

OASSA Legislative Update
Budget Bill & Report Card Legislation
By: Barbara Shaner
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State Budget Bill

The legislature came down to the wire in finalizing HB 110, the biennial budget bill, approving the final version late Monday June 28th. Governor DeWine met the July 1st implementation deadline by signing the bill the evening of June 30th. The funding provisions in the bill became effective immediately on July 1st with policy provisions effective after ninety days. The following are highlights of the education provisions in HB 110.

School Funding

The final version of HB 110 includes the provisions from the Fair School Funding Plan (FSFP), otherwise known as the Cupp/Patterson school funding plan. According to the simulations provided by the Legislative Service Commission, the increase from Fiscal Year (FY) 2021 (school year 2020-2021) in school district foundation funding (also including preschool special education and special education transportation) is projected to be \$203.4 million in FY 2022 and \$157.3 million in FY 2023.

The bill limits the implementation of the FSFP to FY 22 – 23 (the next two school years). The formula and funding levels in future years will be determined by the legislature. However, funding for these next two years will follow the same phase-in percentage as contained in HB 1, the House stand-alone bill for the FSFP, as if the formula were being phased in over six years. Funding increases for school districts and ESCs will be 16.67% the first year and 33.33% in the second year.

Funding for Student Wellness and Success (SWSF) has been folded into the FSFP as part of the Disadvantaged Pupil Impact Aid (DPIA) (formerly Economically Disadvantaged Pupil funding). There is also a portion of the per-pupil base cost component attributed to the SWSFs. The former allowable uses for the SWSFs have been added to the list of allowable uses for DPIA funds; some but not all the former allowable uses for economically disadvantaged students remain on the DPIA list. Increases to DPIA will phase in at 0% in FY 2022 and 14% in FY 2023.

Districts will need to report expenditures from DPIA funds and also for the SWSFs embedded in the base cost component. We can expect ODE to provide those details as they work through the implementation of the bill.

Charter schools and vouchers will be funded directly by the state (no longer deducted from school district payments). Voucher amounts will increase (\$5500 for K-8 and \$7500 for high school) and eligibility for vouchers will be expanded. The requirement that in most cases students have to have been enrolled in a public school first will be phased out over time. Also, the restrictions for where a charter school can locate will be lifted.

Some Non-Funding Education Provisions (not an exhaustive list)

- The bill changes the window districts will have for administering the Kindergarten Readiness Assessment. The new window will begin on July 1st and run through the first 20 days of instruction once the school year begins. The new window is meant to ensure the assessment is a more accurate measure of kindergarten readiness. According to staff at ODE, this change will be implemented beginning July 1, 2022.
- With the incorporation of the SWSF allowable uses into the provisions for DPIA, districts will need to develop a plan for spending their DPIA funds. As with the previous requirements for SWSFs, districts must coordinate with at least one community partner in developing the plan (ESCs are still included as one of the options).

Items Not included in the Final Version of HB 110

HB 110 contains provisions around computer science aimed at increasing the availability of computer science courses to students. Previous versions of the bill required that every student be offered the opportunity to take a computer science course beginning with grades eleven and twelve in the coming school year. **The final version of the bill does not include this mandate.** However, a committee will be formed to study the barriers to available computer science courses and make recommendations for expanding their availability through a statewide plan.

There are provisions in HB 110 intended to promote the completion of the FAFSA form by more students. An early version of the bill would have required completion of the FAFSA form in order for students to earn a diploma. **This provision was removed from the bill**, so there is no mandate for completing the form.

All three previous versions of HB 110 would have required ODE to provide diagnostic assessment options for grades K-3 that would allow districts to utilize them for purposes of dyslexia screening as required by HB 436 from the last General Assembly. **This provision was removed** before the final version of the bill was adopted.

Report Card Legislation

Negotiations between the House and the Senate on report card legislation resulted in the insertion of HB 200/SB145 compromise language into HB 82, a bill to allow students to opt out of the requirement to take the ACT or SAT. HB 82 was already pending in the Senate Primary and Secondary Education Committee, so the legislature was able to expedite the legislative process and finalize the bill before the summer recess. Governor DeWine signed the bill on July 1st; the bill will become effective in 90 days from the bill signing.

The key provisions that were agreed to in the compromise (included in HB 82) are:

- Elimination of A - F letter grades; replaced by 5-star system with word/phrase descriptors
 - 5 stars, Significantly Exceeds State Standards

- 4 stars, Exceeds State Standards
- 3 stars, Meets State Standards
- 2 stars, Needs Support to Meet State Standards
- 1 star, Needs Significant Support to Meet State Standards
- Includes HB 200's proposed 5 graded components; achievement, progress, gap closing, early literacy, and graduation (no more grading of Prepared for Success component)
- Achievement component graded more fairly (no longer 120 target score; target score will vary slightly from year to year but generally around 111)
- Gap Closing component rated based on the extent to which each subgroup in a district or building meets each of its Achievement and Progress targets. The rating must be calculated cumulatively and a district or building must receive a proportional amount of credit for how close it was to meeting its target. The component would also include the gifted indicator and chronic absenteeism indicator.
- The K-3 Literacy component will be based on the following three performance measures:
 - The percentage of students who achieve a proficient score or higher,
 - The percentage of students who are promoted to fourth grade and not subject to retention under the Third-Grade Reading Guarantee, and
 - The percentage of off-track students who the building or district get back on-track.
- While there will be an overall grade, its implementation will be postponed for one year allowing time for adjustments if necessary.

There are other changes to the report card included in the agreed-to bill language, but these were the most contentious items between the two bills. The Senate committee amended the substitute bill to include a study of the results of the new report card to be conducted following the 2023-2024 school year.

Note: There will be no report card for the 2020-2021 school year due to the Coronavirus pandemic. The provisions in HB 82 will first apply to the 2021-2022 school year.

OASSA members should thank local legislators for the specific provisions in HB 110 and HB 82 that are positive for schools and students. There is more work that needs to continue on both school funding and school report cards, but there are some positive things in these two bills worthy of note. Summer is a good time to touch base with legislators while they're back home in the district.

If you have questions about the information in this update or other legislative matters, contact Barbara Shaner at barbaracshaner@gmail.com.