with the consent of the parent, guardian, or other person. The amount paid per pupil shall in no event exceed the average transportation cost per pupil, which shall be based on the cost of transportation of children by all boards of education in this state during the next preceding year."

Section 25. That existing Section 50.52.11 of Am. Sub. H.B. 215 of the 122nd General Assembly is hereby repealed.

Section 26. That Section 18 of Am. Sub. H.B. 650 of the 122nd General Assembly, as most recently amended by Am. Sub. H.B. 850 of the 122nd General Assembly, be amended to read as follows:

"**Sec. 18.** (A) As used in this section:

(1) "FY 1998 state aid" means the total amount of state money received by a school district for fiscal year 1998 as reported on the Department of Education's form "SF-12," adjusted as follows:

(a) Minus any amounts for approved preschool handicapped units;

(b) Minus any additional amount attributable to the	10503
reappraisal guarantee of division (C) of section 3317.04 of the	10504
Revised Code;	10505
(c) Plus the amount deducted for payments to an educational	10506
service center;	10507
(d) Plus an estimated portion of the state money distributed	10508
in fiscal year 1998 to other school districts or educational	10509
service centers for approved units, other than preschool	10510
handicapped or gifted education units, attributable to the costs	10511
of providing services in those units to students entitled to	10512
attend school in the district;	10513
(e) Minus an estimated portion of the state money distributed	10514
to the school district in fiscal year 1998 for approved units,	10515
other than preschool handicapped units or gifted education units,	10516
attributable to the costs of providing services in those units to	10517
students entitled to attend school in another school district;	10518
	10519
(f) Plus any additional amount paid pursuant to the	10520
vocational education recomputation required by former Section	10521
50.22 of Am. Sub. H.B. No. 215 of the 122nd General Assembly;	10522
(g) Plus any additional amount paid pursuant to the special	10523
education recomputation required by former division (I) of section	10524
3317.023 of the Revised Code;	10525
(h) Plus any amount paid for equity aid under section	10526
3317.0213 of the Revised Code;	10527
(i) Plus any amount received for that year pursuant to	10528
section 3317.027 of the Revised Code;	10529
(j) Plus any amount received for that year pursuant to a	10530
recomputation made under division (B) of section 3317.022 of the	10531
Revised Code.	10532

(2) "FY 1999 state aid," means "FY 1999 state aid" as defined 10533
in the version of this section in effect for fiscal year 1999. 10534

10535

(3) "FY 2000 state aid," "FY 2001 state aid," and "FY 2002 10536
state aid" mean the total amount of state money a school district 10537
is eligible to receive for the applicable fiscal year under 10538
divisions (A), ~~(B)~~, (C)(1), ~~and (D)~~, and (F) of section 3317.022 10539
and sections 3317.025, 3317.027, 3317.029, 3317.0212, and 10540
3317.0213 of the Revised Code, plus any amount for which the 10541
district is eligible pursuant to division (C) of section 3317.023, 10542
~~divisions~~ division (G) ~~and (P)~~ of section 3317.024, and division 10543
(B) of section 3317.162 of the Revised Code, and prior to any 10544
deductions or credits required by division (B), (D), (E), (F), 10545
(G), (H), (I), (J), or (K) of section 3317.023 or division (J) of 10546
section 3317.029 of the Revised Code. 10547

~~(3)~~(4) "Adjusted FY 1999 actual aid," means FY 1999 state aid 10548
that was actually paid to a school district after the application 10549
of division (B) of this section, adjusted as follows: 10550

(a) Plus an estimated portion of the state money distributed 10551
in fiscal year 1999 to other school districts or educational 10552
service centers for approved gifted education units, attributable 10553
to the costs of providing services in those units to students 10554
entitled to attend school in the district; 10555

(b) Minus an estimated portion of the state money distributed 10556
to the school district in fiscal year 1999 for approved gifted 10557
education units, attributable to the costs of providing services 10558
in those units to students entitled to attend school in another 10559
district. 10560

