

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

S. B. No. 224

Senator Thomas

A BILL

To amend Sections 265.210 and 265.220 of H.B. 166 1
of the 133rd General Assembly to provide an 2
additional school funding payment for fiscal 3
years 2020 and 2021 for school districts that 4
were subject to the cap that restricted 5
increases in aggregate funding in fiscal year 6
2019 and satisfy other criteria. 7

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

Section 1. That Sections 265.210 and 265.220 of H.B. 166 8
of the 133rd General Assembly be amended to read as follows: 9

Sec. 265.210. FOUNDATION FUNDING 10

Of the foregoing appropriation item 200550, Foundation 11
Funding, up to \$40,000,000 in each fiscal year shall be used to 12
provide additional state aid to school districts, joint 13
vocational school districts, community schools, and STEM schools 14
for special education students under division (C) (3) of section 15
3314.08, section 3317.0214 and division (B) of section 3317.16 16
in accordance with the section of ~~this act~~ H.B. 166 of the 133rd 17
General Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 18
2020 and 2021," and section 3326.34 of the Revised Code, except 19

that the Controlling Board may increase these amounts if 20
presented with such a request from the Department of Education 21
at the final meeting of the fiscal year. 22

Of the foregoing appropriation item 200550, Foundation 23
Funding, up to \$3,800,000 in each fiscal year shall be used to 24
fund gifted education at educational service centers. The 25
Department shall distribute the funding through the unit-based 26
funding methodology in place under division (L) of section 27
3317.024, division (E) of section 3317.05, and divisions (A), 28
(B), and (C) of section 3317.053 of the Revised Code as they 29
existed prior to fiscal year 2010. 30

Of the foregoing appropriation item 200550, Foundation 31
Funding, up to \$40,000,000 in each fiscal year shall be reserved 32
to fund the state reimbursement of educational service centers 33
under the section of ~~this act~~ H.B. 166 of the 133rd General 34
Assembly entitled "EDUCATIONAL SERVICE CENTERS FUNDING." 35

Of the foregoing appropriation item 200550, Foundation 36
Funding, up to \$3,500,000 in each fiscal year shall be 37
distributed to educational service centers for School 38
Improvement Initiatives and for the provision of technical 39
assistance to schools and districts consistent with requirements 40
of section 3312.01 of the Revised Code. The Department may 41
distribute these funds through a competitive grant process. 42

Of the foregoing appropriation item 200550, Foundation 43
Funding, up to \$7,000,000 in each fiscal year shall be reserved 44
for payments under section 3317.029 of the Revised Code, in 45
accordance with the section of ~~this act~~ H.B. 166 of the 133rd 46
General Assembly entitled "OPERATING FUNDING FOR FISCAL YEARS 47
2020 and 2021." If this amount is not sufficient, the 48
Superintendent of Public Instruction may reallocate excess funds 49

for other purposes supported by this appropriation item in order 50
to fully pay the amounts required by that section, provided that 51
the aggregate amount appropriated in appropriation item 200550, 52
Foundation Funding, is not exceeded. 53

Of the foregoing appropriation item 200550, Foundation 54
Funding, up to \$26,400,000 in each fiscal year shall be used to 55
support school choice programs. 56

Of the portion of the funds distributed to the Cleveland 57
Municipal School District under this section, up to \$23,501,887 58
in each fiscal year shall be used to operate the school choice 59
program in the Cleveland Municipal School District under 60
sections 3313.974 to 3313.979 of the Revised Code. 61
Notwithstanding divisions (B) and (C) of section 3313.978 and 62
division (C) of section 3313.979 of the Revised Code, up to 63
\$1,000,000 in each fiscal year of this amount shall be used by 64
the Cleveland Municipal School District to provide tutorial 65
assistance as provided in division (H) of section 3313.974 of 66
the Revised Code. The Cleveland Municipal School District shall 67
report the use of these funds in the district's three-year 68
continuous improvement plan as described in section 3302.04 of 69
the Revised Code in a manner approved by the Department. 70

Of the foregoing appropriation item 200550, Foundation 71
Funding, up to \$2,000,000 in each fiscal year may be used for 72
payment of the College Credit Plus Program for students 73
instructed at home pursuant to section 3321.04 of the Revised 74
Code. An amount equal to the unexpended, unencumbered balance of 75
this earmark at the end of fiscal year 2020 is hereby 76
reappropriated for the same purpose for fiscal year 2021. 77

