

Funding

- Leaves the Fair School Funding formula in law but funds districts for fiscal year (FY) 26 and FY 27 with the sum of the following:
 - the district's state foundation aid, less supplemental targeted assistance, for FY 25;
 - an additional amount equal to 50% of the difference between the district's foundation aid for the fiscal year and the district's state foundation aid, less supplemental targeted assistance, for FY 25, if the difference is positive.
- Provides additional payments in FY 26 and 27 that guarantee a district's temporary foundation funding does not fall below its FY 25 foundation aid, including supplemental targeted assistance.
- Provides an enrollment growth supplement in FY 26 and 27 to districts whose enrolled ADM grew by at least 3% between FY 22 and FY 25 for FY 26 payments, and between FY 23 and FY 26 for the FY 27 payments.
 - The payment is calculated as follows:
 - Districts that grew between 3-5% will receive \$150 per student in FY 26 and \$200 per student in FY 27.
 - Districts that grew between 5-10% will receive \$100 per student in FY 26 and \$150 in FY 27.
 - Districts that grew more than 10% will receive \$50 per student in FY 26 and \$100 per student in FY 27.
- Provides a base funding supplement of \$20 per student in FY 26 and \$30 per student in FY 27.
- Freezes the amount of special education funding withheld for high-cost special education students to what was withheld in FY 25.
- Requires districts to spend at least the amount that it spent in FY 25 in the following categories:
 - special-education funding;
 - disadvantaged pupil impact aid (DPIA);
 - English learner funding;
 - gifted funds, excluding gifted professional development;
 - career-technical education and career-technical associated services funding;
 - student wellness and success funding.
- Removes provisions from the governor's budget proposal that would have required districts to spend a minimum percentage of their DPIA on initiatives in reading

improvement, intervention and professional development aligned with the science of reading.

- Maintains current law regarding required uses of student wellness and success funds.
- Prohibits any district from spending more than 15% of its annual operating budget on administrative salaries and benefits and other costs associated with its administrative offices.
- Allows districts to use funds from the Student Support and Academic Enrichment program for numeracy, literacy, a safe and drug-free learning environment and healthy students using the success sequence curriculum.

Cash balances

- Requires district to submit their five-year forecast to the county budget commission.
- Requires county budget commissions to reduce property tax rates of residents in districts with a cash balance that exceeds 25% of the previous year's general fund expenditures.
- Exempts districts whose levies have been reduced by the county budget commission from the requirement that they levy at least 20 mills to receive state foundation aid.

School facilities

- Requires a school district, prior to demolishing a building worth more than \$10,000, to offer that building for sale in a similar manner that a district must offer real or personal property that the district plans to dispose of under current law – buildings located on, or adjacent to, a tract or parcel of land where other school district buildings are located are exempt from this requirement.
- Removes the language from the governor's proposal regarding the selling of "unused school facilities."
- Adds chartered nonpublic schools to the list of entities that must be included in the right of first refusal.

Assessments

- Restores language in current law that provides assessment exceptions for students with significant cognitive disabilities and students with disabilities on a case-by-case basis for the third grade English language arts assessment.

- Eliminates the requirement in the governor's proposal that districts utilize state-developed assessments in reading and math for grades K-3 and removes the requirement that districts implement the Kindergarten Readiness Assessment.

Report cards

- Restores current law that includes students promoted to fourth grade under the Third Grade Reading Guarantee in the early literacy component of the state report card and revises the measure to include students promoted based on their third grade English language arts assessment or alternative assessment score.
- Restores current law regarding approval of the college-career, workforce and military readiness component.

Regional support system

- Removes provisions from the governor's proposal that would have revised the educational regional service system.

Student absence

- Beginning in the 2025-26 school year, each public school is to report the causes of student absences by category in EMIS.
- Eliminates funding for the Stay in the Game! Network.
- Requires districts to excuse, up to eight hours (two hours over four days), the absence of a high school student to attend a private driver education course. Districts must allow students to make up any missed classroom assignments.