(5) "FY 2000 actual aid," and "FY 2001 actual aid," ~~and "FY~~ 10561
~~2002 actual aid" means~~ mean the amount of the state aid described 10562
in division (A)(2) of this section that was actually paid to a 10563

school district in the applicable fiscal year after the 10564
application of divisions ~~(B)~~(C) to (E) of this section. 10565

~~(4)~~(6) "FY 1998 ADM," "formula ADM," and "three-year average 10566
formula ADM" have the meanings prescribed in section 3317.02 of 10567
the Revised Code. 10568

~~(5)~~(7) "All-day kindergarten" has the meaning prescribed in 10569
section 3317.029 of the Revised Code. 10570

(8) "School district" means a city, local, or exempted 10571
village school district. 10572

(B) In fiscal year 1999, notwithstanding any provision of law 10573
to the contrary, no school district shall receive FY 1999 state 10574
aid that is more than the greater of the following: 10575

(1) 110 per cent of FY 1998 state aid; 10576

(2) $[1.06 \times (\text{FY 1998 state aid}/\text{FY 1998 ADM})]$ X the greater of 10577
fiscal year 1999 formula ADM or three-year average formula ADM. 10578

If a district's projected FY 1999 state aid is more than the 10579
greater of division (B)(1) or (2) of this section, such district 10580
shall receive only the greater of division (B)(1) or (2) of this 10581
section in fiscal year 1999. 10582

(C) In fiscal year 2000, notwithstanding any provision of law 10583
to the contrary, no school district shall receive FY 2000 state 10584
aid that is more than the greater of the following: 10585

(1) 110 per cent of adjusted FY 1999 actual aid; 10586

(2) $[1.06 \times (\text{adjusted FY 1999 actual aid}/\text{fiscal year 1999}$ 10587
formula ADM)] X the greater of fiscal year 2000 formula ADM or 10588
three-year average formula ADM. 10589

If a district's projected FY 2000 state aid is more than the 10590
greater of division (C)(1) or (2) of this section, such district 10591
shall receive only the greater of division (C)(1) or (2) of this 10592
section in fiscal year 2000. 10593

(D) In fiscal year 2001, notwithstanding any provision of law 10594
to the contrary, no school district shall receive FY 2001 state 10595
aid that is more than the greater of the following: 10596

(1) 110 per cent of FY 2000 actual aid; 10597

(2) $[1.06 \times (\text{FY 2000 actual aid} / \text{fiscal year 2000 formula ADM})]$ X the greater of fiscal year 2001 formula ADM or three-year 10598
average formula ADM. 10599
10600

If a district's projected FY 2001 state aid is more than the 10601
greater of division (D)(1) or (2) of this section, such district 10602
shall receive only the greater of division (D)(1) or (2) of this 10603
section in fiscal year 2001. 10604

(E) In fiscal year 2002, notwithstanding any provision of law 10605
to the contrary, no school district shall receive FY 2002 state 10606
aid that is more than the greater of the following: 10607

(1) 110 per cent of FY 2001 actual aid; 10608

(2) $[1.06 \times (\text{FY 2001 actual aid} / \text{fiscal year 2001 formula ADM})]$ X the greater of fiscal year 2002 formula ADM or three-year 10609
average formula ADM. 10610
10611

If a district's projected FY 2002 state aid is more than the 10612
greater of division (E)(1) or (2) of this section, such district 10613
shall receive only the greater of division (E)(1) or (2) of this 10614
section in fiscal year 2002. 10615

(F) This division and division (G) of this section apply only 10616
to districts subject to division (F) of section 3317.029 of the 10617
Revised Code. As used in this division and division (G) of this 10618
section: 10619

(1) "Capped district" means a district that pursuant to 10620
division (B), (C), (D), or (E) of this section will not receive 10621
the full amount of FY 1999, FY 2000, FY 2001, or FY 2002 state 10622
aid. 10623

