### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 382

with all of the laws under which it exists and that the laws 11831 permit the merger or consolidation; 11832

(c) The name and mailing address of the person or entity that 11833
is to provide, in response to any written request made by a 11834
shareholder, partner, or other equity holder of a constituent 11835
entity, a copy of the agreement of merger or consolidation; 11836

(d) The effective date of the merger or consolidation, which 11837 date may be on or after the date of the filing of the certificate; 11838

(e) The signature of the representative or representatives 11839
authorized to sign the certificate on behalf of each constituent 11840
entity and the office held or the capacity in which the 11841
representative is acting; 11842

(f) A statement that the agreement of merger or consolidation 11843 is authorized on behalf of each constituent entity and that the 11844 persons who signed the certificate on behalf of each entity are 11845 authorized to do so; 11846

(g) In the case of a merger, a statement that one or more 11847 specified constituent entities will be merged into a specified 11848 surviving entity or, in the case of a consolidation, a statement 11849 that the constituent entities will be consolidated into a new 11850 entity; 11851

(h) In the case of a merger, if the surviving entity is a 11852
foreign entity not licensed to transact business in this state, 11853
the name and address of the statutory agent upon whom any process, 11854
notice, or demand may be served; 11855

(i) In the case of a consolidation, the name and address of 11856
the statutory agent upon whom any process, notice, or demand 11857
against any constituent entity or the new entity may be served. 11858

(2) In the case of a consolidation into a new domestic11859corporation, limited liability company, or limited partnership,11860

the articles of incorporation, the articles of organization, or 11861 the certificate of limited partnership of the new domestic entity 11862 shall be filed with the certificate of merger or consolidation. 11863

(3) In the case of a merger into a domestic corporation, 11864
limited liability company, or limited partnership, any amendments 11865
to the articles of incorporation, articles of organization, or 11866
certificate of limited partnership of the surviving domestic 11867
entity shall be filed with the certificate of merger or 11868
consolidation. 11869

(4) If the surviving or new entity is a foreign entity that
desires to transact business in this state as a foreign
corporation, limited liability company, or limited partnership,
the certificate of merger or consolidation shall be accompanied by
the information required by division (B)(8), (9), or (10) of
section 1705.37 of the Revised Code.

(5) If a foreign or domestic corporation licensed to transact 11876 11877 business in this state is a constituent entity and the surviving or new entity resulting from the merger or consolidation is not a 11878 foreign or domestic corporation that is to be licensed to transact 11879 business in this state, the certificate of merger or consolidation 11880 shall be accompanied by the affidavits, receipts, certificates, or 11881 other evidence required by division (H) of section 1701.86 of the 11882 Revised Code, with respect to each domestic constituent 11883 corporation, and by the affidavits, receipts, certificates, or 11884 other evidence required by division (C) or (D) of section 1703.17 11885 of the Revised Code, with respect to each foreign constituent 11886 corporation licensed to transact business in this state. 11887

(C) If any constituent entity in a merger or consolidation is 11889
organized or formed under the laws of a state other than this 11890
state or under any chapter of the Revised Code other than this 11891
chapter, there also shall be filed in the proper office all 11892

11888

## Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 384

documents that are required to be filed in connection with the 11893 merger or consolidation by the laws of that state or by that 11894 chapter.

(D) Upon the filing of a certificate of merger or
 11896
 consolidation and other filings as described in division (C) of
 11897
 this section or at any later date that the certificate of merger
 11898
 or consolidation specifies, the merger or consolidation is
 11899
 effective.

(E)(1) Upon request and payment of a <u>the</u> fee <u>specified in</u>
<u>division (D)</u> of ten dollars <u>section 111.16 of the Revised Code</u>,
the secretary of state shall furnish the secretary of state's
certificate setting forth all of the following:

(a) The name and form of entity of each constituent entity 11905
and the states under the laws of which each constituent entity 11906
existed prior to a merger or consolidation; 11907

(b) The name and the form of entity of the surviving or new 11908
entity and the state under the laws of which the surviving entity 11909
exists or the new entity is to exist; 11910

(c) The date of the filing of the certificate of merger or 11911consolidation in the secretary of state's office; 11912

(d) The effective date of the merger or consolidation. 11913

(2) The certificate of the secretary of state or a copy of a 11914 certificate of merger or consolidation that has been certified by 11915 the secretary of state may be filed for record in the office of 11916 the recorder of any county in this state and, if filed, shall be 11917 recorded in the record of deeds for that county. For that 11918 recording, the county recorder shall charge and collect the same 11919 fees as for recording a deed. 11920

**Sec. 1705.55.** <u>(A)</u> If any statement in an application for 11921 registration as a foreign limited liability company is materially 11922

false when made or if any facts described in the application have 11923 changed making it inaccurate in any material respect, the foreign 11924 limited liability company shall file promptly with the secretary 11925 of state a certificate correcting the application that shall be on 11926 a form that is prescribed by the secretary of state and be signed 11927 by an authorized representative of the company. If 11928

(B) If the application for registration or a subsequent 11929 certificate of correction becomes inaccurate because the 11930 designated agent resigns or changes the agent's address from that 11931 appearing in the registration application or any subsequent 11932 certificate of correction of the registration application, the 11933 foreign limited liability company, or the designated agent on its 11934 behalf, shall file <u>a notice of that resignation or change</u> promptly 11935 with the secretary of state a new certificate of correction 11936 setting forth the new address. 11937

(C) A foreign limited liability company may revoke the 11938 appointment of its designated agent described in division (A) of 11939 section 1705.54 of the Revised Code by filing with the secretary 11940 of state, on a form prescribed by the secretary of state, a 11941 written appointment of another agent and an acceptance of 11942 appointment in the manner described in division (B)(2) of section 11943 1705.06 of the Revised Code and a statement indicating that the 11944 appointment of the former agent is revoked. 11945

(D) The fee specified in division (R) of section 111.16 of 11946 the Revised Code shall accompany a filing under division (B) or 11947 11948 (C) of this section.