Of the foregoing appropriation item 200550, Foundation 78
Funding, an amount shall be available in each fiscal year to be 79

paid to joint vocational school districts in accordance with the 80
section of ~~this act~~ H.B. 166 of the 133rd General Assembly 81
entitled "FUNDING FOR JOINT VOCATIONAL SCHOOL DISTRICTS." 82

Of the foregoing appropriation item 200550, Foundation 83
Funding, up to \$700,000 in each fiscal year shall be used by the 84
Department for a program to pay for educational services for 85
youth who have been assigned by a juvenile court or other 86
authorized agency to any of the facilities described in division 87
(A) of the section of ~~this act~~ H.B. 166 of the 133rd General 88
Assembly entitled "PRIVATE TREATMENT FACILITY PROJECT." 89

Of the foregoing appropriation item 200550, Foundation 90
Funding, a portion may be used to pay college-preparatory 91
boarding schools the per pupil boarding amount pursuant to 92
section 3328.34 of the Revised Code. 93

Of the foregoing appropriation item 200550, Foundation 94
Funding, a portion in each fiscal year shall be used to pay 95
community schools and STEM schools the amounts calculated for 96
the graduation and third-grade reading bonuses under sections 97
3314.085 and 3326.41 of the Revised Code, in accordance with the 98
sections of ~~this act~~ H.B. 166 of the 133rd General Assembly 99
entitled "FUNDING FOR COMMUNITY SCHOOLS" and "FUNDING FOR STEM 100
SCHOOLS." 101

Of the foregoing appropriation item 200550, Foundation 102
Funding, up to \$1,172,000 in fiscal year 2020 and up to 103
\$1,760,000 in fiscal year 2021 may be used by the Department for 104
duties and activities related to the establishment of academic 105
distress commissions under section 3302.10 of the Revised Code, 106
to provide support and assistance to academic distress 107
commissions to further their duties under Chapter 3302. of the 108
Revised Code, and to provide technical assistance and tools to 109

support districts subject to academic distress commissions. 110

Of the foregoing appropriation item 200550, Foundation 111
Funding, up to \$350,000 in fiscal year 2020 shall be used by the 112
Department of Education to conduct return on investment studies 113
for programming funded through student success and wellness 114
funds and to provide technical assistance to school districts on 115
implementing these strategies. 116

Of the foregoing appropriation item 200550, Foundation 117
Funding, up to \$100,000 in each fiscal year shall be used to 118
make payments under section 3314.06 of the Revised Code to each 119
community school that operates a program that uses the 120
Montessori method endorsed by the American Montessori society, 121
the Montessori Accreditation Council for Teacher Education, or 122
the Association Montessori Internationale as its primary method 123
of instruction for students younger than four years of age who 124
are enrolled in the school. 125

The remainder of the foregoing appropriation item 200550, 126
Foundation Funding, shall be used to fund the payments included 127
in the state funding allocation under ~~division~~divisions (A) (1) 128
and (C) of the section of this act H.B. 166 of the 133rd General 129
Assembly entitled "FUNDING FOR CITY, LOCAL, AND EXEMPTED VILLAGE 130
SCHOOL DISTRICTS." 131

Appropriation items 200502, Pupil Transportation, 200540, 132
Special Education Enhancements, and 200550, Foundation Funding, 133
other than specific set-asides, are collectively used in each 134
fiscal year to pay state formula aid obligations for school 135
districts, community schools, STEM schools, college preparatory 136
boarding schools, and joint vocational school districts under 137
~~this act~~ H.B. 166 of the 133rd General Assembly. The first 138
priority of these appropriation items, with the exception of 139

specific set-asides, is to fund state formula aid obligations. 140
It may be necessary to reallocate funds among these 141
appropriation items or use excess funds from other general 142
revenue fund appropriation items in the Department of 143
Education's budget, including appropriation item 200903, 144
Property Tax Reimbursement - Education, in each fiscal year in 145
order to meet state formula aid obligations. If it is determined 146
that it is necessary to transfer funds among these appropriation 147
items or to transfer funds from other General Revenue Fund 148
appropriations in the Department's budget to meet state formula 149
aid obligations, the Superintendent of Public Instruction shall 150
seek approval from the Director of Budget and Management to 151
transfer funds as needed. 152

