

# AN ACT

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

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

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

Sec. 117.46. Each biennium the auditor of state shall conduct a minimum of four performance audits under this section. Except as otherwise provided in this section, at least two of the audits shall be of state agencies selected from a list comprised of the administrative departments listed in section 121.02 of the Revised Code and the department of education and at least two of the audits shall be of other state agencies. At the auditor of state's discretion, the auditor of state may also conduct ~~a performance audit~~ audits of ~~a state institution~~ institutions of higher education ~~as one of the four required performance audits~~. The offices of the attorney general, auditor of state, governor, secretary of state, and treasurer of state and agencies of the legislative and judicial branches are not subject to an audit under this section.

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

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

The performance audits under this section shall be conducted pursuant to sections 117.01 and 117.13 of the Revised Code. In conducting a performance audit, the auditor of state shall determine the scope of the audit, but shall consider, if appropriate, supervisory and subordinate level operations in the agency or institution. A performance audit under this section shall not include review or evaluation of an institution's academic performance.

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

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

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

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

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

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

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

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

(1) Program eligibility;

(2) The process for granting academic credits;

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

(4) Criteria for any transportation aid;

(5) Available support services;

(6) Scheduling;

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

(a) The consequences of failing or not completing a course under the program, including the effect on the student's ability to complete the secondary school's graduation requirements;

(b) The effect of the grade attained in a course under the program being included in the student's grade point average, as applicable;

(c) The benefits to the student for successfully completing a course under the program, including the ability to reduce the overall costs of, and the amount of time required for, a college education.

(8) The academic and social responsibilities of students and parents under the program;

(9) Information about and encouragement to use the counseling services of the college in which the student intends to enroll;

(10) The standard packet of information for the program developed by the chancellor of higher education pursuant to section 3365.15 of the Revised Code;

For a participating nonpublic secondary school, counseling information shall also include an explanation that funding may be limited and that not all students who wish to participate may be able to do so.

(C) Promote the program on the school's web site, including the details of the school's current agreements with partnering colleges;

(D) Schedule at least one informational session per school year to allow each ~~partnering participating~~ college that is located within thirty miles of the school to meet with interested students and parents. The session shall include the benefits and consequences of participation and shall outline any changes or additions to the requirements of the program. If there are no ~~partnering participating~~ colleges located within thirty miles of the school, the school shall coordinate with the closest ~~partnering participating~~ college to offer an informational session.

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

(1) A partnering college;

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

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

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

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

(F) Develop model course pathways, pursuant to section 3365.13 of the Revised Code, and publish the course pathways among the school's official list of course offerings for the program.

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

SECTION 2. That existing sections 117.46, 3345.55, and 3365.04 of the Revised Code are hereby repealed.

SECTION 3. That Sections 265.10 and 265.210 of H.B. 166 of the 133rd General Assembly be

amended to read as follows:

Sec. 265.10.

	1	2	3	4	5
A	EDU DEPARTMENT OF EDUCATION				
B	General Revenue Fund				
C	GRF	200321	Operating Expenses	\$ 15,153,032	\$ 16,565,951
D	GRF	200408	Early Childhood Education	\$ 68,116,789	\$ 68,116,789
E	GRF	200420	Information Technology Development and Support	\$ 4,004,299	\$ 4,026,960
F	GRF	200422	School Management Assistance	\$ 2,385,580	\$ 2,408,711
G	GRF	200424	Policy Analysis	\$ 458,232	\$ 457,676
H	GRF	200426	Ohio Educational Computer Network	\$ 15,457,000	\$ 15,457,000
I	GRF	200427	Academic Standards	\$ 4,434,215	\$ 4,483,525
J	GRF	200437	Student Assessment	\$ 56,906,893	\$ 56,948,365

K	GRF	200439	Accountability/ Report Cards	\$	7,517,406	\$	7,565,320
L	GRF	200442	Child Care Licensing	\$	2,156,322	\$	2,227,153
M	GRF	200446	Education Management Information System	\$	8,112,987	\$	8,174,415
N	GRF	200448	Educator Preparation	\$	11,785,384	\$	7,285,384
O	GRF	200455	Community Schools and Choice Programs	\$	4,867,763	\$	4,912,546
P	GRF	200465	Education Technology Resources	\$	5,179,664	\$	5,179,664
Q	GRF	200478	Industry- Recognized Credentials High School Students	\$	25,000,000	\$	25,000,000
R	GRF	200502	Pupil Transportation	\$	527,129,809	\$	527,129,809
S	GRF	200505	School Lunch Match	\$	8,963,500	\$	8,963,500
T	GRF	200511	Auxiliary Services	\$	154,939,134	\$	154,939,134
U	GRF	200532	Nonpublic	\$	69,997,735	\$	69,997,735

