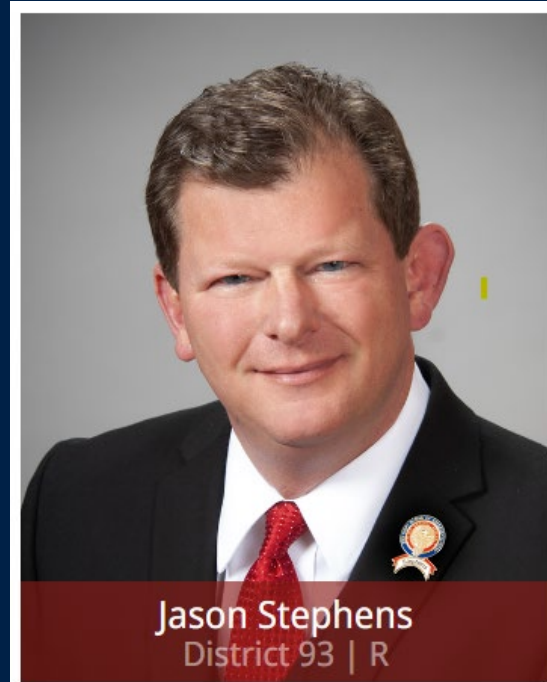# Biennium Budget Update - Governor's Proposal

Jennifer Hogue, Director of Legislative Services, OSBA

Nicole Piscitani, Lobbyist, OSBA

Dr. Paul Imhoff, Director of Governmental Relations, BASA

Katie Johnson, Deputy Executive Director, OASBO

FY 24-25 Budget

Jason Stephens
District 93 | R

Matt Huffman
District 12 | R

How is the State Doing?

FY22 General Revenue Fund: $2.7 Billion Above Estimates

ON THE MONEY

FISCAL YEAR 2023:
January Bottom Line: Plus $1.155 Billion
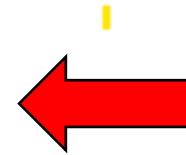
This edition of the Bottom Line reports the revenue and expenditure totals for the first 7 months of state Fiscal Year 2023 (FY23). In FY22 General Revenue Fund (GRF) *Tax revenues* exceeded estimate by $2.7 billion (10.8%). As a result, OBM updated its tax revenue estimates for FY23, increasing them by 6.3%. General Revenue Fund (GRF) *Tax revenues* exceeded estimate by $650 million for the first 7 months of the new fiscal year. "Other revenues" were $56 million above estimate through January and combined

Ohio's Rainy Day Fund: Nearly $3.5 Billion

Rating Agencies Upgrade Ohio Credit Score

# Rating Agencies Upgrade Ohio Credit Score

- **<u>Fitch upgrades Ohio to AAA</u>**

  - Fitch Rating Report – linked [here](#)

  - Raised targeted balance of Ohio's rainy-day fund to 8.5% of prior-year general fund revenues from 5%

  - FY 2022 concluded with more than $2 billion in operating surplus

  - "Based on fiscal 2022 unaudited results, state officials now expect fiscal 2022-23 state source revenues to exceed the prior biennium by approximately $7 billion (14.3%)"

- **<u>Moody's upgrades Ohio's credit outlook; "Stress-testing" Report</u>**

  - Outlook from stable to positive – linked [here](#)

  - Moody's – "Stress-Testing States" – linked [here](#)