(2) "DPIA funds" means:	10624
(a) In FY 1998, the amount calculated for the district pursuant to division (B) of section 3317.023 of the Revised Code as it existed in that fiscal year;	10625 10626 10627
(b) In any fiscal year after FY 1998, the total amount calculated for the district for that fiscal year pursuant to section 3317.029 of the Revised Code.	10628 10629 10630
(3) "Exempt DPIA portion" means:	10631
(a) In the case of any district other than a capped district, an amount equal to zero;	10632 10633
(b) In the case of a capped district, the amount resulting from the application of the following formula:	10634 10635
(The district's DPIA funds for the year of the calculation minus the district's DPIA funds for FY 1998) minus (the district's actual aid for the year of the calculation minus the district's FY 1998 state aid)	10636
However, if this formula produces a negative number, the district's exempt DPIA portion is zero.	10637 10638
(4) "Required all-day kindergarten" for a district means the provision of all-day kindergarten to the number of students in the district's kindergarten percentage specified pursuant to division (H)(1) of section 3317.029 of the Revised Code.	10639 10640 10641 10642
(G) Notwithstanding any provision of law to the contrary:	10643
(1) In the case of any district, the district's DPIA funds are hereby deemed to first consist of any disadvantaged pupil impact aid calculated for the district for all-day kindergarten under division (D) of section 3317.029 of the Revised Code, and to next consist of any disadvantaged pupil impact aid calculated for the district under divisions (C) and (E) of section 3317.029 of the Revised Code. Each district shall expend whatever funds	10644 10645 10646 10647 10648 10649 10650

necessary to ensure provision of its required all-day 10651
kindergarten. 10652

(2) In FY 1999, a district shall expend for the purposes of 10653
section 3317.029 of the Revised Code an amount equal to at least 10654
twenty-five per cent of the resultant derived from subtracting the 10655
district's exempt DPIA portion from the amount calculated for the 10656
district under divisions (C) and (E) of section 3317.029 of the 10657
Revised Code. 10658

(3) In FY 2000, a district shall expend for the purposes of 10659
section 3317.029 of the Revised Code an amount equal to at least 10660
fifty per cent of the resultant derived from subtracting the 10661
district's exempt DPIA portion from the amount calculated for the 10662
district under divisions (C) and (E) of section 3317.029 of the 10663
Revised Code. 10664

(4) In FY 2001, a district shall expend for the purposes of 10665
section 3317.029 of the Revised Code an amount equal to at least 10666
seventy-five per cent of the resultant derived from subtracting 10667
the district's exempt DPIA portion from the amount calculated for 10668
the district under divisions (C) and (E) of section 3317.029 of 10669
the Revised Code. 10670

(5) In FY 2002 and thereafter, a district shall expend one 10671
hundred per cent of its DPIA funds for the purposes of section 10672
3317.029 of the Revised Code. 10673

(6) Districts shall comply with the requirements of division 10674
(G) of section 3317.029 of the Revised Code." 10675

Section 27. That existing Section 18 of Am. Sub. H.B. 650 of 10676
the 122nd General Assembly, as most recently amended by Am. Sub. 10677
H.B. 850 of the 122nd General Assembly, is hereby repealed. 10678

Section 28. That Sections 6, 30.07, 30.10, and 31 of Am. Sub. 10679

H.B. 850 of the 122nd General Assembly be amended to read as follows: 10680
10681

"Sec. 6. The items set forth in this section are hereby appropriated out of any moneys in the state treasury to the credit of the Public School Building Fund (Fund 021), which are not otherwise appropriated. ~~Appropriations~~ 10682
10683
10684
10685

Appropriations 10686

SFC SCHOOL FACILITIES COMMISSION 10687

CAP-622	Public School Buildings	\$	145,000,000	10688
CAP-777	Disability Access Projects	\$	5,000,000	10689
Total School Facilities Commission		\$	150,000,000	10690
Total Public School Building Fund		\$	150,000,000	10691

Disability Access Projects 10692

The foregoing appropriation item CAP-777, Disability Access Projects, shall be used to fund capital projects pursuant to this section that make buildings more accessible to students with disabilities. 10693
10694
10695
10696

(A) As used in this section: 10697

(1) "Percentile" means the percentile in which a school district is ranked according to the fiscal year 1998 ranking of school districts with regard to income and property wealth under division (B) of section 3318.011 of the Revised Code. 10698
10699
10700
10701