Sec. 1746.04. (A) Except as set forth in section 1746.03 of 11949 the Revised Code, before transacting business in this state, a 11950 business trust shall file a report in the office of the secretary 11951 of state, on forms prescribed by the secretary of state, a report 11952 containing the following information: 11953

Page 386

(1) A list of the names and addresses of its trustees; 11954

(2) The address of its principal office; 11955

(3) In the case of a foreign business trust, the address of 11956its principal office within this state, if any; 11957

(4) The business names of the business trust, including any 11958fictitious or assumed names; 11959

(5) The name and address within this state of a designatedagent upon whom process against the business trust may be served;11961

(6) The irrevocable consent of the business trust to service 11962 of process upon its designated agent and to service of process 11963 upon the secretary of state if, without the registration of 11964 another agent with the secretary of state, its designated agent 11965 has died, resigned, lost authority, dissolved, become 11966 disqualified, or has removed from this state, or if its designated 11967 agent cannot, with due diligence, be found. 11968

Such report shall have attached as an exhibit an executed 11969 copy of the trust instrument or a true and correct copy of it, 11970 certified to be such by a trustee before an official authorized to 11971 administer oaths or by a public official in another state in whose 11972 office an executed copy is on file. 11973

(B) Not more than ninety days after the occurrence of any 11974
event causing any filing, including exhibits, made pursuant to 11975
division (A) of this section, or any previous filing made pursuant 11976
to this division, to be inaccurate or incomplete, there shall be 11977
filed in the office of the secretary of state all information 11978
necessary to maintain the accuracy and completeness of such 11979
filing. 11980

(C) The secretary of state shall charge and collect a fee the 11981
 <u>fees specified in division (T)</u> of seventy-five dollars section 11982
 <u>111.16 of the Revised Code</u> for each filing made under division (A) 11983

of this section and fifteen dollars for each filing under division11984or (B) of this section, except for filings under division (B) of11985this section pertaining solely to division (A)(5) of this section,11986for which the secretary of state shall charge and collect the fee11987specified in division (R) of section 111.16 of the Revised Code.11988

(D) The trust instrument and other information filed in the 11989
office of the secretary of state are matters of public record, and 11990
persons dealing with a business trust are charged with 11991
constructive notice of the contents of any such instrument or 11992
information by reason of such filing. 11993

(E) A copy of a trust instrument or other information filed
 11994
 in the office of the secretary of state shall be accepted as
 prima-facie evidence of the existence of the instrument or other
 11996
 information and of its contents, and conclusive evidence of the
 11997
 existence of such record.

Sec. 1746.06. (A) No business trust that has made a filing 11999
pursuant to section 1746.04 of the Revised Code may use the words 12000
"Incorporated," "Corporation," "Inc.," "Co.," "Partnership," 12001
"Ltd.," or derivatives thereof in its name. 12002

(B) No business trust formed after the effective date of this 12003 chapter that has made a filing pursuant to section 1746.04 of the 12004 Revised Code shall assume the name of any corporation established 12005 under the laws of this state, or of a corporation, firm, or 12006 association, or trust whether or not as defined in section 1746.01 12007 of the Revised Code, or of an individual, carrying on business in 12008 this state at the time when the business trust is created, or 12009 assume a name so similar thereto as to be likely to be mistaken 12010 for it, except with the written consent of such existing 12011 corporation, firm, association, or trust, or of such individual, 12012 previously or concurrently filed with the secretary of state. 12013

(C) The secretary of state shall refuse to receive for filing 12014

12015 the trust instrument of a business trust if it appears to him the 12016 secretary of state to have violated any provision of this section. 12017 The courts of common pleas of this state shall have jurisdiction, 12018 upon the application of any person interested or affected, to 12019 enjoin a business trust from transacting business under any name 12020 in violation of any provision of this section, notwithstanding 12021 that the trust instrument of such business trust has been received 12022 for filing under section 1746.04 of the Revised Code.

(D) Any person who wishes to reserve a name for a proposed 12024 new business trust, or any business trust intending to change its 12025 name, may submit to the secretary of state a written application 12026 for the exclusive right to use a specified name as the name of a 12027 business trust. If the secretary of state finds that, under this 12028 section, the specified name is available for such use, he the 12029 secretary of state shall indorse his the secretary of state's 12030 approval upon and file such application and, from the date of such 12031 indorsement, such applicant shall have the exclusive right for 12032 sixty one hundred eighty days to use the specified name as the 12033 name of a business trust, counting the date of such indorsement as 12034 the first of the sixty one hundred eighty days. The right so 12035 obtained may be transferred by the applicant or other holder 12036 thereof by the filing in the office of the secretary of state of a 12037 written transfer stating the name and address of the transferee. 12038 For filing any application for the exclusive right to use a 12039 specified name under this division, the secretary of state shall 12040 charge and collect a the fee specified in division (S)(1) of five 12041 dollars section 111.16 of the Revised Code. For each filing of a 12042 transfer of the right to an exclusive name under this division, 12043 the secretary of state shall charge and collect the fee specified 12044 in division (S)(4) of section 111.16 of the Revised Code. 12045

(E) Any business trust that has not made the filings

Page 388

12023

12046

12047 described under section 1746.04 of the Revised Code may submit to 12048 the secretary of state a written application for the exclusive 12049 right to use a specified name as the name of such business trust. 12050 If the secretary of state finds that, under this section, the 12051 specified name is available for such use, he the secretary of 12052 state shall indorse his the secretary of state's approval upon and 12053 file such application and, from the date of such indorsement, such 12054 applicant has the exclusive right to use the specified name for 12055 the period that it transacts business. The right so obtained may 12056 be transferred by the applicant or other holder thereof by the 12057 filing in the office of the secretary of state of a written 12058 transfer stating the name and address of the transferee. For 12059 filing any an application for the exclusive right to use a 12060 specified name under this division, the secretary of state shall 12061 charge and collect a the fee specified in division (S)(1) of five 12062 dollars section 111.16 of the Revised Code.