			Administrative Cost Reimbursement		
V	GRF	200540	Special Education Enhancements	\$ 152,600,000	\$ 152,850,000
W	GRF	200545	Career- Technical Education Enhancements	\$ 9,750,892	\$ 9,750,892
X	GRF	200550	Foundation Funding	\$ 6,942,880,845	\$ <del>6,774,618,845</del> <u>6,784,618,845</u>
Y	GRF	200566	Literacy Improvement	\$ 1,452,876	\$ 1,452,172
Z	GRF	200572	Adult Education Programs	\$ 10,207,674	\$ 10,207,674
AA	GRF	200573	EdChoice Expansion	\$ 57,223,340	\$ 121,017,418
AB	GRF	200574	Half-Mill Maintenance Equalization	\$ 18,849,207	\$ 18,128,526
AC	GRF	200576	Adaptive Sports Program	\$ 250,000	\$ 250,000
AD	GRF	200597	Program and Project Support	\$ 1,125,000	\$ 625,000
AE	GRF	657401	Medicaid in Schools	\$ 297,978	\$ 297,978

AF	TOTAL GRF General Revenue Fund			\$ 8,187,203,556	\$ <del>8,079,038,142</del>
					<u>8,089,038,142</u>
AG	Dedicated Purpose Fund Group				
AH	4520	200638	Charges and Reimbursements	\$ 1,000,000	\$ 1,000,000
AI	4550	200608	Commodity Foods	\$ 1,000,000	\$ 1,000,000
AJ	4L20	200681	Teacher Certification and Licensure	\$ 13,795,827	\$ 14,000,000
AK	5980	200659	Auxiliary Services Reimbursement	\$ 1,300,000	\$ 1,300,000
AL	5H30	200687	School District Solvency Assistance	\$ 2,000,000	\$ 2,000,000
AM	5KX0	200691	Ohio School Sponsorship Program	\$ 1,250,000	\$ 1,250,000
AN	5MM0	200677	Child Nutrition Refunds	\$ 550,000	\$ 550,000
AO	5U20	200685	National Education Statistics	\$ 170,675	\$ 175,000
AP	5VS0	200604	Student Wellness and Success	\$ 275,000,000	\$ 400,000,000

AQ	5VU0	200663	School Bus Purchase	\$	0	\$	20,000,000
AR	6200	200615	Educational Improvement Grants	\$	594,443	\$	600,000
AS	TOTAL DPF Dedicated Purpose Fund Group			\$	296,660,945	\$	441,875,000
AT	Internal Service Activity Fund Group						
AU	1380	200606	Information Technology Development and Support	\$	7,939,104	\$	8,047,645
AV	4R70	200695	Indirect Operational Support	\$	7,856,766	\$	7,856,766
AW	4V70	200633	Interagency Program Support	\$	5,497,938	\$	5,500,000
AX	TOTAL ISA Internal Service Activity Fund Group			\$	21,293,808	\$	21,404,411
AY	State Lottery Fund Group						
AZ	7017	200602	School Climate Grants	\$	2,000,000	\$	2,000,000
BA	7017	200612	Foundation Funding	\$	1,081,400,000	\$	1,249,900,000
BB	7017	200614	Accelerate Great Schools	\$	1,500,000	\$	1,500,000



BC	7017	200631	Quality Community Schools Support	\$	30,000,000	\$	30,000,000
BD	7017	200636	Enrollment Growth Supplement	\$	15,500,000	\$	23,000,000
BE	7017	200684	Community School Facilities	\$	20,600,000	\$	20,600,000
BF	TOTAL SLF State Lottery Fund Group			\$	1,151,000,000	\$	1,327,000,000
BG	Federal Fund Group						
BH	3670	200607	School Food Services	\$	11,469,730	\$	11,897,473
BI	3700	200624	Education of Exceptional Children	\$	2,000,000	\$	2,000,000
BJ	3AF0	657601	Schools Medicaid Administrative Claims	\$	295,500	\$	295,500
BK	3AN0	200671	School Improvement Grants	\$	17,000,000	\$	17,000,000
BL	3C50	200661	Early Childhood Education	\$	12,555,000	\$	12,555,000
BM	3EH0	200620	Migrant Education	\$	2,700,000	\$	2,700,000
BN	3EJ0	200622	Homeless	\$	3,295,203	\$	3,300,000

			Children Education		
BO	3FE0	200669	Striving Readers	\$ 12,507,905	\$ 12,511,000
BP	3GE0	200674	Summer Food Service Program	\$ 15,599,467	\$ 16,342,299
BQ	3GG0	200676	Fresh Fruit and Vegetable Program	\$ 4,911,207	\$ 5,145,074
BR	3HF0	200649	Federal Education Grants	\$ 7,049,677	\$ 7,056,327
BS	3HI0	200634	Student Support and Academic Enrichment	\$ 40,042,720	\$ 40,042,720
BT	3L60	200617	Federal School Lunch	\$ 418,643,500	\$ 430,837,000
BU	3L70	200618	Federal School Breakfast	\$ 158,726,966	\$ 163,350,081
BV	3L80	200619	Child/Adult Food Programs	\$ 110,121,168	\$ 113,328,580
BW	3L90	200621	Career- Technical Education Basic Grant	\$ 45,946,927	\$ 46,000,000
BX	3M00	200623	ESEA Title 1A	\$ 600,000,000	\$ 600,000,000
BY	3M20	200680	Individuals with Disabilities	\$ 454,770,591	\$ 455,000,000

