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Addendum to Fiscal Note for S.B. 208

Version: In House Primary and Secondary Education

Fiscal Effect of AM3286-1

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Highlights

- The amendment establishes the Prenatal-to-Five Early Childhood to Post-secondary Regional Partnerships Program. The amendment may increase the administrative costs of the Department of Education and Workforce and the Ohio Department of Higher Education to develop and implement the program.
- School districts, other public schools, and state institutions of higher education that choose to participate in the Prenatal-to-Five Early Childhood to Post-secondary Regional Partnerships Program will incur costs to carry out their regional partnership's activities.
- The amendment may increase the State Board of Education's administrative costs paid from the State Board of Education Licensure Fund (Fund 4L20) to process any additional pre-service teacher permit applications resulting from the amendment. These costs will be more or less offset by a gain in permit fee revenue paid by applicants.
- The annual cost of performing the Bureau of Criminal Investigation's background check activities and services may increase to some degree. These costs will be more or less offset by the fees charged to conduct a background check.
- School districts and educational service centers may incur minimal administrative costs to implement the amendment's requirements to take certain needs and cost factors into account when purchasing technological equipment to the extent that they do not do so already.

Detailed Analysis

The amendment makes a variety of changes to education law. The amendment's provisions concern early childhood to post-secondary regional partnerships, pre-service teacher permits, school purchases of technology equipment, virtual services provided under certain state scholarship programs, education and transportation services for open enrollment students of discharged military parents, in-service training on child sexual abuse, home education learning pods, and instruction on interaction with law enforcement. Additional details are provided below.

Prenatal-to-Five Early Childhood to Post-secondary Regional Partnerships Program

Overview

The amendment creates the Prenatal-to-Five Early Childhood to Post-secondary Regional Partnerships Program to support and establish early childhood to post-secondary regional partnerships across the state to increase educational attainment and economic mobility outcomes for children and adults. A partnership must consist of prenatal-to-five early learning programs, primary and secondary schools, out-of-school time providers, post-secondary institutions, and workforce and community partners that are located in the same region. The Department of Education and Workforce (DEW), in conjunction with the Ohio Department of Higher Education (ODHE), will be responsible for administering the program, including distributing grants to eligible applicants, though DEW is primarily responsible for implementation of the program. Beginning January 1, 2025, the amendment requires the Department of Children and Youth to join the collaboration.

In essence, the amendment codifies and renames the Regional Education Partnership Grant Program. The General Assembly funded this program with \$2 million in federal American Rescue Plan Act funds appropriated for FY 2022 in H.B. 169 of the 134th General Assembly. DEW used the funds to distribute grants to support regional collaboration pilot programs among early learning, primary and secondary schools, post-secondary institutions, and workforce partners that align educational resources with regional in-demand jobs and workforce skills. According to DEW, the grants supported 11 partnerships.

Program funding

The amendment does not appropriate funds for DEW to support the Prenatal-to-Five Early Childhood to Post-secondary Regional Partnerships Program. Nevertheless, most or all of any funds used by DEW to support the program would presumably be distributed as grants to support existing partnerships and establish new ones. The amendment requires DEW and ODHE to work to ensure that at least one partnership exists within each of the six different regions determined by JobsOhio. Partnerships applying for the grant program must be able to demonstrate their commitment to addressing all areas of the education and workforce continuum over time, including a commitment to measure and report targeted attainment outcome metrics, as well as how it will align its mission and work with other entities in the region relating to education, business, and health. Each qualifying partnership will then be required to report on the region's performance metrics in a range of specified areas. The amendment provides discretion to DEW and ODHE in determining the amount of the grants. As a point of reference, DEW set the maximum grant award for the Regional Education Partnership Grant Program at \$200,000 for new or emerging partnerships and \$150,000 for established partnerships. The amendment does not require local matching funds in order to receive a grant. However, it is worth noting that, when evaluating Regional Education Partnership Grant Program applications, DEW awarded bonus points to applicants that contributed matching funds.

DEW and ODHE may incur administrative costs to develop and administer the program. Administrative functions required by the amendment consist of convening quarterly meetings of a cohort of regional partnerships to discuss best practices, grant administration, and reporting the program's progress and outcomes.

School districts, other public schools, and state institutions of higher education that choose to participate in the partnerships will incur costs associated with facilitating their partnership's activities, as well as reporting on the performance metrics for their region. The amendment gives qualifying applicants flexibility in how they operate their regional partnerships, so costs may vary depending on the partnership's services and activities.