Property taxes

- Allows a county, municipality or home rule township to amend an existing community reinvestment area (CRA) agreement to extend the term of the CRA tax exemption to a total of 30 years for an existing building that is expected to be the site of a megaproject or owned or occupied by a megaproject supplier.
- Establishes that a political subdivision that does not own the property subject to a CRA exemption, with an obligation to pay property taxes on that building, is not a required party to an agreement required for commercial CRA property tax exemptions.
- Modifies the requirements governing when political subdivisions can file property tax complaints and counter-complaints.

- Requires subdivisions that fail to comply with property tax complaint filing requirements to pay the attorney's fees and costs incurred by the property owner in connection with the complaint.

State Board of Education

- Reduces membership to the State Board of Education to five members appointed by the governor.
- Moves the State Board of Education into the Occupational Licensing and Regulatory Fund.
- Eliminates the July 1, 2028, sunset date for the prohibition on the State Board of Education, limiting the subject areas for which an alternative resident educator license is issued.

Transportation

- Requires the Ohio Department of Education and Workforce (ODEW) director to establish a workgroup on student transportation and develop recommendations.
- Reduces the state share of transportation funding compared with the governor's proposal, using a minimum state share of 43.75% in FY 26 and 45.83% in FY 27.
- Extends the Montgomery County Pupil Transportation Pilot Program to FY 26 and FY 27 and provides \$250,000 per year.
- Allows a community school to certify to ODEW the cost of providing mass transit system passes for its students if the district responsible for transporting those students elects to pay for the cost of the passes instead of directly transporting them for a school year. DEW is required to deduct the cost of the passes from a district's state aid and pay it to the community school if the community elects to purchase passes for their students.
- Reduces funding from school bus driver training in FY 27 to \$1,088,930.
- Eliminates the school bus safety grant program and funding.
- Allows a board of education to enter into a contract with a transportation network company (ie, Uber or Lyft) for the transportation of unaccompanied students if the company meets specific requirements; allows a parent/guardian to request the company provide transportation for their child; and sets parameters for company qualifications, driver qualifications, vehicle qualifications and inspections, and active GPS- monitoring during the transportation.

Early childhood education

- Maintains transitioning language, instructing the Department of Children and Youth (DCY) alone, instead of with ODEW, to provide consultation and technical assistance to entities operating preschool programs or school child programs and in-service training to staff members of those entities; annually inspect each preschool program and licensed school child program; and prepare an annual report on those inspections.
- Establishes a peer review appeals process for Step Up to Quality ratings
- Maintains language from the executive budget altering Early Childhood Education (ECE) Grant eligibility criteria, including that recipients must be citizens or qualified aliens, have family incomes not exceeding 200% of the federal poverty line (excluding those subject to individualized education programs, are placed in foster care or kinship care, or are homeless) and have guardians who are unemployed or not in school.
- Maintains language requiring the DCY director to adopt additional rules to administer the Early Childhood Education Grant program.
- Reduces the maximum family income eligibility for Publicly Funded Child Care (PFCC) to 145% FPL and special needs child care to 150% FPL.
- Requires DCY, beginning not later than July 1, 2026, to calculate PFCC payments based on a child's enrollment with a child care provider rather than on the child's attendance.

Mental health promotion, suicide prevention and health and wellness outcomes

- Qualifies a program using the success sequence curriculum provided by Ohio Adolescent Health Centers as an approved evidence-based training program for instruction on mental health promotion, suicide prevention and health and wellness outcomes.
- Requires DEW to maintain a universal list of approved evidence-based training programs for instruction on mental health promotion, suicide prevention and health and wellness outcomes.

Released-time religious instruction

- Requires a school district to allow students to attend a released time course in religious instruction for at least one hour a week, but not more than two hours per week.

