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Office

S.B. 49
(1_135_1266-2)
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 49's Bill Analysis](#)

Version: In House Primary and Secondary Education

Primary Sponsor: Sen. Reynolds

Local Impact Statement Procedure Required: Yes

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Highlights

- The bill may decrease school district and other public school expenditures for absence intervention strategies. However, district and school costs may increase to develop or update excused absence policies that comply with the bill.
- The bill may minimally increase the Department of Education and Workforce's expenditures to modify the state report cards.

Detailed Analysis

Bill overview

The bill modifies the law regarding excessive absence from school and habitual truancy by (1) prohibiting a district or school from counting a student's first 60 hours of excused absences toward determinations of excessive absence, (2) establishing a list of permissible "legitimate excuses" for absences, and (3) prohibiting the Department of Education and Workforce (DEW) from including absences for which a student has a legitimate excuse from the chronic absenteeism indicator in the state report card.

The bill also alters the four-year adjusted graduation cohort measure used to determine a district or school's report card rating to exclude students with an individualized education plan (IEP) who have satisfied the conditions for a high school diploma, but opted not to receive a diploma and remain in school for further training. In so doing, the bill requires the current law four-year adjusted graduation cohort measure for all students to be used as a report-only measure that does not factor into a district or school's report card rating.

Excessive absence determinations and excused absence policies

Current law requires school districts and other public schools to notify parents in writing¹ when a student's nonmedical excused absences and unexcused absences reach an excessive absence threshold of 38 or more hours in one school month or 65 or more hours in a school year. For students identified as excessively absent, a district or school may take any appropriate action as an intervention strategy in the district or school's policy for addressing student absences.

The bill exempts the first 60 hours of nonmedical legitimate excuse absences from the number of hours used to determine whether a student is excessively absent, likely resulting in fewer students identified as such. In turn, the bill may decrease expenditures or workload for districts or schools to implement the district or school's absence intervention strategies. As point of reference, DEW reports that 8.8% of public school students were in the "severe" category of chronic absence (25 or more hours per school month of excused or unexcused absences) in the 2022-2023 school year (see below for the definition of "chronic absence"). It is important to note that this percentage includes some portion of students who do not meet the current law threshold to be identified as excessively absent.

On the other hand, school districts and other public schools may incur a minimal increase in administrative costs to develop or update their excused absence policies in accordance with the bill if they do not already comply with it. Specifically, the bill enumerates a list of legitimate medical and nonmedical excuses that districts and schools must allow, although the bill permits districts to approve others as well.² Currently, districts and schools must comply with the requirements of an administrative rule that governs excused absences from school ([Ohio Administrative Code 3301-69-02](#)). The bill's list of legitimate excuses generally aligns with the list currently in rule, except that the bill adds participation in 4-H and Future Farmers of America activities and farm work as legitimate excuses.

