



HB 110 (Budget) Highlights

Tax Credits/ Education Savings Account

- Creates the Afterschool Child Enrichment (ACE) Educational Savings Accounts (ESA) for parents of eligible students (ages 6-18) whose family income is at or below 300% FPL; uses \$50 million in federal funding in the first year of the biennium and \$75 million in the second year of the biennium for this purpose. ESAs will be \$500 per child.
- Creates a \$250 tax credit for qualifying materials and supplies used directly for instruction for parents who home educate their children.
- Creates a \$750 tax credit for those who donate to a Scholarship Granting Organization (SGO). SGOs will provide scholarships, primarily to low-income students, to attend a non-public school.
- Creates a tax credit up to \$500 for per year for tuition paid for one or more dependents to attend a nonchartered nonpublic school if the taxpayer's income is under \$50,000 and to \$1,000 if the taxpayer's income is between \$50,000 and \$100,000.

Scholarship Program Eligibility

- Eliminates the cap (currently 60,000) on the number of EdChoice scholarships that may awarded.
- Clarifies EdChoice eligibility includes:
 - (1) Students who previously received an Autism or Jon Peterson Special Needs scholarship but no longer qualify for either of those scholarships because they no longer are in need of special education and related services.
 - (2) Siblings of students who received a scholarship for the school year immediately prior to the school year for which the student is seeking a scholarship.
 - (3) Students who are in foster care
 - (4) Students who are in kinship care.
 - (5) Students enrolled in a private school (incoming 9th graders) who are or would be assigned to an eligible school;
- Establishes a phase-out the requirement that a student first be enrolled, or enrolling, in a school building operated by the student's resident school district or a community school in order to qualify for a performance-based EdChoice scholarship. The phase-out of public school enrollment would occur on the following schedule:
 - (1) For scholarships in the 2021-2022 school year, exempts students entering grades K-2.
 - (2) For 2022-2023, exempts students entering grades K-4.
 - (3) For 2023-2024, exempts students entering grades K-6.
 - (4) For 2024-2025, exempts students entering grades K-8.



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- (5) For 2025-2026, and each school year thereafter, exempts students entering grades K-12.
- Specifies that a student remains eligible for a performance-based EdChoice scholarship as of the first day of the application period if, after the first day of the application period, the Department changes the identification code (IRN) of the building to which the student is enrolled or would otherwise be assigned.
- Clarifies EdChoice building performance eligibility criteria:
 - (1) For a scholarship for the 2023-2024 school year, the district building ranked in the lowest 20% of the performance index in each of the 2018-2019 and 2021-2022 school years.
 - (2) For a scholarship for the 2024-2025 school year, the district building ranked in the lowest 20% of the performance index in each of the 2021-2022 and 2022-2023 school years.
- For the 2021-22 school year only, eligibility is based on both the 2019-20 and 2021-22 lists of eligible schools.

Scholarship Amounts

- The base formula amount for the Peterson Scholarship increases to \$6,217 for FY 2022 and \$6,414 for FY 2023.
- Increases the maximum scholarship amount for the Autism Scholarship Program from \$27,000 to \$31,500, for FY 2022, and \$32,455, for FY 2023.
- Increases the maximum scholarship amounts for the EdChoice and Cleveland scholarship programs from \$4,650 to \$5,500 for grades K-8 and \$6,000 to \$7,500 for grades 9-12.
- Requires the scholarship value for the EdChoice Scholarship Program and the Cleveland Scholarship Program increase in future fiscal years by the same percentage that the base cost per pupil increases in future fiscal years.

Scholarship Administration

- Eliminated the deduct mechanism and directly funds all scholarship programs.
- As of July 15, 2021 requires the Department of Education to:
 - Develop eligibility guidance consistent with new requirements;
 - Post the guidance on the Department's web site in a prominent, easy-to-find location;
 - Provide the guidance documents to every nonpublic school that accepts Educational Choice scholarships.