FY 24-25 Budget - Gov. DeWine's Proposal
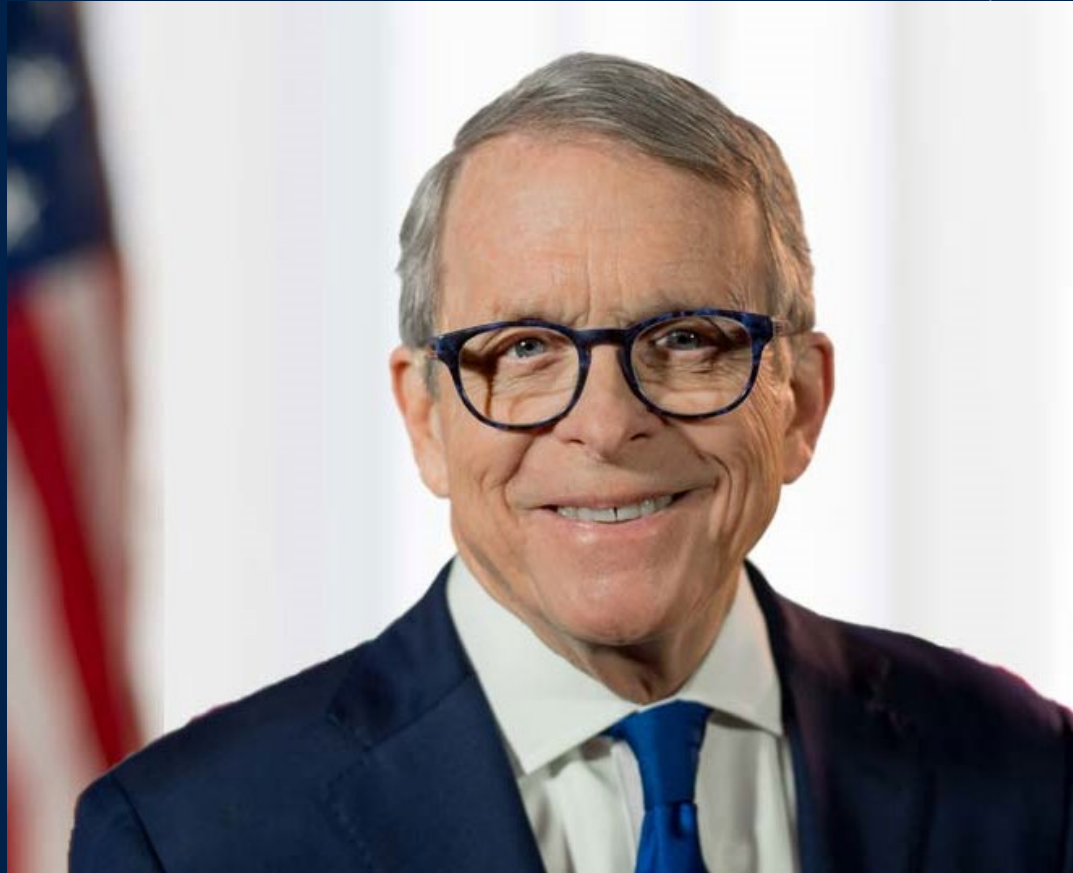
HB 33 - FY 24-25 Budget – Bill page [here](#)

House Bill 33 Documents

Summary **Documents** Status Votes Committee Activity

Return To Search

Primary Sponsors

Jay Edwards

Legislation Text

- As Introduced **PDF**

Analysis

- As Introduced **PDF**

Fiscal Notes

- Click [here](#) for the LBO fiscal analysis of the main operating budget.

Local Impact Statement Procedure Required

No — Not required for budget bills

Timeline

Fall of Prior Year: State Departments submit budget recommendations to the OBM

February to April: Budget Bill Introduced. Assigned to House Committees; Deliberations Take Place

Late April to Early June: Budget Bill Introduced. Assigned to Senate Committees; Deliberations Take Place

Late June: Approved Bill Sent to Governor

July 1: New Budget Period Begins

By February 1 (or March 15 for a newly elected governor): Governor submits budget proposal for introduction to the House of Representatives.

Mid-April: House of Representatives Budget Vote. Budget Bill Introduced to the Senate.

Mid-June: Conference Committee of Members of the House of Representatives and Senate Convened. Differences Resolved. Final Bill Receives Up-or-Down Vote in Both Chambers.

June 30: Deadline for Governor to Issue Line-Item Vetoes and Sign Bill

FY 24-25 Budget – House Bill 33 – House Finance Committee

Jay Edwards
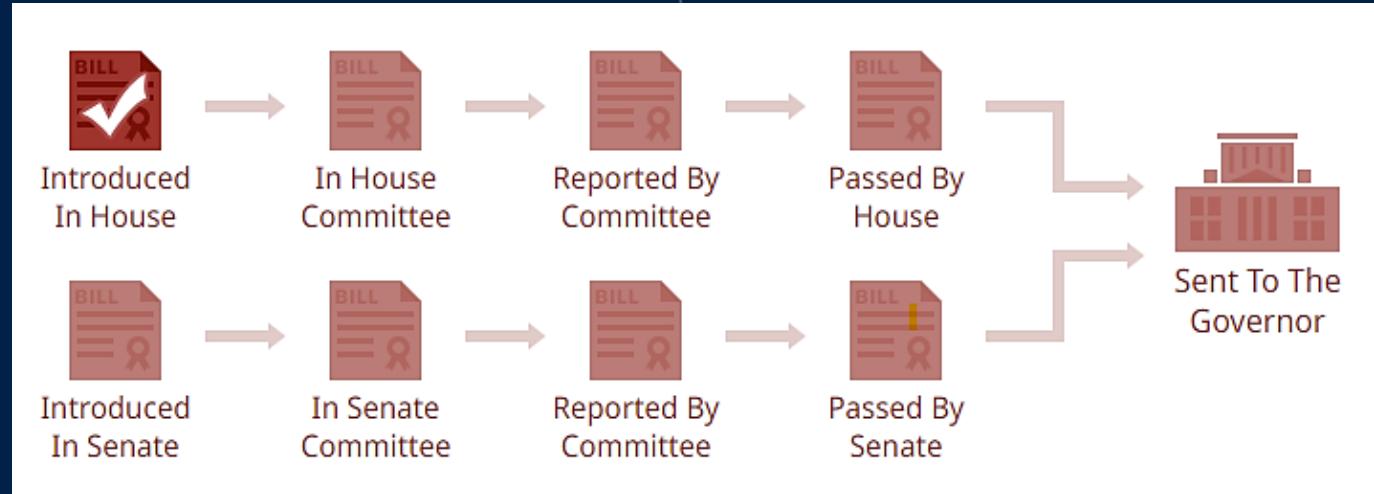
- First round of changes **Friday, April 21**;

- An omnibus amendment on Monday, April 24 or Tuesday, April 25; and

- Full committee passage before the end of April.