Pre-service teacher permits

H.B. 33 of the 135th General Assembly enacted provisions that established a three-year, pre-service teaching permit. This permit, which became available beginning July 1, 2024, allows student teachers to receive compensation and permits student teachers to be employed as substitute teachers. The fee for the permit is \$75. Currently, over 11,800 individuals hold an active pre-service teacher permit according to data published by DEW. The amendment permits a pre-service teacher permit to be for one year in duration, in addition to three years as under continuing law. Presumably, the fee for a one-year permit will be \$25.

The amendment may increase the State Board of Education's administrative costs paid from the State Board of Education Licensure Fund (Fund 4L20) to process any additional permit applications resulting from the amendment. These costs will be more or less offset by a gain in permit fee revenue paid by applicants. The amendment may affect the workload of the Attorney General's Bureau of Criminal Investigation (BCI) if the number of background checks requested each year increases. Any associated increase in BCI's annual operating expenses will be more or less offset by the fees charged to conduct a check. The base fees of the state-only and Federal Bureau of Investigation (FBI) background checks are \$22 and \$25.25, respectively. All of the fees are credited to the General Reimbursement Fund (Fund 1060), with \$23.25 of the FBI background check fee subsequently disbursed to the FBI.

School purchases of technological equipment

The amendment requires local school boards and governing boards of educational service centers (ESCs) to seek to meet the varying needs of students and teachers when purchasing certain technological equipment, including computer hardware and software. The amendment also requires districts and ESCs to consider the long-term cost of ownership, flexibility for innovation, and any anticipated residual or salvage value at the end of the target life cycle. Districts and ESCs may incur minimal administrative costs to plan purchases in accordance with the amendment's requirements to the extent they do not do so already.

Virtual services under certain scholarship programs

The amendment permits educational aides or assistants and instructional assistants to provide services virtually under the Autism and Jon Peterson Special Needs scholarship programs. The amendment also requires DEW to include in its rules for each of those programs that virtual intervention services may be provided by certain qualified, credentialed educators or other providers. This provision will increase the flexibility of providers under these scholarship programs to offer services virtually, but will not likely have a material effect on scholarship expenditures.

Education and transportation services for open enrollment students of discharged military parents

The amendment permits a student enrolled under a district's open enrollment policy exception for active duty military children to continue to attend school and receive transportation services in that district for the remainder of the school year if the student's parent is discharged or released from active duty. If a student is enrolled under a district's active duty military open enrollment exception and their parent is discharged or released from active duty during the school year, the district will continue to educate and transport the student rather than require them to return to their resident district. This may result in continuing costs that the district may not have otherwise incurred through the end of the school year, which may be partially offset by higher state foundation aid payments for that student for the district than if the student returned to their resident district.

In-service training on child sexual abuse

This amendment permits, rather than requires as under current law, public schools to have law enforcement officers or prosecutors with relevant experience provide employee in-service training on child sexual abuse and permits them to do so at their own discretion. This amendment provides additional flexibility for public schools in offering the training but has no discernable fiscal effect.

Home education learning pods

The Department of Children and Youth (DCY)¹ might experience a reduction in administrative costs due to the amendment's provision that exempts home education learning pods from licensure and regulation as a child care center or family child care home. If any of these pods currently hold a license, there could be a decrease in associated regulatory costs and a subsequent loss in license fee revenue. There should be no direct impact associated with the amendment's provision that prohibits a county or township from restricting or limiting the location of, or imposing additional or more stringent regulations on a building or residence based solely on its association with or use by, home education learning pods within any district/zone in the county or township.

Instruction on interaction with law enforcement

The amendment repeals provisions requiring the State Board of Education to adopt, and school districts and other public schools to use, a model curriculum for high school students on proper interactions with law enforcement officers during traffic stops and other encounters. It also repeals the requirement for the Director of Public Safety to adapt the State Board's model curriculum for use in driver training programs and new driver instructional materials. The elimination of these requirements has no discernable fiscal effect.

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¹ H.B. 33 of the 135th General Assembly transferred child care functions from the Ohio Department of Job and Family Services to the Department of Children and Youth. The transfer of duties, functions, programs, and staff must be implemented in a detailed plan by January 1, 2025. Thus, some associated costs could still be under the Department of Job and Family Services.