

Sub. H.B. 110
L-134-0001-5
EDUCD47, EDUCD51,
JFSCD49, JFSCD51,
JFSCD59

_____ moved to amend as follows:

In line 98 of the title, delete "5104.31,"	1
In line 284, delete "5104.31,"	2
In line 54334, reinsert " (C)(1) "; after "The" insert " <u>By June</u>	3
<u>30, 2025, the</u> "; reinsert the balance of the line	4
In line 54335, reinsert " that "; after " of " insert " <u>all</u> " and	5
reinsert the balance of the line	6
Reinsert line 54336	7
In line 54337, reinsert everything but the stricken colon	8
Reinsert lines 54343 through 54347	9
Delete lines 54348 through 54392	10
In line 70898, delete "5104.31,"	11
Delete lines 77107 through 77330 and insert:	12
"The Department of Education shall distribute the foregoing	13
appropriation item 200408, Early Childhood Education, to pay the	14
costs of early childhood education programs. The Department shall	15
distribute such funds directly to qualifying providers.	16

(A) As used in this section: 17

(1) "Provider" means a city, local, exempted village, or 18
joint vocational school district; an educational service center; a 19
community school established under Chapter 3314. of the Revised 20
Code that is sponsored by an exemplary sponsor; notwithstanding 21
anything to the contrary in Chapter 3326. of the Revised Code, a 22
STEM school that is established under that chapter; a chartered 23
nonpublic school; an early childhood education child care provider 24
licensed under Chapter 5104. of the Revised Code that participates 25
in and meets at least the third highest tier of the Step Up to 26
Quality program established pursuant to section 5104.29 of the 27
Revised Code; or a combination of entities described in this 28
paragraph. 29

(2) In the case of a city, local, or exempted village school 30
district or early childhood education child care provider licensed 31
under Chapter 5104. of the Revised Code, "new eligible provider" 32
means a provider that did not receive state funding for Early 33
Childhood Education in the previous fiscal year or demonstrates a 34
need for early childhood programs as defined in division (D) of 35
this section. 36

(3) In the case of a community school, "new eligible 37
provider" means either of the following: 38

(a) A community school established under Chapter 3314. of the 39
Revised Code that is sponsored by a sponsor rated "exemplary" in 40
accordance with section 3314.016 of the Revised Code that offers a 41
child care program in accordance with sections 3301.50 to 3301.59 42
of the Revised Code that did not receive state funding for Early 43
Childhood Education in the previous fiscal year; 44

(b) A community school established under Chapter 3314. of the 45
Revised Code that satisfies all of the following criteria: 46

(i) It has received, on its most recent report card, either 47
of the following: 48

(I) If the school offers any of grade levels four through 49
twelve, a grade of "C" or better for the overall value-added 50
progress dimension under division (C)(1)(e) of section 3302.03 of 51
the Revised Code and for the performance index score under 52
division (C)(1)(b) of section 3302.03 of the Revised Code; 53

(II) If the school does not offer a grade level higher than 54
three, a grade of "C" or better for making progress in improving 55
literacy in grades kindergarten through three under division 56
(C)(1)(g) of section 3302.03 of the Revised Code. 57

(ii) It offers a child care program in accordance with 58
sections 3301.50 to 3301.59 of the Revised Code. 59

(iii) It did not receive state funding for Early Childhood 60
Education in the previous fiscal year. 61

(4)(a) "Eligible child" means a child who is at least four 62
years of age, is not of the age to be eligible for kindergarten, 63
and whose family earns not more than two hundred per cent of the 64
federal poverty guidelines as defined in division (A)(3) of 65
section 5101.46 of the Revised Code. Children with an 66
Individualized Education Program and where the Early Childhood 67
Education program is the least restrictive environment may be 68
enrolled on their fourth birthday. 69