(2) "School district" means a city, local, or exempted village school district, but excluding a school district that is one of the state's 21 urban school districts as defined in division (O) of section 3317.02 of the Revised Code, as that section existed prior to July 1, 1998. 10702
10703
10704
10705
10706

(3) "Valuation per pupil" means a district's total taxable value as defined in section 3317.02 of the Revised Code divided by 10707
10708

the district's ADM as defined in division (A) of section 3317.02 10709
of the Revised Code as that section existed prior to July 1, 1998. 10710

(B) The School Facilities Commission shall adopt rules for 10711
awarding grants to school districts with a valuation per pupil 10712
less than \$200,000, to be used for construction, reconstruction, 10713
or renovation projects in classroom facilities, the purpose of 10714
which is to improve access to such facilities by physically 10715
handicapped persons. The rules shall include application 10716
procedures. No school district shall be awarded a grant under this 10717
section in excess of \$100,000. In addition, any school district 10718
shall be required to pay a percentage of the cost of the project 10719
for which the grant is being awarded equal to the percentile in 10720
which the district is so ranked. 10721

Sec. 30.07. Reimbursements for Project Costs 10722

Appropriations made in Sections 30.02 to ~~30.06~~ 30.45 of ~~this~~ 10723
~~act~~ AM. Sub. H.B. 850 of the 122nd General Assembly for purposes 10724
of costs of capital facilities for the interim financing of which 10725
the particular institution has previously issued its own 10726
obligations anticipating the possibility of future state 10727
appropriations to pay all or a portion of such costs, as 10728
contemplated in division (B) of section 3345.12 of the Revised 10729
Code, shall be paid directly to the institution or the paying 10730
agent for those outstanding obligations in the full principal 10731
amount of those obligations then to be paid from the anticipated 10732
appropriation, and shall be timely applied to the retirement of a 10733
like principal amount of the institutional obligations. 10734

Appropriations made in Sections 30.02 to ~~30.06~~ 30.45 of ~~this~~ 10735
~~act~~ AM. Sub. H.B. 850 of the 122nd General Assembly for purposes 10736
of costs of capital facilities, all or a portion of which costs 10737
the particular institution has paid from the institution's moneys 10738
that were temporarily available and which payments were reasonably 10739

expected to be reimbursed from the proceeds of obligations issued 10740
by the state, shall be directly paid to the institution in the 10741
full amounts of those payments, and shall be timely applied to the 10742
reimbursement of those temporarily available moneys. 10743

Sec. 30.10. CSU CENTRAL STATE UNIVERSITY 10744

CAP-022	Basic Renovations	\$	804,400	10745
CAP-083	Master Plan/Supplemental Renovations	\$	2,449,400	10746
CAP-084	College of Education Facility - Planning	\$	1,000,000	10747
Total Central State University			\$ 4,253,800	10748

College of Education Facility - Planning 10749

The foregoing appropriation item CAP-084, College of 10750
Education Facility - Planning, shall not be released by the 10751
Controlling Board or the Director of Budget and Management until 10752
Central State University ~~has satisfactorily completed a~~ 10753
~~Campus wide Master Plan, and~~ has made progress satisfactory to the 10754
Board of Regents and the Office of Budget and Management in 10755
completing the correction of its outstanding adjudication orders 10756
as issued by the Department of Commerce. Such progress shall 10757
include the development of a plan to comply with all remaining 10758
adjudication orders by the end of fiscal year 2000. This 10759
appropriation shall not be included in the calculation of Central 10760
State University's debt service obligation until fiscal year 2002. 10761

Sec. 31. Debt Service Formula Allocation 10762

Based on the foregoing appropriations in Sections 30 and 10763
30.01 to 30.45 of ~~this act~~ Am. Sub. H.B. 850 of the 122nd General 10764
Assembly, from Fund 034, Higher Education Improvement Fund, the 10765
following higher education institutions shall be responsible for 10766
the specified amounts as part of the debt service component of the 10767
instructional subsidy beginning in fiscal year 2000: 10768