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- Begin accepting and processing EdChoice applications for the 2021-2022 school year.
- For complete applications submitted by August 1, 2021, the Department shall provide notice of award or denial not later than September 15, 2021.
- Requires the Department of Education to create a system by February 1, 2022, through which families may provide a student's address and receive a response within ten days informing the family if the student is eligible for the performance-based EdChoice program.
- Prohibits a student's resident district from contesting a determination that the student is eligible for the scholarship program.
- Requires the Department of Education to make monthly partial payments of scholarships rather than periodic partial payments.
- Requires the application window for scholarships to open on February 1 prior to the school year for which a scholarship is sought.
- Requires the Department of Education to continue accepting applications and awarding scholarships throughout the application period.
- Requires the Department of Education to determine if an applicant who submits a complete application is eligible within 45 days of receiving the application.
- Requires the Department of Education to notify applicants who submitted an application that contains errors or deficiencies within 14 days of receiving the application.
- Prohibits school districts from having access to EdChoice scholarship applications.
- Requires the Department of Education, the Department of Job and Family Services, and the Department of Taxation to enter into a data-sharing agreement to assist the Department of Education in determining, when administering EdChoice applications, if a student is eligible for a performance-based EdChoice scholarship or an income-based EdChoice scholarship.
- Permits registered behavior technicians and certified Ohio behavior analysts as those who may provide intervention services under the Autism Scholarship Program.
- Private providers approved to participate in the Autism Scholarship Program and any of its employees, are subject to criminal records check requirements. Requires the private providers to submit the results of criminal records checks to the Department of Education.
- Requires that the Department of Education to use the information submitted by Autism Scholarship Program providers to enroll individuals in the Retained Applicant Fingerprint Database (RAPBACK) in the same manner as licensed educators.
- Permits a chartered nonpublic school located outside the Cleveland Municipal School District that serves grades K-8 to accept students with Cleveland scholarships on the same basis permitted under current law for a school serving



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grades 9-12 if the school is both located within five miles of the district border and within a municipal corporation having a population of at least 15,000.

Community (Charter) Schools

- Eliminates the deduct mechanism, directly funds both STEM schools and community schools; creates funding units included in foundation line item (200550).
- Adopts in temporary law a partially-phased in version of the House of Representatives' funding proposal. Average per-pupil increases for community schools are projected to be \$302 for FY2022 and \$173 for FY2023.
- Maintains funding for online dropout recovery school pilot.
- Increases facility funding for brick-and-mortar schools from \$250 to \$500 per pupil.
- Funds the Community School Quality grant at \$54 million in each fiscal year.
- Removes the existing requirement that start-up community schools only be opened in 'challenged' school districts.
- Modifies the definition of an "unused school facility" in the law governing a district's involuntary disposition of such facilities, any school building that has been used for direct academic instruction but less than 60% of the building was used for that purpose in the preceding school year.
- Permits a governing authority of a community school established in two school districts, under the same contract, to modify the primary location of the school.
- Prohibits automatic withdrawal of students enrolled in internet- or computer-based community schools and district-operated internet- or computer-based schools who failed to take required state spring assessments prior to the 2020-2021 school year.
- Reduces the amount of time that a student who is withdrawn by an e-school is required to wait before re-enrolling in the same school.
- Prohibits the automatic closure of community schools on the basis of any report card rating issued prior to the report card for the 2022-2023 school year.
- Permits an "exemplary" rated sponsor to open up a maximum of two new internet- or computer-based community schools (e-schools) per year to serve primarily students enrolled in a dropout recovery program, not to exceed six new schools in five years.

Transportation of Nonpublic and Community School Students

- Requires a school district to provide transportation services to students it is required to transport who are enrolled in a community or chartered nonpublic



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school if that school is open for instruction, even if the district's schools are not open for instruction.