(b) If, on the first day of October of each fiscal year, a 70
provider has remaining award funds after enrolling eligible 71
children under division (A)(4)(a) of this section, the provider 72
may seek approval from the Department to consider a child who is 73
at least three years of age, is not of age to be eligible for 74
kindergarten, and whose family earns not more than two hundred per 75

cent of the federal poverty guidelines as an eligible child. Upon 76
approval from the Department, the provider may use the remaining 77
award funds to serve such three-year-old children as eligible 78
children. 79

(5) "Early learning program standards" means early learning 80
program standards for school readiness developed by the Department 81
to assess the operation of early learning and development 82
programs. 83

(6) "Early learning and development programs" has the same 84
meaning as in section 5104.29 of the Revised Code. 85

(B) In each fiscal year, up to two per cent of the total 86
appropriation may be used by the Department for program support 87
and technical assistance. The Department shall distribute the 88
remainder of the appropriation in each fiscal year to serve 89
eligible children. 90

(C) The Department shall provide an annual report to the 91
Governor, the Speaker of the House of Representatives, and the 92
President of the Senate and post the report to the Department's 93
web site, regarding early childhood education programs operated 94
under this section and the early learning program standards. 95

(D) After setting aside the amounts to make payments due from 96
the previous fiscal year, in fiscal year 2022, the Department 97
shall distribute funds first to recipients of funds for early 98
childhood education programs under Section 265.20 of H.B. 166 of 99
the 133rd General Assembly in the previous fiscal year and the 100
balance to new eligible providers of early childhood education 101
programs or to existing providers to serve more eligible children 102
pursuant to division (E) of this section or for purposes of 103
program expansion, improvement, or special projects to promote 104
quality and innovation. 105

After setting aside the amounts to make payments due from the
previous fiscal year, in fiscal year 2023, the Department shall
distribute funds first to providers of early childhood education
programs under this section in the previous fiscal year and the
balance to new eligible providers or to existing providers to
serve more eligible children as outlined under division (E) of
this section or for purposes of program expansion, improvement, or
special projects to promote quality and innovation.

(E)(1) The Department shall distribute any new or remaining
funding to existing providers of early childhood education
programs or any new eligible providers in an effort to invest in
high quality early childhood programs where there is a need as
determined by the Department. The Department shall distribute the
new or remaining funds to existing providers of early childhood
education programs or any new eligible providers to serve
additional eligible children based on community economic
disadvantage, limited access to high quality preschool or
childcare services, and demonstration of high quality preschool
services as determined by the Department using new metrics
developed pursuant to Ohio's Race to the Top-Early Learning
Challenge Grant, awarded to the Department in December 2011.

(2) Awards under divisions (D) and (E) of this section shall
be distributed on a per-pupil basis, and in accordance with
division (I) of this section. The Department may adjust the
per-pupil amount so that the per-pupil amount multiplied by the
number of eligible children enrolled and receiving services on the
first day of December or the business day closest to that date
equals the amount allocated under this section.

(F) Costs for developing and administering an early childhood
education program may not exceed fifteen per cent of the total

approved costs of the program. 136

All providers shall maintain such fiscal control and 137
accounting procedures as may be necessary to ensure the 138
disbursement of, and accounting for, these funds. The control of 139
funds provided in this program, and title to property obtained, 140
shall be under the authority of the approved provider for purposes 141
provided in the program unless, as described in division (K) of 142
this section, the program waives its right for funding or a 143
program's funding is eliminated or reduced due to its inability to 144
meet financial or early learning program standards. The approved 145
provider shall administer and use such property and funds for the 146
purposes specified. 147

(G) The Department may examine a provider's financial and 148
program records. If the financial practices of the program are not 149
in accordance with standard accounting principles or do not meet 150
financial standards outlined under division (F) of this section, 151
or if the program fails to substantially meet the early learning 152
program standards, meet a quality rating level in the Step Up to 153
Quality program established pursuant to section 5104.29 of the 154
Revised Code as prescribed by the Department, or exhibits below 155
average performance as measured against the standards, the early 156
childhood education program shall propose and implement a 157
corrective action plan that has been approved by the Department. 158
The approved corrective action plan shall be signed by the chief 159
executive officer and the executive of the official governing body 160
of the provider. The corrective action plan shall include a 161
schedule for monitoring by the Department. Such monitoring may 162
include monthly reports, inspections, a timeline for correction of 163
deficiencies, and technical assistance to be provided by the 164
Department or obtained by the early childhood education program. 165
The Department may withhold funding pending corrective action. If 166

an early childhood education program fails to satisfactorily
complete a corrective action plan, the Department may deny
expansion funding to the program or withdraw all or part of the
funding to the program and establish a new eligible provider
through a selection process established by the Department.

