# Legislative Update

June 2024



## Overview of GRF Revenues for April 2024



#### **April 2024 Bottom Line**

#### Plus \$707 Million\*

Tax revenues fell \$447 million short of projections

"Other revenues" were \$290 million ahead of projections

Federal grant revenues were \$965 million below projections for the first nine months of the fiscal year

Total GRF revenues were \$1.121 billion below estimates for the first nine months of the fiscal year

GRF expenditures were \$1.828 billion below estimates for the first nine months of the fiscal year

\*Source – On the Money (Hannah News) by Dr. Howard Fleeter



#### **April 2024 Bottom Line**

**DeWine:** "We are seeing a lot of money in refunds. And frankly, a lot of this is a direct result of a cut in taxes."

**Huffman:** "It's a significant issue. The question at the moment is why? And some of it has to do with refunds and some of it has to do with is the economy slowing down."

**Stephens:** "One of the good things is that the interest rates are a lot higher so we have a lot more interest income than we've had in the past few years, so that's a positive side to where we're at... ... And sometimes you get it closer, you have a good month or a bad month, but hopefully it evens out."



General Updates



#### **News from the Ohio House**

# Speaker Stephens removed six committee chairs from their positions and committees for reportedly supporting the primary opponents of sitting Republicans

- ➤ Rep. Rodney Creech Agriculture
- ➤ Rep. Phil Plummer Constitutional Relations
- ➤ Rep. Darrell Kick Energy and Natural Resources
- > Rep. Adam Bird Primary and Secondary Education
- ➤ Rep. Scott Lipps Public Health Policy
- ➤ Rep. Marilyn John State and Local Government

Rep. Gayle Manning is the new Chair of the House Primary and Secondary Education Committee; Rep. Dave Dobos fills Bird's vacancy



#### Joint Committee on Property Tax Review and Reform

• The Committee must (1) review the history and purpose of Ohio's property tax laws, including levies, exemptions, and local subdivision budgeting and (2) submit to the legislature recommendations on reforms to property tax laws by December 31, 2024.

#### Invited witnesses to date:

- o Legislative Service Commission
- Department of Taxation
- County Auditor's Association of Ohio
- o Board of Tax Appeals
- Ohio Chamber of Commerce
- Ohio Business Roundtable
- o NFIB
- BASA and OASBO
- Howard Fleeter, OEPI

#### May 22 was likely the final meeting

#### **Senate Members**

Bill Blessing (R-Colerain Township) (co-chair)

George Lang (R-West Chester Township)

Sandra O'Brien (R-Rome)

Hearcel Craig (D-Columbus)

Bill DeMora (D-Columbus)

#### **House Members**

Bill Roemer (R-Richfield) (co-chair)

Tracy Richardson (R-Marysville)

Tom Young (R-Dayton)

Bride Rose Sweeney (D-Cleveland)

Daniel Troy (D-Willowick)



- Lawsuit filed on March 26 challenging constitutionality of HB 68
- *Prohibits gender reassignment surgery*, cross-sex hormones, and puberty-blocking drugs for minors and *requires same-sex sports* teams
- **Vetoed** by Gov. Mike DeWine on Dec. 29; **House overrode** veto on Jan. 10 by a vote of 65-28; **Senate overrode** veto on Jan. 24 by a vote of 24-8
- · Court has stayed the implementation until mid-July

#### Title IX rules

- Biden Administration released updated Title IX rules in April
- Regulations are set to take effect August 1
- 20 states, including Ohio, are challenging the rules in federal court
  - Ohio's participation in the Eastern District of Kentucky is joined by West Virginia, Tennessee, Indiana, Kentucky, and Virginia

#### **DEW and Director Dackin**

**Student Wellness** 

- > Director Steve Dackin is leading the newly formed cabinet agency
- The top priorities of the DeWine/Husted administration are:

  Literacy
  Learning Acceleration
  Workforce Readiness
- Director Dackin has nominated Jeremy Varner (Iowa) to serve as the Deputy Director of Career Technical Education and Workforce. Confirmation is expected on June 12
- >DEW lawsuit dismissed by county common pleas court judge



## HB 2 – Capital Budget (House)

\$600 million for school facility construction and renovation through Ohio Facilities Construction Commission

\$350 million earmark appropriations from the \$700 million One-Time Strategic Community Investments Fund

Senate President Matt Huffman: "There is no such agreement."