House Finance Subcommittee on Primary & Secondary Ed.

Week	Tuesday	Wednesday	Thursday
Feb. 27-March 3		**Wednesday, Mar. 1**; Time TBD Hearing Room TBD • Ohio Facilities Construction Commission • Public Testimony	**Thursday, Mar. 2**; Time TBD Hearing Room TBD • Ohio Department of Education
March 6-10	**Tuesday, Mar. 7**; Time TBD Hearing Room TBD • Ohio Commission on Hispanic/Latino Affairs • Public Testimony	**Wednesday, Mar. 8**; Time TBD Hearing Room TBD • Public Testimony	**Thursday, Mar. 9**; Time TBD Hearing Room TBD • Public Testimony
March 13-17	**Tuesday, Mar. 14**; Time TBD Hearing Room TBD • Public Testimony	**Wednesday, Mar. 15**; Time TBD Hearing Room TBD • Broadcast Educational Media Commission • Public Testimony	**Thursday, Mar. 16**; Time TBD Hearing Room TBD • Public Testimony
March 20-24	**Tuesday, Mar. 21**; Time TBD Hearing Room TBD • Public Testimony	**Wednesday, Mar. 22**; Time TBD Hearing Room TBD • Public Testimony	**Thursday, Mar. 23**; Time TBD Hearing Room TBD • Public Testimony

Gov. Proposal – School Funding – Fair School Funding Plan

- **Continues** the implementation of the **Fair School Funding Plan**, providing funding for **years three** and **four** of the **six-year phase-in**:

    - Increases funding by **50%** ($159 million) in FY24 and **66.7%** ($274 million) in FY25

    - Funding for **Disadvantaged Pupil Impact Aid** (DPIA) is phased-in at that same rate

    - Uses **updated local capacity data** (property and income data)

    - Keeps base cost inputs at **FY18 levels**

- Guarantees

    - **Maintains guarantee structure** under **current law** – Temporary Transitional Aid Guarantee, Transportation Guarantee, and Formula Transition Supplement – so no school or district will receive less state aid than it received in FY21.

Gov. Proposal – School Funding – Transportation, TPP, SROs

- <u>Transportation</u>

  - Includes an *increase* to the **minimum state share for transportation** (as provided in HB 1 of the 134th General Assembly) of approximately 37.5% in FY24 and 41.66% in FY25

  - No funding for the *School Bus Purchase Program*

  - School bus purchase funds awarded in FY22 or 23 may be used through FY24.

- <u>Utility tangible personal property (TPP)</u>

  - Continues payment to school districts that experience a 10% or greater decrease in taxable value due to a *loss of a power plant*, under certain circumstances.

- <u>School resources officers (SROs)</u>

  - Provides funding ($390 million over the biennium) to support SRCs at public and private schools as an "*opt-in*" model

  - Local district to share in cost, with a *local share applied* to the funding to public schools

Gov. Proposal – School Funding – Fair School Funding Plan

- "As Introduced" simulations:

  - Traditional School Districts - linked here; Joint Vocational School Districts - linked here

- Assumption used to create the simulations are listed at the top of the document:

State Foundation Formula Projections for FY 2024 and FY 2025

FY 2023 funds reflect line P of the February #1 School Finance Payment Report.

FY 2024 and FY 2025 estimates reflect the equivalent of line P and utilize student enrollment and demographic data from the January #1 payment. Base Cost Enrolled ADM in FY 2024 reflects the greater of FY 2023 or an average of FY 2023, FY 2022, and FY 2021. Base Cost Enrolled ADM in FY 2025 reflects the greater of FY 2023 or an average of FY 2023, FY 2023, and FY 2022. Assessed property valuation projections prepared by the Ohio Department of Taxation for TY 2022 and TY 2023, with the public utility component reflective of TY 2021 data. Income data elements projected by the Ohio Department of Education. Statewide average per-rider and per-mile amounts reflect FY 2022 calculated amounts with inflationary increases applied each year. Special education transportation expenses reflect FY 2022 reported expenses with inflationary increases applied each year.