(H)(1) If the early childhood education program is licensed
by the Department of Education and is not highly rated, as
determined by the Director of Job and Family Services, under the
Step Up to Quality program established pursuant to section 5104.29
of the Revised Code, the program shall do all of the following:

(a) Meet teacher qualification requirements prescribed by
section 3301.311 of the Revised Code;

(b) Align curriculum to the early learning content standards
developed by the Department;

(c) Meet any child or program assessment requirements
prescribed by the Department;

(d) Require teachers, except teachers enrolled and working to
obtain a degree pursuant to section 3301.311 of the Revised Code,
to attend a minimum of twenty hours every two years of
professional development as prescribed by the Department;

(e) Document and report child progress as prescribed by the
Department;

(f) Meet and report compliance with the early learning
program standards as prescribed by the Department;

(g) Participate in the Step Up to Quality program established
pursuant to section 5104.29 of the Revised Code.

(2) If the program is highly rated, as determined by the
Director of Job and Family Services, under the Step Up to Quality

program established pursuant to section 5104.29 of the Revised
Code, the program shall comply with the requirements of that
program.

(I) Per-pupil funding for programs subject to this section
shall be sufficient to provide eligible children with services for
a standard early childhood schedule which shall be defined in this
section as a minimum of twelve and one-half hours per school week
as defined in section 3313.62 of the Revised Code for the minimum
school year as defined in sections 3313.48, 3313.481, and 3313.482
of the Revised Code. Nothing in this section shall be construed to
prohibit program providers from utilizing other funds to serve
eligible children in programs that exceed the twelve and one-half
hours per week or that exceed the minimum school year. For any
provider for which a standard early childhood education schedule
creates a hardship or for which the provider shows evidence that
the provider is working in collaboration with a preschool special
education program, the provider may submit a waiver to the
Department requesting an alternate schedule. If the Department
approves a waiver for an alternate schedule that provides services
for less time than the standard early childhood education
schedule, the Department may reduce the provider's annual
allocation proportionately. Under no circumstances shall an annual
allocation be increased because of the approval of an alternate
schedule.

(J) Each provider shall develop a sliding fee scale based on
family incomes and shall charge families who earn more than two
hundred per cent of the federal poverty guidelines, as defined in
division (A)(3) of section 5101.46 of the Revised Code, for the
early childhood education program.

The Department shall conduct an annual survey of each

provider to determine whether the provider charges families 225
tuition or fees, the amount families are charged relative to 226
family income levels, and the number of families and students 227
charged tuition and fees for the early childhood program. 228

(K) If an early childhood education program voluntarily 229
waives its right for funding, or has its funding eliminated for 230
not meeting financial standards or the early learning program 231
standards, the provider shall transfer control of title to 232
property, equipment, and remaining supplies obtained through the 233
program to providers designated by the Department and return any 234
unexpended funds to the Department along with any reports 235
prescribed by the Department. The funding made available from a 236
program that waives its right for funding or has its funding 237
eliminated or reduced may be used by the Department for new grant 238
awards or expansion grants. The Department may award new grants or 239
expansion grants to eligible providers who apply. The eligible 240
providers who apply must do so in accordance with the selection 241
process established by the Department. 242

(L) Eligible expenditures for the Early Childhood Education 243
Program shall be claimed each fiscal year to help meet the state's 244
TANF maintenance of effort requirement. The Superintendent of 245
Public Instruction and the Director of Job and Family Services 246
shall enter into an interagency agreement to carry out the 247
requirements under this division, which shall include developing 248
reporting guidelines for these expenditures. 249