Sec. 1746.15. Any business trust that has made the filings 12063 described in section 1746.04 of the Revised Code may withdraw from 12064 this state at any time by filing in the office of the secretary of 12065 state a verified copy of a resolution duly adopted by its trustees 12066 declaring its intention to withdraw <u>and surrender its authority</u>, 12067 accompanied by <del>a</del> <u>the</u> fee <del>of fifteen dollars</del> <u>specified in division</u> 12068 (T) of section 111.16 of the Revised Code. 12069

sec. 1747.03. (A) Before transacting real estate business in 12070
this state, a real estate investment trust shall file the 12071
following report in the office of the secretary of state, on forms 12072
prescribed by the secretary of state: 12073

(1) An executed copy of the trust instrument or a true and
 correct copy of it, certified to be such by a trustee before an
 official authorized to administer oaths or by a public official in
 12075
 another state in whose office an executed copy is on file;

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 390

12082

(2) A list of the names and addresses of its trustees; 12078

(3) The address of its principal office; 12079

(4) In the case of a foreign real estate investment trust, 12080the address of its principal office within this state, if any; 12081

(5) The business name of the trust;

(6) The name and address within this state of a designatedagent upon whom process against the trust may be served;12084

(7) The irrevocable consent of the trust to service of 12085 process on its designated agent and to service of process upon the 12086 secretary of state if, without the registration of another agent 12087 with the secretary of state, its designated agent has died, 12088 resigned, lost authority, dissolved, become disqualified, or has 12089 removed from this state, or if its designated agent cannot, with 12090 due diligence, be found; 12081

(8) Not more than ninety days after the occurrence of any 12092 event causing any filing made pursuant to divisions (A)(2) to (6) 12093 of this section, or any previous filing made pursuant to this 12094 division, to be inaccurate or incomplete, all information 12095 necessary to maintain the accuracy and completeness of such 12096 filing. 12097

(B) For filing filings under this section, the secretary of 12098 state shall charge and collect  $\frac{1}{2}$  the fee specified in division (T) 12099 of fifty dollars, except that for filing under division (A)(8) of 12100 this section, the secretary of state shall charge and collect a 12101 fee of ten dollars section 111.16 of the Revised Code, except for 12102 filings under division (A)(8) of this section pertaining solely to 12103 division (A)(6) of this section, for which the secretary of state 12104 shall charge and collect the fee specified in division (R) of 12105 section 111.16 of the Revised Code. 12106

(C) All persons shall be given the opportunity to acquire 12107

knowledge of the contents of the trust instrument and other12108information filed in the office of the secretary of state, but no12109person dealing with a real estate investment trust shall be12110charged with constructive notice of the contents of any such12111instrument or information by reason of such filing.12112

(D) A copy of a trust instrument or other information filed
12113
in the office of the secretary of state shall be is prima-facie
12114
evidence of the existence of the instrument or other information
12115
and of its contents, and as is conclusive evidence of the
12116
existence of such record.
12117

Sec. 1747.04. A trust instrument may be amended in the manner 12118 specified in it or in any manner that is valid under the common or 12119 statutory law applicable to the trust created thereunder under it. 12120 However, no amendment adopted subsequent to the initial filings 12121 required by section 1747.03 of the Revised Code is legally 12122 effective in this state until an executed or certified true and 12123 correct copy of the amendment has been filed in the office of the 12124 secretary of state accompanied by a the fee specified in division 12125 (T) of twenty-five dollars section 111.16 of the Revised Code. 12126

Sec. 1747.10. Any domestic or foreign real estate investment 12127 trust authorized to transact real estate business in this state 12128 may surrender its authority at any time by filing in the office of 12129 the secretary of state a verified copy of a resolution duly 12130 adopted by its trustees declaring its intention to withdraw, 12131 accompanied by a the fee specified in division (T) of ten dollars 12132 section 111.16 of the Revised Code. Such real estate investment 12133 trust then ceases and is without authority to transact real estate 12134 business in this state, except as necessary for the concluding 12135 thereof its conclusion. 12136

Sec. 1775.63. (A) A domestic limited liability partnership or 12137

foreign registered limited liability partnership shall, annually 12138 biennially during the month of July in odd-numbered years, file a 12139 report with the office of the secretary of state verifying and, if 12140 necessary, updating, as of the thirtieth day of June of that year, 12141 the information contained in the registration application required 12142 by division (A) of sections 1775.61 and 1775.64 of the Revised 12143 Code. The annual report shall be made on a form prescribed and 12144 furnished by the secretary of state and shall be signed by a 12145 majority in interest of the partners or by one or more partners 12146 authorized by the partnership to execute the report. 12147

(B) If a domestic limited liability partnership or foreign 12148 12149 registered limited liability partnership fails to file the annual report in accordance with division (A) of this section, the 12150 secretary of state shall give notice of the failure by certified 12151 mail to the last known address of the partnership or its statutory 12152 agent. If the report is not filed within thirty days after the 12153 mailing of the notice, the secretary of state shall, upon the 12154 expiration of that period, cancel the registration of the 12155 partnership, give notice of the cancellation to the partnership by 12156 regular mail to the last known address of the partnership or its 12157 statutory agent, and make a notation of the cancellation on the 12158 secretary of state's records. 12159

(C) A domestic limited liability partnership or foreign 12160 registered limited liability partnership whose registration has 12161 been canceled pursuant to division (B) of this section may be 12162 reinstated by filing an application for reinstatement, together 12163 with the required annual report or reports, and by paying a the 12164 reinstatement fee specified in division (0) of ten dollars section 12165 111.16 of the Revised Code. The secretary of state shall inform 12166 the tax commissioner of all cancellations and reinstatements under 12167 this section. 12168