			Education Act		
BZ	3T40	200613	Public Charter Schools	\$ 7,000,000	\$ 7,000,000
CA	3Y20	200688	21st Century Community Learning Centers	\$ 47,500,000	\$ 47,500,000
CB	3Y60	200635	Improving Teacher Quality	\$ 85,000,000	\$ 85,000,000
CC	3Y70	200689	English Language Acquisition	\$ 10,500,000	\$ 10,500,000
CD	3Y80	200639	Rural and Low Income Technical Assistance	\$ 3,600,000	\$ 3,600,000
CE	3Z20	200690	State Assessments	\$ 12,000,000	\$ 12,000,000
CF	3Z30	200645	Consolidated Federal Grant Administration	\$ 10,701,635	\$ 10,900,000
CG	TOTAL FED Federal Fund Group			\$ 2,093,937,196	\$ 2,115,861,054
CH	TOTAL ALL BUDGET FUND GROUPS			\$ 11,750,095,505	\$ <del>11,985,178,607</del> <u>11,995,178,607</u>

Sec. 265.210. FOUNDATION FUNDING

Of the foregoing appropriation item 200550, Foundation Funding, up to \$40,000,000 in each fiscal year shall be used to provide additional state aid to school districts, joint vocational school districts, community schools, and STEM schools for special education students under division (C)(3) of section 3314.08, section 3317.0214 and division (B) of section 3317.16 in accordance with the

section of ~~this act~~ H.B. 166 of the 133rd General Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 2020 and 2021," and section 3326.34 of the Revised Code, except that the Controlling Board may increase these amounts if presented with such a request from the Department of Education at the final meeting of the fiscal year.

Of the foregoing appropriation item 200550, Foundation Funding, up to \$3,800,000 in each fiscal year shall be used to fund gifted education at educational service centers. The Department shall distribute the funding through the unit-based funding methodology in place under division (L) of section 3317.024, division (E) of section 3317.05, and divisions (A), (B), and (C) of section 3317.053 of the Revised Code as they existed prior to fiscal year 2010.

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

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

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

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

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

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

Of the foregoing appropriation item 200550, Foundation Funding, an amount shall be

available in each fiscal year to be paid to joint vocational school districts in accordance with the section of ~~this act~~ H.B. 166 of the 133rd General Assembly entitled "FUNDING FOR JOINT VOCATIONAL SCHOOL DISTRICTS."

Of the foregoing appropriation item 200550, Foundation Funding, up to \$700,000 in each fiscal year shall be used by the Department for a program to pay for educational services for youth who have been assigned by a juvenile court or other authorized agency to any of the facilities described in division (A) of the section of ~~this act~~ H.B. 166 of the 133rd General Assembly entitled "PRIVATE TREATMENT FACILITY PROJECT."

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

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

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

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

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

Of the foregoing appropriation item 200550, Foundation Funding, up to \$10,000,000 in fiscal year 2021 shall be used to pay scholarships awarded as follows. Notwithstanding anything in the Revised Code to the contrary, for applications for the 2020- 2021 school year, the Department of Education shall accept, process, and award performance-based Educational Choice scholarships under section 3310.03 of the Revised Code as follows. An application period for students who are eligible for the first time for the 2020-2021 school year shall open April 1, 2020, and run not less than sixty days or to the extent funds appropriated by the General Assembly under Section 265.10 of H.B. 166 of the 133rd General Assembly and this section remain available. The Department shall award scholarships in the order that it receives applications and shall continue to award scholarships to the extent the funds appropriated by the General Assembly under Section 265.10 of H.B. 166 of

the 133rd General Assembly and this section remain available. An application period for students who were eligible for scholarships for the 2019-2020 school year, regardless of whether the students received scholarships for that school year, and remain eligible for the 2020-2021 school year shall open April 1, 2020, and run not less than sixty days. These scholarships shall be funded and paid in accordance with section 3310.08 of the Revised Code.

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

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

The Superintendent of Public Instruction shall make payments, transfers, and deductions, as authorized by Title XXXIII of the Revised Code in amounts substantially equal to those made in the prior year, or otherwise, at the discretion of the Superintendent, until at least the effective date of the amendments and enactments made to Title XXXIII by ~~this act~~ H.B. 166 of the 133rd General Assembly. Any funds paid to districts or schools under this section shall be credited toward the annual funds calculated for the district or school after the changes made to Title XXXIII in ~~this act~~ H.B. 166 of the 133rd General Assembly are effective. Upon the effective date of changes made to Title XXXIII in ~~this act~~ H.B. 166 of the 133rd General Assembly, funds shall be calculated as an annual amount.

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

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

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

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

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

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*Governor.*

Am. Sub. S. B. No. 120

133rd G.A.

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

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*Director, Legislative Service Commission.*

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

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*Secretary of State.*

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