The Superintendent of Public Instruction shall make 153
payments, transfers, and deductions, as authorized by Title 154
XXXVIII of the Revised Code in amounts substantially equal to 155
those made in the prior year, or otherwise, at the discretion of 156
the Superintendent, until at least the effective date of the 157
amendments and enactments made to Title XXXVIII by ~~this act~~ H.B. 158
166 of the 133rd General Assembly. Any funds paid to districts 159
or schools under this section shall be credited toward the 160
annual funds calculated for the district or school after the 161
changes made to Title XXXVIII in ~~this act~~ H.B. 166 of the 133rd 162
General Assembly are effective. Upon the effective date of 163
changes made to Title XXXVIII in ~~this act~~ H.B. 166 of the 133rd 164
General Assembly, funds shall be calculated as an annual amount. 165

Sec. 265.220. FUNDING FOR CITY, LOCAL, AND EXEMPTED 166
VILLAGE SCHOOL DISTRICTS 167

(A) Subject to Section 265.227 of ~~this act~~ H.B. 166 of the 168
133rd General Assembly, for each of fiscal years 2020 and 2021, 169

the Department of Education shall pay each city, local, and 170
exempted village school district an amount equal to the sum of 171
the following: 172

(1) The district's payments for fiscal year 2019 under 173
section 3317.022 of the Revised Code and Section 265.220 of Am. 174
Sub. H.B. 49 of the 132nd General Assembly; 175

(2) The district's payments for fiscal year 2019 under 176
section 3317.0212 and division (D) (2) of section 3314.091 of the 177
Revised Code. 178

(B) (1) For purposes of division (B) of this section: 179

(a) "Eligible school district" means a city, local, or 180
exempted village school district with an enrolled ADM greater 181
than or equal to fifty. 182

(b) "Enrolled ADM" has the same meaning as in section 183
3317.0219 of the Revised Code as enacted by ~~this act~~ H.B. 166 of 184
the 133rd General Assembly. 185

(2) For each of fiscal years 2020 and 2021, the Department 186
of Education shall pay each eligible school district an 187
additional amount calculated as follows: 188

(a) Determine the district's percentage of change in 189
enrolled ADM between fiscal years 2016 and 2017, fiscal years 190
2017 and 2018, and fiscal years 2018 and 2019; 191

(b) Calculate the average of the percentage of changes in 192
enrolled ADM determined for the district under division (B) (2) 193
(a) of this section; 194

(c) Compute the district's payment as follows: 195

The district's average percentage calculated under division (B) 196

(2) (b) of this section X 100 X the district's enrolled ADM for 197
fiscal year 2019 X \$20, for fiscal year 2020, or \$30, for fiscal 198
year 2021 199

If the result of the calculation for a district under 200
division (B) (2) (c) of this section is less than zero, the 201
district shall not receive a payment under division (B) of this 202
section. 203

(C) (1) For the purposes of division (C) of this section: 204

(a) A district's "business valuation" is equal to the 205
following: 206

(The taxable value of the district's real property classified as 207
nonresidential/agricultural under section 5713.041 of the 208
Revised Code + the taxable value of the district's public 209
utility tangible personal property) / the total taxable value of 210
the district 211

(b) An "eligible school district" is a city, local, or 212
exempted village school district that meets all of the following 213
criteria: 214

(i) The district was subject to the limitation prescribed 215
in division (B) (1) of Section 265.220 of H.B. 49 of the 132nd 216
General Assembly for fiscal year 2019. 217

(ii) For tax year 2017, the district received a payment 218
under division (D) (1) (b) of section 5709.92 of the Revised Code. 219

(iii) For fiscal year 2018, the district had a business 220
valuation that was at least twice the average of the business 221
valuations of all districts statewide for fiscal year 2018, as 222
determined by the Department of Education using information 223
certified to the Department by the Tax Commissioner. 224

(iv) For fiscal year 2018, the district had an effective 225
Class 2 (nonresidential/agricultural) millage rate of at least 226
1.5 times the state average for fiscal year 2018, as determined 227
by the Department of Education using information certified to 228
the Department by the Tax Commissioner. 229

(2) For each of fiscal years 2020 and 2021, the Department 230
of Education shall compute and pay an additional amount to each 231
eligible school district equal to the absolute value of the 232
difference between the sum of the amounts calculated under 233
sections 3317.022 and 3317.0212 of the Revised Code for the 234
district before and after application of the limitation under 235
division (B) (1) of Section 265.220 of H.B. 49 of the 132nd 236
General Assembly for fiscal year 2019. 237

Section 2. That existing Sections 265.210 and 265.220 of 238
H.B. 166 of the 133rd General Assembly are hereby repealed. 239