FY 2024 and FY 2025 estimates reflect the following calculations:

Base cost inputs (salaries, insurance costs, and per-pupil expenditures) using FY 2018 data (unchanged). Statewide average base cost per-pupil and career-technical base cost per-pupil as calculated in FY 2022 and FY 2023 (unchanged). Special education, English learners, and career-technical education weights as calculated in FY 2022 and FY 2023 (unchanged). Increases the general phase-in and disadvantaged pupil impact aid phase-in percentages from 33.33% in FY 2023 to 50% in FY 2024 and 66.67% in FY 2025. Increases the minimum transportation state share percentage from 33.33% in FY 2023 to 37.5% in FY 2024 and 41.67% in FY 2025. Increases the gifted professional development per pupil amount from $14 in FY 2023 to $21 in FY 2024 and $28 in FY 2025. Extends temporary transitional aid guarantee and formula transitional supplement calculations based on FY 2020 and FY 2021 funding bases.

School Resource Officer funding for FY 2024 and FY 2025 assumes all districts apply for funding. Funding calculated on a per building basis, using a base amount of $94,462 in salary and benefits applied against the schools anticipated state share percentage.

Simulation reflects the expected FY 2024 and FY 2025 state foundation funding payments and continued phase-in of the school funding formula first enacted in FY 2022. Actual aid will be calculated based on actual data and is subject to change. The primary purpose of these estimates is to determine a state total obligation. Changes between estimates and actual aid may be significant and decisions should not be made based on individual district estimates as payments will change once formulas are implemented with actual data. The formula was designed and current law requires that increases in local property values or income and/or declining district enrollment results in increased formula calculation of local capacity. Increased calculation of local capacity likewise either limits the growth of state foundation funding or results in decreased state foundation funding in accordance with existing law. Districts with growing student populations are more likely to receive greater increases in state foundation funding than the simulation presents. Conversely, districts with declining student enrollment may actually receive less state foundation funding than simulated. Districts should not make decisions based on simulated estimates as payments will change once formulas are implemented with actual data.

Traditional School District	County	FY 2023 Total State Support	FY 2024 Total State Support	FY 2024 School Resource Officer Funding	$ Change between FY 2024 and FY 2023	FY 2025 Total State Support	FY 2025 School Resource Officer Funding	$ Change between FY 2025 and FY 2023
Adams County Ohio Valley Local	Adams	$31,843,662	$31,919,620	$444,017	$519,975	$32,024,241	$444,017	$624,596
Manchester Local	Adams	$5,788,029	$6,834,713	$145,600	$1,192,283	$7,805,620	$145,600	$2,163,190
Allen East Local	Allen	$7,250,631	$7,247,281	$144,652	$141,301	$7,246,631	$144,652	$140,652
Bath Local	Allen	$7,448,863	$7,679,753	$171,167	$402,058	$7,759,380	$171,167	$481,684
Bluffton Exempted Village	Allen	$6,122,325	$6,324,225	$143,803	$345,703	$6,439,820	$143,803	$461,298
Delphos City	Allen	$3,538,072	$3,539,720	$57,229	$58,877	$3,543,071	$57,229	$62,227

Gov. Proposal – School Funding – Fair School Funding Plan

What factors influence district aid in the formula?

- Student population and demographics

- Property valuation

- Personal income of district residents

- Historical funding (guarantees)

What components have been updated?

- Updated property values

- Updated income

- Updated base cost enrolled ADM

Gov. Proposal – School Funding – Fair School Funding Plan

What happens when update only certain inputs – Results in distortions

- Increased property values and income.

- Keeping base cost inputs at FY18 values.

- Results in the *increase in local capacity per pupil* being **greater** than the *increase in the base cost per pupil*.

What happens if we update base cost inputs?

- FSFP Workgroup webinar (Part 1) - Introducing updated simulations

  – Recording here; Passcode: H.DFm.0z; presentation – linked here.

  – Please note the assumptions used in the updated simulations – linked here.

- FSFP Workgroup webinar (Part 2) - Follow-up to answer questions

  – *Monday, 3/13 at 10:00 a.m.* - Register here

Gov. Proposal – School Funding – Fair School Funding Plan

- Continue Phase-in

- Update Inputs

- **Resources for budget**

  – Talking points - click here

  – OpEd for local paper - click here

  – Letters to community/business leaders - click here

  – Testimony template - click here

  – Talking points for Universal Vouchers - click here

Gov. Proposal – School Funding – Student Wellness & Safety

- <u>Student Wellness and Success Funds</u>

  - *Requires* districts and schools to spend student wellness and success funds (SWSF) on *the same initiatives required* for disadvantaged pupil impact aid (DPIA) funds

  - Of those initiatives, requires districts and schools to spend *at least 50%* of SWSF for *either physical* or *mental health-based initiatives*, or a combination of both

    - Must develop a plan to utilize wellness and success funds in coordination with (1) a community mental health prevention or treatment provider or their local board of alcohol, drug addiction and mental health services, <u>**and**</u> (2) a community partner identified under continuing law

    - Must share plan at public meeting of board and post on website.