Vouchers

- Increases the amounts for the Jon Peterson Special Needs Scholarship by 4.8%.
- Increases the amounts for the Autism Scholarship Program from \$32,445 to \$34,000.
- Requires ODEW to maintain a list of private providers registered for the Autism and Jon Peterson Special Needs Scholarship and their locations on its publicly accessible website.
- Establishes the Nonchartered Educational Savings Account Program to provide students in nonchartered, nonpublic schools with funding; the cost is estimated to be \$35.1 million in FY 27.
- Removes the definition of “parent” and instead defines “eligible applicant” for the Autism Scholarship program; expands eligibility for the Jon Peterson Special Needs Scholarship to 3- and 4-year-olds.

Community/charter Schools

- Changes the criteria to be designated as a Community School of Quality.
- Qualifies for the quality community school support program funding a dropout prevention and recovery community school that meets new criteria, including having a sponsor rated as “exemplary” or “effective.”
- Qualifies an e-school for disadvantaged pupil impact aid.
- Permits a community school that contracts with a qualifying operator and is not in its first year of operation to qualify as a Community School of Quality if the school opened on or after July 1, 2019.
- Reduces from ten to five the number of days before a community school sponsor must provide prescribed assurances to DEW to open a new building for its first year of operation.
- Requires community schools’ comprehensive plan to be included in the contract between the school’s sponsor and governing authority.
- Permits classical schools to administer state assessments in a paper format generally and requires the school to administer the state assessment in an online format for any student with an IEP or 504 plan.

Private schools

- Adds retired Ohio peace officers to the list of individuals whom a chartered nonpublic school may hire for security services using auxiliary services funds.

Miscellaneous policy provisions

- Eliminates the driver training in schools grant program and its funding.

- Clarifies that school-based health centers must obtain consent from a parent. before providing medical care to children, except in certain emergency situations
- Eliminates state funding for the Principal Apprenticeship Program shifting the cost to districts.
- Removes the requirement that public schools report their math core curriculum and instructional materials for grades pre-K through 12 through EMIS.
- Removes the requirement for DEW to collect data on district employment and vacancies.
- Restores current law regarding the requirement that students receive evidence-based social inclusion instruction.
- Removes the requirement from the governor's proposal that high school graduation plans identify post-graduation career goals and align the student's high school experience with those goals.
- Restores current law regarding requirements for the ODEW director's industry-recognized credentials committee.
- Removes a provision from the governor's proposal that would require each public school participating in the federal school breakfast or lunch program to provide free lunch or breakfast to all CEP-eligible students.
- Eliminates the requirement that allows an individual to pay cash for a ticket to a school-affiliated interscholastic athletic event.
- Removes the requirement that public schools report the number of individuals who have completed Science of Reading training to ODEW through EMIS.
- Restores the option for districts to adopt or adapt the youth suicide awareness and prevention in-service educator training curriculum developed by ODEW.
- Removes the provision that allowed DEW to collect information on school and district use of artificial intelligence.
- Requires districts to include their developed College Credit Plus (CCP) pathways in its CCP information for students and parents.
- Increases the maximum educator expenses income tax deduction to \$300.

Miscellaneous funding provisions

- Provides \$750,000 in FY 26 to make payments under the Aim Higher Pilot Program to provide additional funding to JVSDs that operate a dropout prevention and recovery program.
- Provides \$1.25 million in each year to establish the Financial Literacy and Workforce Readiness Programming Initiative within ODEW.

- Provides \$250,000 in each year to support the SmartOhio Financial Literacy Program at the University of Cincinnati.
- Provides \$150,000 each year for the Fairfield County Workforce Center to support pre-apprenticeship program costs.
- Provides \$100,000 in each year for Tech Corps to support career-connected rural computer science programming.
- Provides \$250,000 in each year for the National Inventors Hall of Fame to expand STEM summer learning opportunities for students in grades K-six.
- Provides \$150,000 in each year to the Ohio Valley Youth Network to support its Sycamore Youth Center Education Enrichment and Life Skills After Schools Program
- Decreases adaptive sports by \$150,000 in each year.
- Provides \$250,000 each year for the Stark Education Partnership.