## Substitute Version as Presented to the Senate Finance and Financial Institutions

12174

a foreign limited liability partnership shall file a registration 12170 application with the secretary of state. The application shall be 12171 on a form prescribed by the secretary of state and shall set forth 12172 only the following information: 12173

(1) The name of the partnership;

(2) The jurisdiction pursuant to the laws of which it was12175organized as a limited liability partnership;12176

(3) The address of its principal office or, if the 12177
partnership's principal office is not located in this state, the 12178
address of a registered office; 12179

(4) The name and address of its agent for service of process 12180in this state; 12181

(5) A brief statement of the business in which the 12182partnership engages. 12183

(B) A registration application shall be accompanied by the 12184application fee specified in division (F) of section 111.16 of the 12185Revised Code. 12186

(C) A foreign limited liability partnership transacting
business in this state shall comply with the name, correction, and
annual reporting requirements set forth in division (G) of section
12189
1775.61, divisions (B) and (C) of section 1775.62, and section
12190
1775.63 of the Revised Code and shall comply with any statutory or
12191
administrative registration or filing requirements governing the
12192
specific type of business in which the partnership engages.

(D) The secretary of state shall register as a foreign 12194
 limited liability partnership, any foreign limited liability 12195
 partnership that submits a completed registration application with 12196
 the required fee. 12197

(E) Registration as a foreign limited liability partnership12198ceases if either of the following occurs:12199

(1) The registration is voluntarily withdrawn by filing with 12200 the secretary of state, on a form prescribed by the secretary of 12201 state, a written withdrawal notice signed by one or more partners 12202 authorized by the partnership to execute a withdrawal notice. 12203

(2) The registration is canceled by the secretary of state12204pursuant to section 1775.63 of the Revised Code.12205

Sec. 1782.04. (A) Each limited partnership shall maintain 12206 continuously in this state an agent for service of process on the 12207 limited partnership. The agent shall be a natural person who is a 12208 resident of this state, a domestic corporation, or a foreign 12209 corporation holding a license as such under the laws of this 12210 state. 12211

(B) The secretary of state shall not accept a certificate of 12212 limited partnership for filing unless there is filed with the 12213 certificate a written appointment of an agent that is signed by 12214 the general partners of the limited partnership and a written 12215 acceptance of the appointment that is signed by the agent, or 12216 unless there is filed a written appointment of an agent that is 12217 signed by any authorized officer of the limited partnership and a 12218 written acceptance of the appointment that is either the original 12219 acceptance signed by the agent or a photocopy, facsimile, or 12220 similar reproduction of the original acceptance signed by the 12221 agent. 12222

In the discretion of the secretary of state, an original12223appointment of statutory agent may be submitted on the same form12224as the certificate of limited partnership but shall not be12225considered a part of the certificate.12226

(C) The written appointment of an agent shall set forth the12227name and address in this state of the agent, including the street12228and number or other particular description, and shall otherwise be12229in the form the secretary of state prescribes. The secretary of12230

state shall keep a record of the names of limited partnerships,	12231
and the names and addresses of their respective agents.	12232
(D) If any agent dies, removes from the state, or resigns,	12233
the limited partnership shall forthwith appoint another agent and	12234
file with the secretary of state, on a form prescribed by the	12235
secretary of state, a written appointment of the new agent.	12236
(E) If the agent changes the agent's address from that	12237
appearing upon the record in the office of the secretary of state,	12238
the limited partnership or the agent forthwith shall file with the	12239
secretary of state, on a form prescribed by the secretary of	12240
state, a written statement setting forth the new address.	12241
(F) An agent may resign by filing with the secretary of	12242
state, on a form prescribed by the secretary of state, a written	12243
notice to that effect that is signed by the agent and by sending a	12244
copy of the notice to the limited partnership at its current or	12245
last known address or its principal office on or prior to the date	12246
the notice is filed with the secretary of state. The notice shall	12247
set forth the name of the limited partnership, the name and	12248
current address of the agent, the current or last known address,	12249
including the street and number or other particular description,	12250
of the limited partnership's principal office, the resignation of	12251
the agent, and a statement that a copy of the notice has been sent	12252
to the limited partnership within the time and in the manner	12253
prescribed by this division. Upon the expiration of thirty days	12254
after the filing, the authority of the agent shall terminate.	12255

(G) A limited partnership may revoke the appointment of an12256agent by filing with the secretary of state, on a form prescribed12257by the secretary of state, a written appointment of another agent12258and a statement that the appointment of the former agent is12259revoked.12260

(H) Except when an original appointment of an agent is filed 12261

12272

with the certificate of limited partnership, a written appointment	12262
<u>of an agent or a written statement filed by a limited partnership</u>	12263
with the secretary of state shall be signed by any authorized	12264
officer of the limited partnership, or the general partners of the	12265
limited partnership, or a majority of them.	12266

Sec. 1782.08. (A) To form a limited partnership, a 12267 certificate of limited partnership shall be executed and filed 12268 with the secretary of state, as provided in section 1782.13 of the 12269 Revised Code. The certificate shall be on a form prescribed by the 12270 secretary of state and shall set forth all of the following: 12271

(1) The name of the limited partnership;

(2) The address of the principal place of business of the 12273
limited partnership and the name and address, including the street 12274
and number or other particular description, of the agent for 12275
service of process maintained pursuant to section 1782.04 of the 12276
Revised Code; 12277

(3) The name and business or residence address of eachgeneral partner;12279

(4) Any other matters that the general partners determine to 12280include in the certificate. 12281

(B) <u>A written appointment of a statutory agent for the</u>
 <u>purpose set forth in section 1782.04 of the Revised Code shall be</u>
 <u>filed with the certificate of limited partnership.</u>
 12284