  - Requires schools to *spend existing funds* (allocated in FYs 20-23) by the *end of <u>FY25</u>*

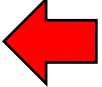 - Allows *carry over of new funding* for only <u>one year</u> or funds must be repaid to ODE.

Gov. Proposal – School Funding –Student Wellness & Safety

- Remember, Gov.'s proposal:

  - **Requires** districts and schools to spend **student wellness and success funds** (SWSF) on **the same initiatives required** for disadvantaged pupil impact aid **(DPIA) funds**.

- Disadvantaged pupil impact aid (DPIA) – See table on pages 90-92 of LSC Analysis

  - Specifies that spending DPIA for reading improvement and reading professional development **must** be **aligned** with science of reading and evidence-based strategies

  - Adds that for DPIA mental health services – **may be spent** on community-based behavioral health services and recovery supports

  - Prevention services – **removes** "social and emotional learning" from allowed DPIA expenditures; adds trauma-informed services

  - **May spend funds** on behavioral wellness coordinators and community-based health services

Gov. Proposal – School Funding – EdChoice, Charter Schools

- <u>EdChoice Scholarships/Vouchers</u>
  - ***Increases the income eligibility*** threshold, from ***250% to 400%*** of the federal poverty level (FPL), to qualify for the income-based EdChoice vouchers.
    - 250% of FPL – family of four making at or below **$69,375** qualifies for a voucher
    - 400% of FPL – family of four making at or below **$111,000** qualifies for a voucher
- <u>Community/Charter Schools</u>
  - Quality Community Schools Program
    - Increases funding from **$1,750** to **$3,000** per ***economically disadvantaged student***
    - Increases funding from **$1,000** to **$2,250** for other students
  - Community School Facilities
    - Provides **$25** per-pupil for e-schools
    - Increases funding from **$500** to **$1,000** per-pupil for other community or STEM schools

Universal Vouchers – Setting the Record Straight!

- Resource [here](#) ⬅

- Unique Programming

  - Hearts & Souls – get them in your buildings!

- Fair School Funding Plan

  - Objective base cost

  - State/local share

  - Phase-in (only 1/3 of the way there!)

- Choice and Competition

  - How do we create a truly competitive system among schools in Ohio—public and private—when there are **not** parallel *academic accountability requirements* nor parallel financial *accountability requirements*?

Gov. Proposal – School Funding – Sports Gaming Tax

- **_Increases_** the sports gaming receipts tax rate, from **_10% to 20%_**, beginning July 1, 2023
  - Earmarked for public **and** nonpublic education support
  - For interscholastic athletics and extracurricular activities (pay to participate fees)

Career-technical courses at OTCs

- OTCs are career-technical centers and schools that provide adult education and are recognized by the Chancellor of Higher Education.

- Currently 49 OTCs in Ohio

- Allows schools, upon approval of ODE, to contact with OTCs to serve students in grades 7-12 who are enrolled in a career-tech program at the district, but cannot enroll in a course for specified reasons

Career-technical courses at OTCs

- Specified reasons
  - Course is at capacity
  - Scheduling conflict
  - Course isn't offered due to lack of enrollment, qualified teacher or lack of facilities
  - Other reasons determined by ODE

Career-technical courses at OTCs

- Districts will be required to award high school credit for completion of courses at OTCs

- Districts and OTCs must enter into an agreement and may establish alternate amounts the districts will pay to the OTC

- ODE will consider the cost of an OTC program as an approved CTE expense

- Individuals with an adult education permit issued by ODE and employed by the OTC are allowed to provide instruction to 7-12 students taking the course at the OTC

Funding for dropout prevention and recovery programs

- Extends the pilot program that provides funding for certain dropout prevention and recovery e-schools on a per-pupil basis for students in grades 8-12.

- Schools had to have participated in the program during this fiscal year to be eligible.

Academic distress commissions

- Prohibits the state superintendent of public instruction from creating new academic distress commissions in the 23-24 or 24-25 school years.

Licensing: pre-service teaching

- Creates a three-year pre-service teaching permit for student teachers

- This permit will allow students enrolled in teacher prep programs to serve as a substitute teacher and receive compensation

- Individuals will undergo a background check and be enrolled in the retained applicant fingerprint database (RAPBACK)

Licensing: alternative military educator teaching license

- Requires the State Board, in consultation with the Chancellor, to create an alternative military educator license

- This license will allow eligible military individuals to obtain a license on an expedited timeline
  - An active-duty member of any branch of the U.S. armed forces;
  - A veteran of any branch of the U.S. armed forces who separated from service with an honorable discharge;
  - A member of the National Guard or a member of a reserve component of the U.S. armed forces; or
  - A spouse of an eligible member or veteran

- ODE must allow the applicant to apply leadership training or other military training toward licensure requirements, such as college coursework, professional development, content knowledge exams.