<u>Institution</u>	<u>Amount</u>	10769
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University of Akron	\$10,800,000	10770
University of Akron - Wayne	\$ 675,000	10771
Bowling Green State University	\$14,013,310	10772
Bowling Green State University - Firelands	\$ 2,056,440	10773
Central State University	\$ 2,449,400	10774
University of Cincinnati	\$39,386,650	10775
University of Cincinnati - Walters	\$ 3,445,212	10776
Cleveland State University	\$16,719,670	10777
Kent State University	\$17,644,310	10778
Kent State University - Ashtabula	\$ 575,000	10779
Kent State University - East Liverpool	\$ 570,980	10780
Kent State University - Geauga	\$ 60,000	10781
Kent State University - Salem	\$ 288,310	10782
Kent State University - Stark	\$ 1,743,360	10783
Kent State University - Trumbull	\$ 175,000	10784
Kent State University - Tuscarawas	\$ 75,000	10785
Miami University	\$18,400,000	10786
	<u>17,400,000</u>	10787
Miami University - Hamilton	\$ 969,540	10788
Miami University - Middletown	\$ 1,568,330	10789
Ohio State University	\$80,760,310	10790
	<u>77,760,310</u>	10791
Ohio State University - Lima	\$2,152,620	10792
	<u>1,118,330</u>	10793
Ohio State University - Mansfield	\$ 850,000	10794
Ohio State University - Marion	\$ 408,000	10795
Ohio State University - ATI	\$ 1,560,000	10796
Ohio University	\$26,700,280	10797
	<u>21,700,280</u>	10798
Ohio University - Eastern	\$ 398,040	10799
Ohio University - Chillicothe	\$ 953,030	10800
Ohio University - Lancaster	\$ 1,116,760	10801
Ohio University - Zanesville	\$ 1,136,920	10802

Shawnee State University	\$ 1,751,500	10803
University of Toledo	\$19,800,000	10804
Wright State University	\$11,300,000	10805
Youngstown State University	\$ 9,200,000	10806
Medical College of Ohio	\$ 5,442,150	10807
Northeastern Ohio Universities College of Medicine	\$3,425,580	10808
	<u>3,443,313</u>	10809
Cincinnati State Technical and Community College	\$ 1,036,000	10810
Columbus State Community College	\$ 1,500,000	10811
Cuyahoga Community College	\$ 6,800,000	10812
Edison State Community College	\$ 50,000	10813
Jefferson Community College	\$ 817,165	10814
Lakeland Community College	\$ 3,165,340	10815
Lorain Community College	\$ 100,000	10816
Owens Community College	\$ 3,747,260	10817
Rio Grande Community College	\$ 636,000	10818
Hocking Technical College	\$ 2,924,325	10819
Lima Technical College	\$ 900,000	10820
Marion Technical College	\$ 52,700	10821
North Central Technical College	\$ 750,000	10822
Stark Technical College	\$ 1,253,252	10823

Institutions not listed above shall not have a debt service obligation as a result of these appropriations. 10824
10825

~~Within sixty days after the effective date of this section~~ 10826
Not later than May 17, 1999, any institution of higher education 10827
may notify the Board of Regents of its intention not to proceed 10828
with any project appropriated in ~~this act~~ AM. Sub. H.B. of the 10829
122nd General Assembly Upon receiving such notification, the Board 10830
of Regents may release the institution from its debt service 10831
obligation for the specific project." 10832

Section 29. That existing Sections 6, 30.07, 30.10, and 31 of 10833

Am. Sub. H.B. 850 of the 122nd General Assembly are hereby 10834
repealed. 10835

Section 30.* That Section 26 of Am. Sub. H.B. 850 of the 10836
122nd General Assembly be amended to read as follows: 10837

"Sec. 26. (A) All items set forth in this section are hereby 10838
appropriated out of any moneys in the state treasury to the credit 10839
of the School Building Program Assistance Fund (Fund 032) created 10840
under section 3318.25 of the Revised Code, derived from the 10841
proceeds of obligations heretofore and herein authorized to pay 10842
the cost to the state of acquiring classroom facilities for sale 10843
to school districts pursuant to sections 3318.01 to 3318.20 of the 10844
Revised Code. 10845