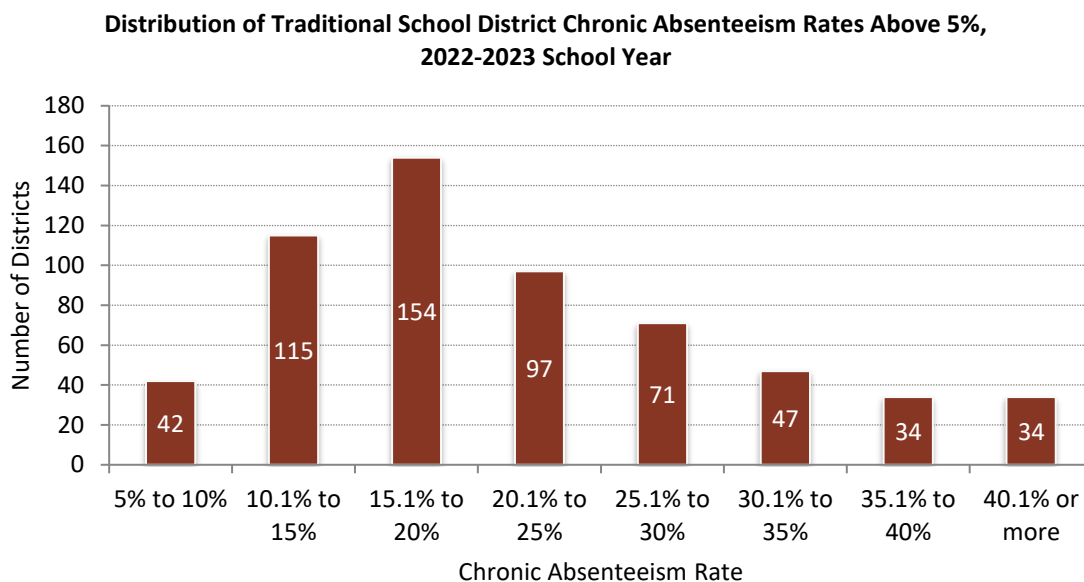
Chronic absence

DEW currently defines "chronic absence" as a student missing 10% or more of the school year (equivalent to 12 hours per school month or 92 hours per school year) for any reason, including medical and nonmedical excused absences, unexcused absences, and suspensions. The state report card includes a chronic absenteeism measure that gauges annual improvement in the chronic absenteeism rates of districts and schools. The chronic absenteeism rate is also used to identify districts and schools that must implement certain interventions for habitually truant students (students who are absent without a legitimate excuse for 30 or more consecutive hours, 42 or more hours in one school month, or 72 or more hours in a school year). Continuing law requires school districts and other public schools that have a chronic absenteeism rate of 5% or more to implement absence intervention teams and intervention plans for them. Districts and schools that are exempt from this requirement must instead take any appropriate action as an intervention strategy contained in the district or school's policy to address student absences.

¹ According to DEW, this notice may be transmitted by email or postal mail.

² For the list of legitimate excuses, see pages 3 and 4 of the LSC [Substitute Bill Comparative Synopsis for S.B. 49 \(PDF\)](#), which is available on the General Assembly's website: legislature.ohio.gov.

The bill prohibits DEW, when it calculates the state report card's chronic absenteeism indicator for a school district or school building, from including absences for which a student has a legitimate excuse. As a result, the bill may reduce the number of schools subject to intervention requirements for habitually truant students and thus district and school costs to implement and monitor the plans. Currently, most public schools are subject to the requirements. For example, in the 2022-2023 school year, 594 (98%) school districts had a chronic absenteeism rate of 5% or more. Chronic absenteeism rates for that year tended to be from 5% to 25%, with about 408 (70%) of those districts falling in that range. The chart below illustrates the distribution of chronic absenteeism rates for traditional school districts whose rate is above 5% for the 2022-2023 school year.



Report card graduation measures

Under current law, DEW's report card rating for a district or school includes a factor for the district or school's adjusted four-year cohort graduation rate. The bill replaces this rate in current law with a four-year graduation measure that does not include students with an IEP who have satisfied the conditions for a high school diploma, but opted not to receive a diploma and remain in school for further training. In general, these students, though they have completed the requirements to graduate, continue to receive education services because their IEP team has determined that the student has not completed all IEP goals that would result in fair and appropriate public education. The provision may improve graduation rates and report card ratings for some districts and schools, but few students fall into this category. In the 2022-2023 school year, enrollment of these students amounted to 1,838 students, or 0.1% of statewide enrollment. The bill maintains the full adjusted four-year cohort graduation rate, including students with an IEP who remain in school after completing graduation requirements, as a measure to be reported by DEW. However, the bill excludes this rate from the determination of a district or school's report card rating.

This change, as well as the provision changing the calculation of the chronic absenteeism rate, may result in minimal costs to DEW to modify the state report cards accordingly. H.B. 33 of

the 135th General Assembly, the current main operating budget act, appropriates \$6.7 million in FY 2024 and \$7.3 million in FY 2025 from the GRF for the administration of the state's accountability system and report cards.

Synopsis of Fiscal Effect Changes

- The substitute bill (I_135_1266-2) eliminates the Senate-passed (previous) bill's fiscal effects on school districts and other public schools associated with developing or updating religious accommodation policies by removing those provisions from the bill.
- The substitute bill adds provisions regarding excessive absence determinations, excused absence policies, chronic absence, and report card graduation measures, resulting in the fiscal effects described above.