(C) A limited partnership is an entity formed at the time of 12285 filing the certificate of limited partnership pursuant to section 12286 1782.13 of the Revised Code or at any later time specified in the 12287 certificate if, in either case, there has been substantial 12288 compliance with the requirements of division divisions (A) and (B) 12289 of this section. 12290

## Substitute Version as Presented to the Senate Finance and Financial Institutions

Sec. 1782.09. (A) A certificate of limited partnership shall 12291 be amended by filing a certificate of amendment with the secretary 12292 of state. The certificate of amendment shall be on a form 12293 prescribed by the secretary of state and shall state all of the 12294 following: 12295

(1) The name of the limited partnership and the file number 12296assigned to it by the secretary of state; 12297

(2) The date of the first filing of the certificate of 12298
limited partnership and, if different, the date of the first 12299
filing by the partnership with the secretary of state pursuant to 12300
section 1782.63 of the Revised Code; 12301

(3) The amendment to the certificate of limited partnership. 12302

(B) Within thirty days after the occurrence of any of the 12303
following events, an amendment to a certificate of limited 12304
partnership reflecting the occurrence of the event shall be filed 12305
pursuant to division (A) of this section: 12306

A new general partner is admitted;

(2) A general partner withdraws;

(3) The business is continued pursuant to section 1782.44 of 12309
the Revised Code after an event of withdrawal of a general 12310
partner; 12311

(4) The address of the principal place of business of the 12312limited partnership changes; 12313

(5) The name or identity of the statutory agent changes;
 (6) The address of the statutory agent changes;
 12314

(7) The name of the limited partnership is changes. 12316

(C) A general partner who becomes aware that any statement in 12317 the certificate of limited partnership was materially false when 12318

12307

12308

## Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 398

made or that any arrangements or other facts described have 12319
changed, thereby making the certificate materially inaccurate, 12320
promptly shall amend the certificate. 12321

If the certificate becomes inaccurate because the designated12322agent changes the agent's address from that appearing in the12323certificate of limited partnership or any subsequent amendment12324thereto, the limited partnership, or the designated agent on its12325behalf, shall file promptly with the secretary of state, on a form12326prescribed by the secretary of state, an amendment setting forth12327the new address.12328

(D) A certificate of limited partnership may be amended at 12329any time for any other proper purpose the general partners 12330determine. 12331

(E) A person is not liable because an amendment to a 12332
certificate of limited partnership has not been filed to reflect 12333
the occurrence of an event referred to in division (B) of this 12334
section if the amendment is filed within the thirty-day period 12335
specified in that division. 12336

(F) A certificate of limited partnership may be restated at 12337any time by filing a restatement of the certificate of limited 12338partnership with the secretary of state. 12339

Sec. 1782.433. (A) Upon the adoption by each constituent 12340 entity of an agreement of merger or consolidation pursuant to 12341 section 1782.431 or 1782.432 of the Revised Code, a certificate of 12342 merger or consolidation shall be filed with the secretary of state 12343 that is signed by an authorized representative of each constituent 12344 entity. The certificate shall be on a form prescribed by the 12345 secretary of state and shall set forth only the information 12346 required by this section. 12347

(B)(1) The certificate of merger or consolidation shall set 12348

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 399

12349

## forth all of the following:

(a) The name and the form of entity of each constituent
entity and the state under the laws of which each constituent
entity exists;

(b) A statement that each constituent entity has complied 12353
with all of the laws under which it exists and that the laws 12354
permit the merger or consolidation; 12355

(c) The name and mailing address of the person or entity that 12356
is to provide, in response to any written request made by a 12357
shareholder, partner, or other equity holder of a constituent 12358
entity, a copy of the agreement of merger or consolidation; 12359

(d) The effective date of the merger or consolidation, which 12360date may be on or after the date of the filing of the certificate; 12361

(e) The signature of the representative or representatives 12362
authorized to sign the certificate on behalf of each constituent 12363
entity and the office held or the capacity in which the 12364
representative is acting; 12365

(f) A statement that the agreement of merger or consolidation 12366 is authorized on behalf of each constituent entity and that the 12367 persons who signed the certificate on behalf of each entity are 12368 authorized to do so; 12369

(g) In the case of a merger, a statement that one or more 12370 specified constituent entities will be merged into a specified 12371 surviving entity or, in the case of a consolidation, a statement 12372 that the constituent entities will be consolidated into a new 12373 entity; 12374

(h) In the case of a merger, if the surviving entity is a 12375
foreign entity not licensed to transact business in this state, 12376
the name and address of the statutory agent upon whom any process, 12377
notice, or demand may be served; 12378

(i) In the case of a consolidation, the name and address of 12379
the statutory agent upon whom any process, notice, or demand 12380
against any constituent entity or the new entity may be served. 12381

(2) In the case of a consolidation into a new domestic
12382
corporation, limited liability company, or limited partnership,
12383
the articles of incorporation, the articles of organization, or
12384
the certificate of limited partnership of the new domestic entity
shall be filed with the certificate of merger or consolidation.
12382

(3) In the case of a merger into a domestic corporation, 12387
limited liability company, or limited partnership, any amendments 12388
to the articles of incorporation, articles of organization, or 12389
certificate of limited partnership of the surviving domestic 12390
entity shall be filed with the certificate of merger or 12391
consolidation. 12392

(4) If the surviving or new entity is a foreign entity that
desires to transact business in this state as a foreign
corporation, limited liability company, or limited partnership,
the certificate of merger or consolidation shall be accompanied by
the information required by division (B)(7), (8), or (9) of
section 1782.432 of the Revised Code.