**Senate deadline** for legislator requests for capital budget and One-Time Strategic Community Investments Fund: **April 8** 

**Work** expected to be **completed** by late June at the latest

## HB 27 – Capital Budget (Senate)

\$600 million for school facility construction and renovation through Ohio Facilities Construction Commission

No funding for the One-Time Strategic Community Investments Fund

\$575 million for the Public Works Commission and \$196 million for the Ohio Exposition Commission

**Senate deadline** for legislator requests of capital budget and One-Time Strategic Community Investments Fund: **April 8** 

**Work** expected to be **completed** by mid **June** at the latest

#### STRS Update

STRS February report may be found <u>here</u>

STRS may recommend increasing the employer contribution from 14% to 18% in .5% increments over an 8 year period

Full retirement may be changed to 33 years from the current level of 34 years

These changes require legislative changes and would likely face opposition in the General Assembly



### HB 250 – Cellphone Policy

Requires districts to adopt a smartphone policy with specific stipulations

Ensures teachers who teach up to grade levels outside their grade band are considered to be "properly certified or licensed"

Allows license holders to renew under the former three-grade-band system or the current two-grade band system, provided the new license includes at least one of the grades the educator is authorized to teach

Specifies that DEW – not the SBOE – will adopt standards and curriculum to incorporate capitalism into the financial literacy standards, as recently enacted by Senate Bill 17

Bills to Watch

Ohio House of Representatives



#### HB 183 – Bathroom Bill

(reported out)

Reps. Lear (R) and Bird (R)

Requires public schools, private schools, and colleges and universities to designate each student restroom, locker room, changing room, or shower room (that is accessible for multiple students at the same time) for the exclusive by students of the male biological sex only or by students of the female biological sex only.

**Prohibits** "a member of the **female biological sex**" from using **boy-designated restrooms**/locker rooms/changing rooms/shower rooms, and vice versa.

**Prohibits biological females** from "sharing overnight accommodations" with biological males, and vice versa.

**States** that the bill **does not prohibit** schools from establishing a policy providing accommodations such as **single-occupancy facilities** or controlled use of faculty facilities at the request of a student due to special circumstances.



#### HB 183 – Bathroom Bill

(reported out)

Reps. Lear (R) and Bird (R)

**Prohibits** a school from constructing, establishing, or maintaining **a multi-occupancy facility** that is **designated** as **nongendered**, **multigendered**, or **open to all genders** 

**Permits** an individual to use an individual's **official birth record** to **prove biological sex** if it was issued at or near the time of the individual's birth

*Note* - The bill defines a "multi-occupancy" facility as "a restroom, locker room, changing room or shower room that is accessible to multiple individuals at the same time." It "does not include a family facility."



### HB 219 - CCP

- > Requires public and private schools to use CCP forms developed by the Chancellor and the state Superintendent
- > Requires each state and participating private institution of higher education to provide CCP students with an orientation that meets guidelines issued by the Chancellor and state Superintendent
- > Requires each state and participating private institution to provide notice to a secondary school if a student withdraws from a course
- > Requires each state and participating private institution to endeavor to use open source materials, instead of purchase-only textbooks, in courses with CCP students

## HB 219 - CCP

- > If a state or participating private institution uses a purchase-only textbook in a course with CCP students when there are open source materials that may be used instead, the institution must pay the textbook costs of the CCP students.
- > If a state or participating private institution uses purchase-only textbooks in a course with CCP students because there are no open source materials that may be used, the institution must pay 50% of textbook costs of the CCP students and the student's secondary school must pay the remaining 50% of the cost,
- > Requires the Chancellor to establish an alternative credentialing process to certify instructors with relevant teaching experience as CCP instructors without requiring any additional graduate-level coursework.
- > Requires DEW to include on the state report card report only, nonrated data about whether a public school provides information about and promotes CCP as required under continuing law.