- ODE must work with the Credential Review Board to determine the types of military training that correspond with the training needed to be a successful teacher.

Licensing: computer science

- Allows industry professional to teach 40 hours per week in computer science

- All computer science licenses must carry a grade band designation: preK-5, 4-9 or 7-12

Graduation requirement: FAFSA

- Creates a new graduation requirement that each student must provide evidence that they have completed and submitted the Free Application for Federal Student Aid (FAFSA)

- Students are exempt from this requirement if:

  – A parent, guardian or student if they are 18 have submitted a written letter to the student's district stating the student will not complete and submit the FAFSA; or

  – The district or school has made a record describing circumstances that make it impossible or impracticable for the student to complete the FAFSA

Department of Children and Youth

- Creates a new cabinet level agency- the Department of Children and Youth

- Goal is to create a greater focus on improving programs and services for children birth to age five

- Consolidates programs from six agencies:

  – Job and Family Services

  – Education

  – Health

  – Developmental Disabilities

  – Medicaid

  – Mental Health and Addiction Services

Literacy – The Science of Reading

- Literacy is a key area of focus in the Governor's Budget Proposal

- Requires evidence-based reading instruction – Science of Reading

Literacy – The Science of Reading

- Curriculum and instructional material requirements, with associated funding

- Professional development training requirements, with associated funding

- Statewide analysis of core curriculum and instructional materials used by schools in English language arts in grades preK-5 and the reading intervention programs in grades preK-12

Literacy – The Science of Reading

- Prohibition on using the three-cueing approach to teach students to read in grades preK-5

- Funding for literacy coaches to assist schools with the lowest literacy proficiency rates

Literacy – Curriculum and materials

- Provides $64 million to subsidize the cost for schools to purchase high-quality core curriculum and instructional materials in English language arts and evidence-based reading intervention programs from ODE-established lists

- ODE must compile a list of high-quality core curriculum and instructional materials in English language arts and a list of evidence-based reading intervention programs that are aligned with the Science of Reading and strategies for effective literacy instruction

- Starting with the 2024-25 school year, districts and schools must use the core curriculum, instructional materials, and intervention programs only from these ODE-compiled lists

Literacy – Required PD and stipends

- Provides $43 million to schools in reimbursement payments for paying stipends to teachers to complete ODE-provided professional development in the Science of Reading and evidence-based strategies for effective literacy instruction

  - $1,200 stipends for all K-5 teachers, grades 6-12 ELA teachers, intervention specialists, EL teachers, reading specialists, and preK-12 instructional coaches; $400 stipends for non-ELA teachers in grades 6-12

Literacy – Required PD and stipends

- All teacher and administrators must complete the ODE-provided course by June 30, 2025

  - Those who previously completed similar training are exempt

  - Course must be completed by teachers at a time that minimizes disruptions to normal instructional hours

- Establishes a process to apply this coursework toward college credit or licensure renewal requirement

Literacy – EMIS and higher education

- ODE must conduct a statewide survey of all public schools to collect information on their core curriculum and instructional materials in English language arts in grades pre-K-5 and the reading intervention programs in grades pre-K12 that are being used by public schools
  - Participation is mandatory

Literacy – EMIS and higher education

- Schools must report through EMIS the English language arts curriculum and instructional materials it is using for each of grades pre-K-5 and the reading intervention programs being used in each of grades pre-K-12

- ODE must collaborate with ODHE and higher education teacher preparation programs to align the coursework of their programs with the Science of Reading and evidence-based strategies for effective literacy instruction

Literacy – Three Cueing Prohibition

- By the 2024-25 school year, schools are prohibited from using the three-cueing approach to teach students to read in grades preK-5, with exceptions:

  - ODE approves a waiver on an individual student basis to use curriculum, materials, or an intervention program that uses the three-cueing approach.

  - ODE must consider the report card rating of the district or school, including its rating on the early literacy component.

Literacy – Three Cueing Prohibition

- Students with an individualized education program (IEP) that explicitly indicates use of the three-cueing approach is appropriate for the student's learning needs may be exempt from the prohibition without a waiver

- Students who have a reading improvement and monitoring plan under the Third-Grade Reading Guarantee are ineligible for a waiver

Literacy – Literacy coaches

- Provides $18 million for coaches to provide literacy supports to schools with the lowest rates of literacy proficiency in literacy

  - Coaches must: (1) have training in the Science of Reading

  - and evidence-based strategies for effective literacy instruction

  - and intervention and (2) implement Ohio's Coaching Model.

Literacy – Literacy coaches

- If funds remain, ODE must distribute the remainder to educational service centers (ESCs) to establish and support regional literacy professional development teams

Emergency management plans

- All records related to a school's emergency management plan, as well as emergency management tests, are considered security records and are not subject to Ohio's Public Records Laws under the bill.