(5) If a foreign or domestic corporation licensed to transact 12399 business in this state is a constituent entity and the surviving 12400 or new entity resulting from the merger or consolidation is not a 12401 foreign or domestic corporation that is to be licensed to transact 12402 business in this state, the certificate of merger or consolidation 12403 shall be accompanied by the affidavits, receipts, certificates, or 12404 other evidence required by division (H) of section 1701.86 of the 12405 Revised Code, with respect to each domestic constituent 12406 corporation, and by the affidavits, receipts, certificates, or 12407 other evidence required by division (C) or (D) of section 1703.17 12408 of the Revised Code, with respect to each foreign constituent 12409 corporation licensed to transact business in this state. 12410

(C) If any constituent entity in a merger or consolidation is 12412 organized or formed under the laws of a state other than this 12413 state or under any chapter of the Revised Code other than this 12414 chapter, there also shall be filed in the proper office all 12415 documents that are required to be filed in connection with the 12416 merger or consolidation by the laws of that state or by that 12417 chapter. 12418

(D) Upon the filing of a certificate of merger or 12419 consolidation and other filings as described in division (C) of 12420 this section or at any later date that the certificate of merger 12421 or consolidation specifies, the merger or consolidation is 12422 effective. 12423

(E) The secretary of state shall furnish, upon request and 12424 payment of a the fee specified in division (D) of ten dollars 12425 section 111.16 of the Revised Code, the secretary of state's 12426 certificate setting forth: the name and form of entity of each 12427 constituent entity and the states under the laws of which each 12428 constituent entity existed prior to the merger or consolidation; 12429 the name and the form of entity of the surviving or new entity and 12430 the state under the laws of which the surviving entity exists or 12431 the new entity is to exist; the date of filing of the certificate 12432 of merger or consolidation with the secretary of state; and the 12433 effective date of the merger or consolidation. The certificate of 12434 the secretary of state, or a copy of the certificate of merger or 12435 consolidation certified by the secretary of state, may be filed 12436 for record in the office of the recorder of any county in this 12437 state and, if filed, shall be recorded in the records of deeds for 12438 that county. For that recording, the county recorder shall charge 12439 and collect the same fee as in the case of deeds. 12440

**Sec. 1785.06.** A professional association, within thirty days 12441

### Substitute Version as Presented to the Senate Finance and Financial Institutions

after the thirtieth day of June in each year, shall furnish a 12442 statement to the secretary of state showing the names and 12443 post-office addresses of all of the shareholders in the 12444 association and certifying that all of the shareholders are duly 12445 licensed, certificated, or otherwise legally authorized to render 12446 within this state the same professional service for which the 12447 association was organized or, in the case of a combination of 12448 professional services described in division (B) of section 1785.01 12449 of the Revised Code, to render within this state any of the 12450 applicable types of professional services for which the 12451 association was organized. This statement shall be made on a form 12452 that the secretary of state shall prescribe, shall be signed by an 12453 officer of the association, and shall be filed in the office of 12454 the secretary of state. 12455

If any professional association fails to file the annual 12456 12457 statement within the time required by this section, the secretary of state shall give notice of the failure by certified mail, 12458 return receipt requested, to the last known address of the 12459 association or its agent. If the annual statement is not filed 12460 within thirty days after the mailing of the notice, the secretary 12461 of state, upon the expiration of that period, shall cancel the 12462 association's articles of incorporation, give notice of the 12463 cancellation to the association by mail sent to the last known 12464 address of the association or its agent, and make a notation of 12465 the cancellation on the records of the secretary of state. 12466

A professional association whose articles have been canceled 12467 pursuant to this section may be reinstated by filing an 12468 application for reinstatement and the required annual statement or 12469 statements and by paying <del>a</del> the reinstatement fee <u>specified in</u> 12470 <u>division (Q)</u> of ten dollars section 111.16 of the Revised Code. 12471 The rights, privileges, and franchises of a professional 12472 association whose articles have been reinstated are subject to 12473

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 403

section 1701.922 of the Revised Code. The secretary of state shall 12474 inform the tax commissioner of all cancellations and 12475 reinstatements under this section. 12476

sec. 1901.26. (A) Subject to division (E) of this section, 12477
costs in a municipal court shall be fixed and taxed as follows: 12478

(1) The municipal court shall require an advance deposit for 12479 the filing of any new civil action or proceeding when required by 12480 division (A)(9) of this section, and in all other cases, by rule, 12481 shall establish a schedule of fees and costs to be taxed in any 12482 civil or criminal action or proceeding. 12483

(2) The municipal court, by rule, may require an advance 12484 deposit for the filing of any civil action or proceeding and 12485 publication fees as provided in section 2701.09 of the Revised 12486 Code. The court may waive the requirement for advance deposit upon 12487 affidavit or other evidence that a party is unable to make the 12488 required deposit. 12489

(3) When a jury trial is demanded in any civil action or 12490 proceeding, the party making the demand may be required to make an 12491 advance deposit as fixed by rule of court, unless, upon affidavit 12492 or other evidence, the court concludes that the party is unable to 12493 make the required deposit. If a jury is called, the fees of a jury 12494 shall be taxed as costs. 12495

(4) In any civil or criminal action or proceeding, witnesses' 12496
fees shall be fixed in accordance with sections 2335.06 and 12497
2335.08 of the Revised Code. 12498

(5) A reasonable charge for driving, towing, carting,
storing, keeping, and preserving motor vehicles and other personal
property recovered or seized in any proceeding may be taxed as
part of the costs in a trial of the cause, in an amount that shall
be fixed by rule of court.

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(6) Chattel property seized under any writ or process issued 12504 by the court shall be preserved pending final disposition for the 12505 benefit of all persons interested and may be placed in storage 12506 when necessary or proper for that preservation. The custodian of 12507 any chattel property so stored shall not be required to part with 12508 the possession of the property until a reasonable charge, to be 12509 fixed by the court, is paid. 12510

(7) The municipal court, as it determines, may refund all
deposits and advance payments of fees and costs, including those
for jurors and summoning jurors, when they have been paid by the
losing party.