Appropriations 10846

SFC SCHOOL FACILITIES COMMISSION 10847

CAP-737	School Building Program Assistance	\$	355,000,000	10848
	Total School Facilities Commission	\$	355,000,000	10849
	Total School Building Program Assistance Fund	\$	355,000,000	10850

School Building Program Assistance 10851

The foregoing appropriation item CAP-737, School Building 10852
Program Assistance, shall be used by the School Facilities 10853
Commission to provide funding to school districts that receive 10854
conditional approval from the Commission pursuant to Chapter 3318. 10855
of the Revised Code. 10856

Commitments by the School Facilities Commission 10857

The School Facilities Commission shall not commit at least 10858
\$300 million of the combined amounts of the foregoing 10859
appropriations items CAP-622, Public School Buildings (Fund 021), 10860
and CAP-737, Public School Building Assistance (Fund 032), until 10861
after June 30, 1999. 10862

(B)(1) As used in this division: 10863

(a) "Low wealth school district" means a school district in 10864
the lowest fifty per cent of adjusted valuation per pupil on the 10865
fiscal year 1999 ranking of school districts, established pursuant 10866
to section ~~3317.02~~ 3317.0213 of the Revised Code. 10867

(b) A "school district with an exceptional need for immediate 10868
classroom facility assistance" means a school district with an 10869
exceptional need for new facilities in order to protect the health 10870
and safety of all or a portion of its students. School districts 10871
reasonably expected to be served by the Classroom Facilities 10872
Assistance Program prior to June 30, 2002, in the order provided 10873
under divisions (C)(1) and (2) of section ~~3318.06~~ 3318.02 of the 10874
Revised Code, are excluded from participating in this exceptional 10875
needs pilot program. 10876

(2) Of the \$300,000,000 the School Facilities Commission 10877
shall not commit until after June 30, 1999, the School Facilities 10878
Commission may set aside up to ten per cent for the pilot program 10879
for low wealth school districts with exceptional needs for 10880
immediate classroom facility assistance. 10881

(3)(a) After consulting with education and construction 10882
experts, the School Facilities Commission shall adopt guidelines 10883
for identifying school districts with an exceptional need for 10884
immediate classroom facility assistance. 10885

(b) The guidelines shall include application forms and 10886
instructions for school districts that believe they have an 10887
exceptional need for immediate classroom facility assistance. 10888

(4) The School Facilities Commission shall evaluate the 10889
classroom facilities, and the need for replacement classroom 10890
facilities from the applications received under this section. The 10891
School Facilities Commission, utilizing the guidelines adopted 10892
pursuant to division (B)(3) of this section, shall prioritize the 10893

school districts to be assessed. 10894

~~In accordance with division (C)(3) of Notwithstanding section~~ 10895
3318.02 of the Revised Code, the School Facilities Commission may 10896
conduct on-site evaluation of the school districts prioritized 10897
under this section and approve and award funds until such time as 10898
all funds set aside pursuant to division (B)(2) of this section 10899
have been encumbered pursuant to section 3318.04 of the Revised 10900
Code. 10901

(5) Notwithstanding division (A) of section 3318.05 of the 10902
Revised Code, the portion of the basic project costs that shall be 10903
paid by a district receiving state funds under the pilot program 10904
shall be the "required percentage of the basic project costs," as 10905
defined in division (K) of section 3318.01 of the Revised Code." 10906

Section 31.* That existing Section 26 of Am. Sub. H.B. 850 of 10907
the 122nd General Assembly is hereby repealed. 10908

Section 32.* On the effective date of this section, the Ohio 10909
SchoolNet Office is abolished and all of its functions, and assets 10910
and liabilities, are transferred to the Ohio SchoolNet Commission. 10911
The Ohio SchoolNet Commission is thereupon and thereafter 10912
successor to, assumes the obligations of, and otherwise 10913
constitutes the continuation of the Ohio SchoolNet Office. 10914