    – Currently, copies of the emergency management plan, among other items, are exempt from the Public Records Law

Emergency management plans

- Delays, from July 1 to September 1, the deadline for a school administrator to submit the district's or school's annual emergency management plan to the Director of Public Safety

School resource officer funding

- Provides $388.1 million to public and private schools to support the cost of school resource officers (SROs)

  - $234.2 million for traditional districts; $8.99 million for JVSDs

- ODE must calculate an allocation for SROs on a per-school building basis

School resource officer funding

- ODE must provide an application for districts and schools to apply for SRO funds and establish a deadline for applications

- ODE must disburse the funds upon approval of the application and, if funding remains available after the application deadline, it must distribute the remaining funds to districts and schools with previously approved awards in a manner determined by ODE

- OBM funding spreadsheet includes estimated SRO funding by district

College Credit Plus

- Provide additional College Credit Plus (CCP) funding to provide additional training for teachers to instruct classes on high school campuses.
- Permits the Chancellor, in consultation with the state Superintendent, to take action as necessary to ensure that public colleges and universities and school districts are fully engaging and participating in CCP.
- Requires the Chancellor and Superintendent to work with public secondary schools and partnering public colleges and universities to encourage the establishment of model pathways that prepare participants to successfully enter the workforce in certain fields.

Public service program and curriculum

- Requires institutions of higher education to develop a program and curriculum to prepare students enrolled in public or chartered nonpublic high schools for public service careers.
- Requires the Chancellor of Higher Education to adopt rules governing the operation of the program that include a procedure under which students who take courses established under the model program may earn both high school and college credit pursuant to the CCP.

Dyslexia

- Transfer Students

  -Requires school districts and schools to administer grade-level aligned dyslexia screenings to students enrolled in grades K-6 who transfer into the district or school midyear.

  -Exempts a district or school from administering a tier one dyslexia screening measure to a transfer student who received a screening in that school year from the student's original school.

- Generally requires a district or school to administer the dyslexia screening within 30 days of transfer student enrollment or request, though a kindergarten transfer student screening may be performed at the regularly scheduled screening for all kindergartners if the student transfers before that assessment has been performed.

Dyslexia

- Screening measures
  - -Requires the Department to identify a tier one dyslexia screening measure by January 1, 2024, to be made available to public schools free of charge for use beginning in the 2024- 2025 school year.
- Professional Development
  - -Requires teachers hired after April 12, 2021, to complete dyslexia professional development training by the later of 2 years after the date of hire or prescribed dates, unless the teacher has completed the training while employed by a different district.

English Learners

- Eliminates an exemption excusing English learners who have been enrolled in U.S. schools for less than a year from any reading, writing, or English language arts state assessments.
- Eliminates an exemption that excluded, except when required by federal law, English learners who have been enrolled in U.S. schools for less than a year from state report card performance measures.
- Requires English learners to be included in performance measures on the state report card in accordance with the state's federally approved plan to comply with federal law.
- Requires the State Board to adopt rules related to educating English learners that conform to the state's federally approved plan.

Office of Computer Science Education

- Office of Computer Science Education
  -Transfers all matters of computer science education to the newly created Office of Computer Science Education.
  -Requires the Chancellor with selecting a director
  -Serves as a center for all computer science education-related matters in Ohio. It must focus on:
    - expanding access to school districts and schools
    - assisting with current and future programming
  -The Office may contract with consultants and other educational entities to support school districts and schools.

Office of Computer Science Education

-Work with and assist institutions of higher education to integrate computer science standards and curriculum into a preservice teacher preparation program

-Create a plan, in consultation with stakeholders, for teaching computer science to provide individualized support to districts and schools in creating computer science courses, which includes project- and work-based learning, course sequencing, computer science teaching basics, and other topics determined by the Chancellor

-Consult with the state Superintendent on computer science education-related matters

Teach CS Grant Program

- Teach CS Grant Program
  - -Fund coursework, materials, and exams to support existing teachers who qualify to teach computer science through supplemental licenses, endorsements, and continuing education, and individuals who complete the alternative resident educator license.
  - -The bill expressly permits the Office to consult with the State Superintendent when implementing the program.

Ohio Computer Science Promise Program

- Ohio Computer Science Promise Program
  - Beginning with the 2024-25 school year, under the program, an Ohio student in any of grades 7-12 may enroll in one computer science course per school year that is not offered by the student's school.
  - Students cannot be charged for tuition, textbooks, or other fees related to participating in the program.
  - Any eligible student enrolled in a public secondary school or participating nonpublic secondary school may participate.

Ohio Computer Science Promise Program

- ODE, in consultation with the Office of Computer Science Education, must approve eligible courses and providers.
- Requires ODE to publish a list of providers and courses annually.
- Chancellor, in consultation with the state Superintendent, must adopt rules governing the program.
  - Ohio Computer Science Council is authorized to adopt rules for the administration of the program.