(8) Charges for the publication of legal notices required by 12515
statute or order of court may be taxed as part of the costs, as 12516
provided by section 7.13 of the Revised Code. 12517

(B)(1) The municipal court may determine that, for the 12518 efficient operation of the court, additional funds are necessary 12519 to acquire and pay for special projects of the court including, 12520 but not limited to, the acquisition of additional facilities or 12521 the rehabilitation of existing facilities, the acquisition of 12522 equipment, the hiring and training of staff, community service 12523 programs, mediation or dispute resolution services, the employment 12524 of magistrates, the training and education of judges, acting 12525 judges, and magistrates, and other related services. Upon that 12526 determination, the court by rule may charge a fee, in addition to 12527 all other court costs, on the filing of each criminal cause, civil 12528 action or proceeding, or judgment by confession. 12529

If the municipal court offers a special program or service in 12530 cases of a specific type, the municipal court by rule may assess 12531 an additional charge in a case of that type, over and above court 12532 costs, to cover the special program or service. The municipal 12533 court shall adjust the special assessment periodically, but not 12534 retroactively, so that the amount assessed in those cases does not 12535

exceed the actual cost of providing the service or program. 12536

All moneys collected under division (B) of this section shall 12537 be paid to the county treasurer if the court is a county-operated 12538 municipal court or to the city treasurer if the court is not a 12539 county-operated municipal court for deposit into either a general 12540 special projects fund or a fund established for a specific special 12541 project. Moneys from a fund of that nature shall be disbursed upon 12542 an order of the court in an amount no greater than the actual cost 12543 to the court of a project. If a specific fund is terminated 12544 because of the discontinuance of a program or service established 12545 under division (B) of this section, the municipal court may order 12546 that moneys remaining in the fund be transferred to an account 12547 established under this division for a similar purpose. 12548

(2) As used in division (B) of this section:

12550 (a) "Criminal cause" means a charge alleging the violation of a statute or ordinance, or subsection of a statute or ordinance, 12551 that requires a separate finding of fact or a separate plea before 12552 disposition and of which the defendant may be found guilty, 12553 whether filed as part of a multiple charge on a single summons, 12554 citation, or complaint or as a separate charge on a single 12555 summons, citation, or complaint. "Criminal cause" does not include 12556 separate violations of the same statute or ordinance, or 12557 subsection of the same statute or ordinance, unless each charge is 12558 filed on a separate summons, citation, or complaint. 12559

(b) "Civil action or proceeding" means any civil litigation 12560that must be determined by judgment entry. 12561

(C) Prior to January 1, 1993, and on and after January 1, 12562
2003, the municipal court shall collect the sum of four dollars as 12563
additional filing fees in each new civil action or proceeding for 12564
the charitable public purpose of providing financial assistance to 12565
legal aid societies that operate within the state. From January 1, 12566

Page 405

12549

### Substitute Version as Presented to the Senate Finance and Financial Institutions

1993, through December 31, 2002, the The municipal court shall 12567 collect in all its divisions except the small claims division the 12568 sum of fifteen dollars as additional filing fees in each new civil 12569 action or proceeding for the charitable public purpose of 12570 providing financial assistance to legal aid societies that operate 12571 within the state. From January 1, 1993, through December 31, 2002, 12572 the The municipal court shall collect in its small claims division 12573 the sum of seven dollars as additional filing fees in each new 12574 civil action or proceeding for the charitable public purpose of 12575 providing financial assistance to legal aid societies that operate 12576 within the state. This division does not apply to any execution on 12577 a judgment, proceeding in aid of execution, or other post-judgment 12578 proceeding arising out of a civil action. The filing fees required 12579 to be collected under this division shall be in addition to any 12580 other court costs imposed in the action or proceeding and shall be 12581 collected at the time of the filing of the action or proceeding. 12582 The court shall not waive the payment of the additional filing 12583 fees in a new civil action or proceeding unless the court waives 12584 the advanced payment of all filing fees in the action or 12585 proceeding. All such moneys shall be transmitted on the first 12586 business day of each month by the clerk of the court to the 12587 treasurer of state. The moneys then shall be deposited by the 12588 treasurer of state to the credit of the legal aid fund established 12589 under section 120.52 of the Revised Code. 12590

The court may retain up to one per cent of the moneys it 12591 collects under this division to cover administrative costs, 12592 including the hiring of any additional personnel necessary to 12593 implement this division. 12594

(D) In the Cleveland municipal court, reasonable charges for 12595
 investigating titles of real estate to be sold or disposed of 12596
 under any writ or process of the court may be taxed as part of the 12597
 costs. 12598

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(E) Under the circumstances described in sections 2969.21 to 12599
2969.27 of the Revised Code, the clerk of the municipal court 12600
shall charge the fees and perform the other duties specified in 12601
those sections. 12602

sec. 1907.24. (A) Subject to division (C) of this section, a 12603
county court shall fix and tax fees and costs as follows: 12604

(1) The county court shall require an advance deposit for the 12605
filing of any new civil action or proceeding when required by 12606
division (C) of this section and, in all other cases, shall 12607
establish a schedule of fees and costs to be taxed in any civil or 12608
criminal action or proceeding. 12609

(2) The county court by rule may require an advance deposit 12610 for the filing of a civil action or proceeding and publication 12611 fees as provided in section 2701.09 of the Revised Code. The court 12612 may waive an advance deposit requirement upon the presentation of 12613 an affidavit or other evidence that establishes that a party is 12614 unable to make the requisite deposit. 12615

(3) When a party demands a jury trial in a civil action or 12616 proceeding, the county court may require the party to make an 12617 advance deposit as fixed by rule of court, unless the court 12618 concludes, on the basis of an affidavit or other evidence 12619 presented by the party, that the party is unable to make the 12620 requisite deposit. If a jury is called, the county court shall tax 12621 the fees of a jury as costs. 12622

(4) In a civil or criminal action or proceeding, the county 12623
court shall fix the fees of witnesses in accordance with sections 12624
2335.06 and 2335.08 of the Revised Code. 12625

(5) A county court may tax as part of the costs in a trial of 12626the cause, in an amount fixed by rule of court, a reasonable 12627charge for driving, towing, carting, storing, keeping, and 12628

### Substitute Version as Presented to the Senate Finance and Financial Institutions

preserving motor vehicles and other personal property recovered or 12629 seized in a proceeding. 12630

(6) The court shall preserve chattel property seized under a 12631 writ or process issued by the court pending final disposition for 12632 the benefit of all interested persons. The court may place the 12633 chattel property in storage when necessary or proper for its 12634 preservation. The custodian of chattel property so stored shall 12635 not be required to part with the possession of the property until 12636 a reasonable charge, to be fixed by the court, is paid. 12637

(7) The county court, as it determines, may refund all
deposits and advance payments of fees and costs, including those
for jurors and summoning jurors, when they have been paid by the
losing party.