#### SB 29 – Student Technology Records

**Prohibits technology providers** from **selling, sharing, or disseminating** student educational **records** that were created, received, maintained, or disseminated by a technology provider

**Prohibits** technology providers from **using** those **records** for any **commercial purpose** 

Requires districts to annually notify parents and students by August 1 of the technology providers (curriculum, testing, etc.) with access to educational records and to identify the affected records



#### SB 29 – Student Technology Records

With the exceptions below, prohibits districts from accessing or monitoring:

- student **interactions** with a **school-issued device**, including keystrokes and web-browsing activity;
- location-tracking features of a school-issued device; and
- audio or visual receiving, transmitting, or recording feature of a school-issued device.

Exceptions: (1) the activity is necessary to respond to an imminent threat to life or safety; (1) the activity is limited to instruction, tech support, or test-proctoring; (3) a judicial warrant permits the activity; (4) the activity is needed to comply with state or federal law; (5) the activity is needed to participate in state or federal aid; and (6) the device is missing or stolen.

Sen. Reynolds (R)

Allows school districts to *develop and use their own teacher evaluation and principal evaluation frameworks*, while maintaining the existing OTES and OPES frameworks.

Reduces the educational attainment level from a *master's degree to a bachelor's degree* for certification or licensure for senior or lead professional educators, professional administrator license holders, and alternative superintendent license holders.

Allows *unlicensed individuals to be hired as a teacher* if they have a master's degree and pass a subject area examination in the area in which they will teach.

Sen. Reynolds (R)

For purposes of DEW's Student Transportation Enforcement Process, **extends the deadline** from 30 minutes after the end of school to **60 minutes** by which a **student must be picked up** from school if school-supervised "academic services" are provided by the school to students "immediately after school;"

Requires **intradistrict open enrollment lotteries** to occur between April 1 and the second Monday in June, rather than "on the second Monday in June"

Allows districts to provide a **30-day notice** when **retiring and rehiring** an employee to fill a position for which there are "urgent reasons to fill in an expedited manner," while **maintaining** the **current 60-day notice** 

Clarifies a recent law change on Rapback for school contractors

## SB 168 – Education Regulation Reform (passed Senate on 12/13/23)

Sen. Reynolds (R)

Permits certain *high-performing districts to renew the law's various exemptions from certain requirements every three years*, rather than one three-year term, and requires DEW to notify districts that they are eligible to utilize the exemption.

Specifies that districts *are not required to hold a separate, individual public hearing on a proposed school calendar*, but that the calendar may be addressed as part of another public hearing or meeting.



Sen. Reynolds (R)

#### **Requested Changes:**

- > Remove licensure provisions
- > Add OFCC LFI language
- > Add language to update graduation rate calculation for LRC
- > Clarify transportation language regarding end of day flexibility
- > Increase competitive bidding threshold



Reps. Manning (R) and Seitz (R)

**Establishes new reporting requirements** for **chartered nonpublic schools** that enroll students in a **general scholarship program** (Ed Choice or Cleveland Scholarship)

**Requires public money** held by a chartered nonpublic school to be **accounted for separately** from other funds

Requires DEW to issue a state report card for chartered nonpublic schools accepting scholarships included student performance and family adjusted gross income data

Eliminates exceptions that that permit general scholarship students to take alternative assessments

**Requires** each public and chartered nonpublic school to **maintain student disciplinary records** and to **transmit a transfer of disciplinary records** when a student moves to a new school



#### HB 432 – Career-Technical Educator Licensure Flexibility

Permits an individual, rather than the employing district, to apply for an initial career-technical workforce development educator license

Permits an individual with an employment offer to enroll in one of two alternative educator preparation programs in lieu of a career-technical workforce development educator preparation program offered by a higher education institution