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Ohio Computer Science Promise Program

-Public and participating nonpublic schools must award high school credit toward graduation and subject area requirements for successful completion of program courses

- If a completed course offered by an approved provider is comparable to one offered by the school, the school must award comparable credit.
- If no comparable course is available, the school must grant an appropriate number of elective credits.
- Evidence of completion of each course and the number of credits awarded must be indicated on the student's record with a designation that they were earned through the program and the name of the approved provider.
- Creates an appeals process for disputes regarding the credits granted for approved courses. The Department makes the final decision regarding any appeal.

Ohio Computer Science Council

- Ohio Computer Science Council
  -Creates the Ohio Computer Science Council to foster and encourage increased participation in computer science education across all counties through afterschool programs, summer camps, and other educational enrichment partnerships.

Direct Admissions Pilot Program

- Establishes the Direct Admissions Pilot Program to notify students in participating high schools if they meet the admissions criteria for participating postsecondary institutions.

State Legislative Conference

Advocate for Ohio public schools on March 21 in Columbus!

Join OSBA, OASBO, and BASA members at the 2023 State Legislative Conference. This is a golden opportunity to communicate the need for a strong public school system and put a local face to these issues.

- Tuesday, March 21 from 9 a.m. – 1 p.m.
- Governor's Ballroom of the Sheraton Columbus Hotel at Capitol Square
- Click here to register

Questions

HB 1
Property/Income Tax

Adam Mathews

HB 1 - Property/Income Tax

"Currently, in the state of Ohio, the General Revenue Fund (GRF) pays for **the 10 percent rollback**, which goes back to 1983. It is a significant expense that goes to subsidize local property taxes. What HB1 does, without getting too into the weeds, is **remove that**, but **also lower the taxable value of people's property taxes at the same time**, which then in turn frees up money to go to the GRF for the income tax reduction. So, [HB 1] not only will provide a **mechanism for lowering income taxes**, but also provide an **offset for property taxes into the future**."

- Speaker Stephens, Press Conference, February 15

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- Bill text, LSC analysis, and Fiscal Notes.

- The proposed changes in HB 1 would do the following:

  - Applies a ***single income tax rate*** of 2.75% (i.e., "flattens the income tax") under most circumstances;

  - ***Eliminates*** the ***10% property tax rollback reimbursement*** for schools and local governments (on its own, this change would result in an automatic 10% increase for property taxpayers);

  - ***Revises*** the ***2.5% homestead property tax rollback*** to be a flat $125 credit for all owner-occupied homes;

  - ***Revises*** the ***homestead exemption program***.

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- Reduces the ***property tax assessment percentage*** for Class 1 and Class II property from ***35% to 31.5%*** (a 10% decrease; however, see impact of HB 920 next slide);

- Applies an annual ***inflation adjustment to the assessment percentage***, which can result in the assessment percentage being lower than 31.5%, but not greater than 31.5%

  - *Note:* The assessment percentage may be reduced annually and between reappraisal/update cycles without a corresponding adjustment to property valuations; thus, annual adjustments to the assessment percentage on account of inflation ***may not*** correspond to changes in real property valuation.

Does HB 920 apply?

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- Interpretation #1 – HB 920 applies, and rates are adjusted up.

  - Results in a 6-8% tax increase on property taxpayers depending on the voted v. inside milage of the taxing district.

- Interpretation #2 – HB 920 does <u>not</u> apply.

  - Results in a tax increase to property taxpayers depending on the fixed-sum levies in a district (i.e., bond, substitute, emergency levies).

  - Large decrease to local governments with greatest impact on schools.

  - Another issue: TIFs – current law prohibits Budget Commission from rolling back levies on TIF properties.

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HB 1 - Property/Income Tax – Assume HB 920 Applies

- Bill sponsor, Rep. Mathews, testified in House Ways & Means Committee on ***Tuesday, March 1***, linked [here](#).

- Interpretation #1 – **HB 920 applies,** and rates are adjusted up.

  – As the bill sponsor explained in his testimony, eliminating the 10% rollback and reducing the assessment percentage by 10% are ***intended to offset each other***.

  – ***However***, HB 920 appears ***to "undo" the intended effect*** of the assessment percentage reduction because rates will be adjusted up.

  – This means that the ***proposed changes in HB 1*** could result in an ***increase in residential and commercial property tax rates for taxpayers***.

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- The specific ***fiscal impact*** on any school or local government and their taxpayers will ***depend on their mixture*** of inside millage, voted fixed rate levies, and emergency, substitute, and/or bond levies.

- Bill Status:

  - Introduced, 2/15; Referred to House Ways and Means, 2/16

  - First hearing – Sponsor Testimony, Tuesday, 2/28 at 2:30 p.m., linked here.

  - We will keep members updated on future hearings.