Any business commenced but not completed by the Ohio 10915
SchoolNet Office or its director on the effective date of this 10916
section shall be completed by the Ohio SchoolNet Commission or its 10917
executive director in the same manner, and with the same effect, 10918
as if completed by the Ohio SchoolNet Office or its director. No 10919
validation, cure, right, privilege, remedy, obligation, or 10920
liability is lost or impaired by reason of the transfer required 10921
by this section and shall be administered by the Ohio SchoolNet 10922
Commission. All of the Ohio SchoolNet Office's rules, orders, and 10923

determinations continue in effect as rules, orders, and 10924
determinations of the Ohio SchoolNet Commission, until modified or 10925
rescinded by the Ohio SchoolNet Commission. If necessary to ensure 10926
the integrity of the numbering of the Administrative Code the 10927
Director of the Legislative Service Commission shall renumber the 10928
Ohio SchoolNet Office's rules to reflect their transfer to the 10929
Ohio SchoolNet Commission. 10930

Subject to the lay-off provisions of sections 124.321 to 10931
124.328 of the Revised Code, all of the employees of the Ohio 10932
SchoolNet Office are transferred to the Ohio SchoolNet Commission 10933
and retain their positions and all of the benefits accruing 10934
thereto. 10935

Whenever the Ohio SchoolNet Office or its director is 10936
referred to in any law, contract, or other document, the reference 10937
shall be deemed to refer to the Ohio SchoolNet Commission or its 10938
executive director, whichever is appropriate. 10939

No action or proceeding pending on the effective date of this 10940
section is affected by the transfer, and shall be prosecuted or 10941
defended in the name of the Ohio SchoolNet Commission or its 10942
executive director. In all such actions and proceedings, the Ohio 10943
SchoolNet Commission or its executive director upon application to 10944
the court shall be substituted as a party. 10945

Section 33. Except as otherwise specifically provided in this 10946
act, the codified sections of law amended or enacted in this act, 10947
and the items of law of which the codified sections of law amended 10948
or enacted in this act are composed, are subject to the 10949
referendum. Therefore, under Ohio Constitution, Article II, 10950
Section 1c and section 1.471 of the Revised Code, the codified 10951
sections of law amended or enacted by this act, and the items of 10952
law of which the codified sections of law as amended or enacted by 10953
this act are composed, take effect on the ninety-first day after 10954

this act is filed with the Secretary of State. If, however, a 10955
referendum petition is filed against any such codified section of 10956
law as amended or enacted by this act, or against any item of law 10957
of which any such codified section of law as amended or enacted by 10958
this act is composed, the codified section of law as amended or 10959
enacted, or item of law, unless rejected at the referendum, takes 10960
effect at the earliest time permitted by law. 10961

Section 34. Except as otherwise specifically provided in this 10962
act, the repeal by this act of a codified section of law is 10963
subject to the referendum. Therefore, under Ohio Constitution, 10964
Article II, Section 1c and section 1.471 of the Revised Code, the 10965
repeal by this act of a codified section of law takes effect on 10966
the ninety-first day after this act is filed with the Secretary of 10967
State. If, however, a referendum petition is filed against any 10968
such repeal, the repeal, unless rejected at the referendum, takes 10969
effect at the earliest time permitted by law. 10970

Section 35. Sections 3313.21, 3314.03, 3314.06, 3314.08, 10971
3314.09, 3314.11, 3316.05, 3316.06, 3317.014, 3317.02, 3317.022, 10972
3317.023, 3317.024, 3317.0212, 3317.0216, 3317.03, 3317.033, 10973
3317.05, 3317.051, 3317.082, 3317.11, 3317.16, 3317.162, 3318.33, 10974
3332.05, 3332.07, 3333.12, 3333.27, and 5910.032 of the Revised 10975
Code as amended or enacted by this act, and the items of law of 10976
which such sections as amended or enacted by this act are 10977
composed, are not subject to the referendum. Therefore, under Ohio 10978
Constitution, Article II, Section 1d and section 1.471 of the 10979
Revised Code, such sections as amended or enacted by this act, and 10980
the items of law of which such sections as amended or enacted by 10981
this act are composed, go into immediate effect when this act 10982
becomes law. 10983