- Permits a nonpublic or community school governing authority to request a list of students enrolled in the nonpublic or community school for whom the district provides transportation and their addresses.
- Requires the district to provide the information (only the names and addresses) of the pupils enrolled in the school making the request.
- Requires school districts, ESCs, and private school transportation contractors to "deliver" students enrolled in preschool through twelfth grades to their respective public and nonpublic schools no sooner than 30 minutes prior to the beginning of school and to be available to pick them up no later than thirty minutes after the close of their respective schools each day.
- Requires a community school or chartered nonpublic school to establish start and end times for the school year by April 1 of the prior school year and provide them to each district expected to be responsible for transporting its students.
- Requires each district to use the start and end times to develop a transportation plan, including transportation routes and schedules, within 60 days of receiving start and end times.
- Requires a school district to attempt to provide a transportation plan to a community or chartered nonpublic school by August 1 if the school provides its start and end times after April 1 but before July 1.
- Requires each district to develop a transportation plan within 14 business days after receiving a request for any student who enrolls in a community or nonpublic school after July 1.
- Prohibits a district from providing transportation services via a mass transit system to community or chartered nonpublic students in grades K-8 unless the district enters into an agreement with the school authorizing it.
- Requires a district that elects to provide transportation services via a mass transit system to students in grades 9-12 to ensure the student's route does not require more than one transfer.
- Establishes a deadline of 30 calendar days prior to the district's or school's first day of instruction or, in the case of a student who enrolls later, within 14 days after the student's enrollment for a school district to make a determination whether to provide payment in lieu of transportation for a student.
- Authorizes a district superintendent to make a determination regarding payment in lieu, but requires that the determination be formalized at the next meeting of the school district board of education or community school governing authority.
- Requires a district board or governing authority to issue a letter to a student's parent, guardian, or other person in charge of the student, the student's



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chartered nonpublic or community school and to the State Board of Education with a detailed description of the reasons for which the payment in lieu determination was made.

- Establishes the minimum amount of a payment in lieu of transportation to be at least 50% of the average cost of pupil transportation for the previous school year as determined by the Department of Education.
- Permits the parent, guardian, or other person in charge of a pupil, at any time after requesting transportation for that pupil, to authorize the nonpublic or community school in which the pupil is enrolled to act on the parent's, guardian's or other person's behalf for purposes of determining payment in lieu of transportation and any related mediation proceedings.
- Requires the Department of Education to monitor districts' compliance with transportation requirements.

School District Funding

- Implements in temporary law a partially phased-in version of the House of Representatives funding plan.
- School districts receive an additional \$203 million in funding in FY2022 and another \$157 million in FY2023.
- Wellness and Success Funds are incorporated into the funding formula instead of a separate source of additional funding.
- District funding remains subject to funding guarantees and caps.

Other K-12 Education Provisions

- Maintains the provision to require computer science standards be updated.
- Permits students to opt-out of taking the ACT/SAT in their junior year.
- Creates a definition for online learning and establishes requirements for online schools operated by districts
- Substantially revised requirements related to Academic Distress Commissions. Authorizes any school district subject to an academic distress commission (ADC) (Youngstown, East Cleveland, and Lorain) to submit an improvement plan as an alternative to remaining under state oversight
- Allows educational service centers to be classified as LEAs for purposes of applying for competitive federal grants.



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Nonpublic School Provisions

- Allows sectarian chartered nonpublic schools to elect to directly receive auxiliary services funds and provides the option for designation of a fiscal agent for administration of auxiliary funds. Chartered nonpublic schools must provide notice for FY2022 no later than July 31, 2021.
- Repeals the statutory per-pupil cap of \$360 for nonpublic administrative cost reimbursement for a school year. Instead, it prohibits payments for the reimbursement from exceeding the per-pupil amount specified by the General Assembly for that school year.
- Specifies that GRF appropriation item 200532, Nonpublic Administrative Cost Reimbursement, be used to reimburse chartered nonpublic schools for the administrative costs associated with maintaining their state charter up to the allowed amount to \$475 per student.
- Earmarks up to \$2,600,000 in each fiscal year of GRF appropriation item 200511, Auxiliary Services, for nonpublic school student participation in the College Credit Plus Program.