(M)(1) The Department of Education and the Department of Job 250
and Family Services shall continue to work toward establishing the 251
following in common between early childhood education programs and 252
publicly funded child care: 253

(a) An application; 254

(b) Program eligibility;	255
(c) Funding;	256
(d) An attendance policy;	257
(e) An attendance tracking system.	258
(2) In accordance with section 5104.34 of the Revised Code,	259
eligible families may receive publicly funded child care beyond	260
the standard early childhood schedule defined in division (I) of	261
this section.	262
(3) All providers, agencies, and school districts	263
participating in the early childhood education program or	264
providing care to eligible families beyond the standard early	265
childhood schedule shall follow the common policies established	266
under this division."	267
In line 77807, after the comma insert "participate in the	268
Step Up to Quality program established pursuant to section 5104.29	269
of the Revised Code,"	270
In line 77810, after the period insert "All programs shall be	271
rated through the Step Up to Quality program."	272
In line 81499, after the period insert "The funds shall be	273
used to support early learning and development programs operating	274
in smaller communities, early learning and development programs	275
that are rated in the Step Up to Quality program at the third	276
highest tier or higher, or both."	277
In line 81570, delete "and" and insert a comma; after	278
"feasibility" delete the balance of the line	279
Delete lines 81571 and 81572	280
In line 81573, delete "tier or higher by a certain date" and	281
insert ", and value of a quality ratings system in publicly funded	282

child care"	283
In line 81574, after "(8)" insert "Barriers to participation	284
in publicly funded child care for providers and families as a	285
result of a quality ratings system;	286
(9)"	287
In line 81605, after "Representatives" insert ";	288
(12) A child care provider rated either one or two stars in	289
the Step Up to Quality program appointed by the Speaker of the	290
House of Representatives;	291
(13) A child care provider rated three, four, or five stars	292
in the Step Up to Quality program appointed by the Speaker of the	293
House of Representatives;	294
(14) A child care resource and referral representative	295
appointed by the Senate President"	296
In line 81618, after "findings" insert "and recommendations"	297
Delete lines 81636 through 81651	298

The motion was _____ agreed to.

SYNOPSIS

Step Up to Quality ratings	299
R.C. 5104.29 (conforming changes in Sections 265.20, 265.190,	300
and 307.190)	301
Retains provisions from the House version that eliminate most	302
of the current law percentages of licensed child care programs	303
that must be rated in the third tier or higher of ODJFS's Step Up	304

to Quality Program by a certain date, but also removes provisions 305
 added by S. Finance that would have eliminated the current law 306
 requirement that all programs be rated in the third tier or higher 307
 by June 30, 2025. 308

Makes conforming changes to the bill's uncodified provisions 309
 regarding early childhood education. 310

Eligible publicly funded child care providers 311

R.C. 5104.31 (conforming changes in Section 265.20) 312

Removes provisions added by S. Finance that would have 313
 eliminated the current law requirement that a licensed child care 314
 program be rated through the Step Up to Quality Program in order 315
 to provide publicly funded child care. 316

Makes conforming changes to the bill's uncodified provisions 317
 regarding early childhood education. 318

Evaluation of publicly funded child care and the Step Up to 319 Quality Program 320

Section 307.250 321

Restores provisions added by the House that authorized the 322
 study committee to include recommendations in its required report. 323

Adds to the study committee's membership child care providers 324
 rated in Step Up to Quality. 325

Department of Job and Family Services 326

Section 307.270 327

Removes provisions added by S. Finance that would have 328
 prohibited ODJFS from using funds provided through the federal 329
 Consolidated Appropriations Act, 2021 (which includes the 330
 Coronavirus Response and Relief Supplemental Appropriations Act, 331

2021) or the federal American Rescue Plan Act of 2021 for certain 332
purposes, including to assist providers of publicly funded child 333
care in improving their Step Up to Quality ratings. 334