Section 36. The repeal by this act of sections 3317.053 and 10984

3317.16 of the Revised Code is not subject to the referendum. 10985
Therefore, under Ohio Constitution, Article II, Section 1d and 10986
section 1.471 of the Revised Code, the repeals go into immediate 10987
effect when this act becomes law. 10988

Section 37. Except as otherwise specifically provided in this 10989
act, the uncodified sections of law amended or enacted in this 10990
act, and the items of law of which the uncodified sections of law 10991
amended or enacted in this act are composed, are not subject to 10992
the referendum. Therefore, under Ohio Constitution, Article II, 10993
Section 1d and section 1.471 of the Revised Code, the uncodified 10994
sections of law amended or enacted in this act, and the items of 10995
law of which the uncodified sections of law amended or enacted in 10996
this act are composed, go into immediate effect when this act 10997
becomes law. 10998

Section 38. Uncodified sections of law amended or enacted in 10999
this act, and items of law contained within the uncodified 11000
sections of law amended or enacted in this act, that are marked 11001
with an asterisk are subject to the referendum. Therefore, under 11002
Ohio Constitution, Article II, Section 1c and section 1.471 of the 11003
Revised Code, the uncodified sections and items of law marked with 11004
an asterisk take effect on the ninety-first day after this act is 11005
filed with the Secretary of State. If, however, a referendum 11006
petition is filed against an uncodified section or item of law 11007
marked with an asterisk, the uncodified section or item of law 11008
marked with an asterisk, unless rejected at the referendum, takes 11009
effect at the earliest time permitted by law. 11010

If the amending and existing repeal clauses commanding an 11011
amendment of an uncodified section of law are both marked with 11012
asterisks, the uncodified section as amended is deemed also to 11013
have been marked with an asterisk. 11014

An asterisk marking an uncodified section or item of law has 11015
the form *. 11016

This section defines the meaning and form of, but is not 11017
itself to be considered marked with, an asterisk. 11018

Section 39. If the amendment or enactment in this act of a 11019
codified or uncodified section of law is subject to the 11020
referendum, the corresponding indications in the amending, 11021
enacting, or existing repeal clauses commanding the amendment or 11022
enactment also are subject to the referendum, along with the 11023
amendment or enactment. If the amendment or enactment by this act 11024
of a codified or uncodified section of law is not subject to the 11025
referendum, the corresponding indications in the amending, 11026
enacting, or existing repeal clauses commanding the amendment or 11027
enactment also are not subject to the referendum, the same as the 11028
amendment or enactment. 11029

Section 40. An item, other than an amending, enacting, or 11030
repealing clause, that composes the whole or part of an uncodified 11031
section contained in this act has no effect after June 30, 2001, 11032
unless its context clearly indicates otherwise. 11033

Section 41. Section 3316.06 of the Revised Code is presented 11034
in this act as a composite of the section as amended by both Am. 11035
Sub. H.B. 56 and Am. Sub. S.B. 17 of the 122nd General Assembly, 11036
with the new language of neither of the acts shown in capital 11037
letters. This is in recognition of the principle stated in 11038
division (B) of section 1.52 of the Revised Code that such 11039
amendments are to be harmonized where not substantively 11040
irreconcilable and constitutes a legislative finding that such is 11041
the resulting version in effect prior to the effective date of 11042
this act. 11043

Section 42. If any item of law that constitutes the whole or 11044
part of a codified or uncodified section of law contained in this 11045
act, or if any application of any item of law that constitutes the 11046
whole or part of a codified or uncodified section of law contained 11047
in this act, is held invalid, the invalidity does not affect other 11048
items of law or applications of item of law that can be given 11049
effect without the invalid item of law or application. To this 11050
end, the items of law of which the codified and uncodified 11051
sections contained in this act are composed, and their 11052
applications, are independent and severable. 11053