Requires issuance of a two-year technical educator license to a licensed educator with at least five years of work experience in the subject area the individual will teach, provided the district superintendent recommends them for employment and they are assigned a mentor

Requires issuance of an advanced career-technical educator license to licensed educators who complete four years of teaching under the existing two-year technical educator license



Requires districts provide at least one opportunity per school year, which may be during the school day, for the representatives of patriotic organization to provide information to students

Permits such organizations to request districts allow their representatives provide written information or present information in person to students regarding the organization, including information regarding how the organization furthers the educational interests and civic involvement of student

Requires districts to request a criminal records check of the individuals wishing to provide information on school property

Defines "patriotic organization" as that term is defined under federal law, including:

- AMVETS, American Legion, Big Brothers Big Sisters, Boy Scouts of
- America, Boys and Girls Clubs of America, FFA, Little League Baseball, National Education Association (NEA), Veterans of Foreign Wars of the USA, and Vietnam Veterans

### HB 445 – Required Religious Release Time Policy

Reps. Cutrona (R) and Click (R)

Requires, rather than permits as under current law, school districts to adopt a policy authorizing students to be excused from school to attend a released time course in religious instruction

## LifeWise Academy seeks policy to allow off-site religious programming for Hilliard students

A. Kevin Corvo ThisWeek
Published 3:58 p.m. ET March 17, 2022





Effort promoting Bible education during school day growing locally: Here's how it works



Prayer, Bible lessons and a big red bus: How an Ohio group is bringing God to public school

LifeWise Academy is on a mission to reach school children with the gospel. Opponents say the weekly Bible studies blur the line between church and state.



# HB 344 – Property Tax Levies and Complaints

Reps. Mathews (R) and Hall (R)

Eliminates replacement levies

Imposes financial penalties for violating the new and existing property tax complaint restrictions and requirements

**Prohibits** school **districts** from filing **property tax counter-complaints** unless the **original complaint** was **filed** by the **owner** or **lessee** of the property

Eliminates BOR appeals to the county court of common pleas

**Sets a two-year window for complaints** by requiring complaints be based on a sale with a **conveyance fee statement filed within the two years** prior to the year for which the complaint is filed



- Eliminate the state income tax and the commercial activity tax (CAT) with the goal of making Ohio "the most business-friendly state in the nation and to financially dominate the rest of the country."
- Establish a flat income tax rate of 1.17% in 2028 and 0.58 % in 2029 and fully eliminate the income tax in 2030

Current Value of Income Tax

FY 24 – \$11.15 Billion

FY 25 - \$11.506 Billion

Current Value of CAT Tax

FY 24 - \$2.155 Billion

FY 25 - \$2.208 Billion



#### HB 71 – Community Connectors Workforce Program

- >Provides \$8 million in each fiscal year to support Ohio's educational service centers to hire staff to connect high school students to jobs and internships in their communities
- ➤ Requires the hired staff to offer instruction in soft skills and professional skills training and collaborate with OhioMeansJobs and other community partners to identify available jobs and internships in the community



#### HB 491 – Ohio Checkbook

- >Requires school districts, local governments, and other public entities to participate in the Ohio State and Local Government Expenditure Database
- >Requires those entities to report to the database the amount, date paid, and recipient of each expenditure
- >Requires those entities to report include revenues, including the amount source and date received, as well as their operating budgets



Bills to Watch
Ohio Senate



#### HB 8 – Parents Bill of Rights

**Prohibits school personnel** from encouraging to withhold from a parent information concerning the student's health or well-being unless that disclosure would result in abuse, abandonment, or neglect

**Establishes a process** under which the district must **resolve written concerns** submitted by parents about topics addressed in the bill

**Requires notice to parents** about **sexuality content**, an opportunity to review, and an opportunity to request alternative instruction

**Requires notice** to parents about school-provided healthcare services



**Passed** the House – Awaiting committee vote in Senate

#### HB 8 – Parents Bill of Rights

Recent changes in the current substitute bill:

- requires districts to adopt a procedure to obtain authorization from parents prior to providing any type of health care service to the student, including physical, mental, and behavioral health care services. This does not apply to "emergency situations."
- prior to providing a health care service to a student, requires districts to notify parents whether the service is required to be provided by the school district under state law and if other options for a student to access the service exist. This requirement does not apply to "emergency situations."
- requires the policy to specify the manner in which a student's parent will be notified of any change in the student's health care, counseling, or well-being services;



#### HB 8 – Parents Bill of Rights

Recent changes in the current substitute bill:

- prohibits providing sexuality content instruction to K-3 students;
- requires districts to make their policy publicly available and post it prominently on their website;
- requires the policy to be adopted within 120 days of the bill's effective date.



#### SB 219 – Grade Bands

Restores the former three licensure grade bands (preK-5, 4-9, and 7-12) instead of the recently enacted two licensure grade bands (preK-8 and 6-12)

Maintains a district's recently enacted authority to hire an individual to teach up to two grade levels outside their grade band for up to two years, subject to renewal



#### SB 104 – College Credit Plus

Establishes a monitoring and compliance enforcement system for school districts

Requires the collection of data relative to the actual cost of programming under CCP

Modifies the deadline under which students must notify the school principal of their intent to participate in CCP (set by chancellor)

Permits participating in CCP in a subsequent semester rather than at the beginning of a current school year

#### SB 104 – College Credit Plus

Adds a non-graded, report-only element on the report card indicating whether the school district or building provides information about and promotes CCP, notated with a "yes" or "no"

Requires the Chancellor of ODHE to establish an alternative credentialing process to certify instructors

Requires use of state forms

Requires IHE's to provide CCP participants with an orientation that meets guidelines set by the Chancellor

- Eliminate the state income tax and the commercial activity tax (CAT) with the goal of making Ohio "the most business-friendly state in the nation and to financially dominate the rest of the country."
- Establish a flat income tax rate of 2.7 % in 2026, gradually reduce the rate, and fully eliminate the income tax in 2030

Current Value of Income Tax

FY 24 – \$11.15 Billion

FY 25 - \$11.506 Billion

Current Value of CAT Tax

FY 24 - \$2.155 Billion

FY 25 - \$2.208 Billion



- >Authorizes local governments to create "Residential Stability Zones" in which eligible properties qualify for partial property tax exemptions
- > Does not reimburse schools and local governments for the foregone revenue as a result of the exemption
- >One of several Senate bills resulting from the Senate Select Committee on Housing final report



#### HB 230 – Fentanyl Education

- ➤ Requires public schools to provide age-appropriate, researchbased instruction on the dangers of fentanyl to students in grades K-12
- > Requires the instruction to be conducted by a licensed educator, school nurse, school counselor, or public safety officer
- Requires public schools to designate a week during the school year as "Fentanyl Poisoning Awareness Week" to educate students about the dangers posed by fentanyl



- Requires property owners to submit their residential property tax exemption application for approval to the county auditor, rather than rather the state Tax Commissioner
- >Prohibits school districts from challenging whether a residential development property is eligible for the property tax exemption
- > Removes the notification requirement for school boards to be notified of an applied-for exemption
- This exemption, which was created in 2023, creates a property tax exemption on unimproved land that is subdivided for development. It freezes the unimproved property's value at the time the exemption is granted and lasts for eight years or until construction begins on the property or the property is sold.

#### Stay "In the Know"

#### Visit the **Legislative Tab** on the BASA Website

**Week In Review** – a weekly update (posted on Monday) that recaps news from the previous week that impacts schools, our staff, and our students

**House and Senate Legislation** – BASA tracks many bills on a weekly basis. This tab on our website is updated each Monday and provides the latest information on each bill that impacts education in Ohio.

**Use these resources** – These resources are for the use of members and are a great way to keep your BOE, leadership team, and staff "in the know" on everything happening at the Statehouse.



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