(8) The court may tax as part of costs charges for the 12642
publication of legal notices required by statute or order of 12643
court, as provided by section 7.13 of the Revised Code. 12644

(B)(1) The county court may determine that, for the efficient 12645 operation of the court, additional funds are necessary to acquire 12646 and pay for special projects of the court including, but not 12647 limited to, the acquisition of additional facilities or the 12648 rehabilitation of existing facilities, the acquisition of 12649 equipment, the hiring and training of staff, community service 12650 programs, mediation or dispute resolution services, the employment 12651 of magistrates, the training and education of judges, acting 12652 judges, and magistrates, and other related services. Upon that 12653 determination, the court by rule may charge a fee, in addition to 12654 all other court costs, on the filing of each criminal cause, civil 12655 action or proceeding, or judgment by confession. 12656

If the county court offers a special program or service in 12657 cases of a specific type, the county court by rule may assess an 12658 additional charge in a case of that type, over and above court 12659

Substitute Version as Presented to the Senate Finance and Financial Institutions

costs, to cover the special program or service. The county court12660shall adjust the special assessment periodically, but not12661retroactively, so that the amount assessed in those cases does not12662exceed the actual cost of providing the service or program.12663

All moneys collected under division (B) of this section shall 12664 be paid to the county treasurer for deposit into either a general 12665 special projects fund or a fund established for a specific special 12666 project. Moneys from a fund of that nature shall be disbursed upon 12667 an order of the court in an amount no greater than the actual cost 12668 to the court of a project. If a specific fund is terminated 12669 because of the discontinuance of a program or service established 12670 under division (B) of this section, the county court may order 12671 that moneys remaining in the fund be transferred to an account 12672 established under this division for a similar purpose. 12673

(2) As used in division (B) of this section:

(a) "Criminal cause" means a charge alleging the violation of 12675 a statute or ordinance, or subsection of a statute or ordinance, 12676 that requires a separate finding of fact or a separate plea before 12677 disposition and of which the defendant may be found guilty, 12678 whether filed as part of a multiple charge on a single summons, 12679 citation, or complaint or as a separate charge on a single 12680 summons, citation, or complaint. "Criminal cause" does not include 12681 separate violations of the same statute or ordinance, or 12682 subsection of the same statute or ordinance, unless each charge is 12683 12684 filed on a separate summons, citation, or complaint.

(b) "Civil action or proceeding" means any civil litigation 12685 that must be determined by judgment entry. 12686

(C) Subject to division (E) of this section, prior to January 12687
 1, 1993, and on and after January 1, 2003, the county court shall 12688
 collect the sum of four dollars as additional filing fees in each 12689
 new civil action or proceeding for the charitable public purpose 12690

### Page 409

12674

### Substitute Version as Presented to the Senate Finance and Financial Institutions

of providing financial assistance to legal aid societies that 12691 operate within the state. Subject to division (E) of this section, 12692 from January 1, 1993, through December 31, 2002, the county court 12693 shall collect in all its divisions except the small claims 12694 division the sum of fifteen dollars as additional filing fees in 12695 each new civil action or proceeding for the charitable public 12696 purpose of providing financial assistance to legal aid societies 12697 that operate within the state. Subject to division (E) of this 12698 section, from January 1, 1993, through December 31, 2002, the 12699 county court shall collect in its small claims division the sum of 12700 seven dollars as additional filing fees in each new civil action 12701 or proceeding for the charitable public purpose of providing 12702 financial assistance to legal aid societies that operate within 12703 the state. This division does not apply to any execution on a 12704 judgment, proceeding in aid of execution, or other post-judgment 12705 proceeding arising out of a civil action. The filing fees required 12706 to be collected under this division shall be in addition to any 12707 other court costs imposed in the action or proceeding and shall be 12708 collected at the time of the filing of the action or proceeding. 12709 The court shall not waive the payment of the additional filing 12710 fees in a new civil action or proceeding unless the court waives 12711 the advanced payment of all filing fees in the action or 12712 proceeding. All such moneys collected during a month shall be 12713 transmitted on or before the twentieth day of the following month 12714 by the clerk of the court to the treasurer of state. The moneys 12715 then shall be deposited by the treasurer of state to the credit of 12716 the legal aid fund established under section 120.52 of the Revised 12717 Code. 12718

The court may retain up to one per cent of the moneys it 12719 collects under this division to cover administrative costs, 12720 including the hiring of any additional personnel necessary to 12721 implement this division. 12722

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(D) The county court shall establish by rule a schedule of 12723 fees for miscellaneous services performed by the county court or 12724 any of its judges in accordance with law. If judges of the court 12725 of common pleas perform similar services, the fees prescribed in 12726 the schedule shall not exceed the fees for those services 12727 prescribed by the court of common pleas. 12728

(E) Under the circumstances described in sections 2969.21 to 12729
 2969.27 of the Revised Code, the clerk of the county court shall 12730
 charge the fees and perform the other duties specified in those 12731
 sections. 12732

Sec. 2303.201. (A)(1) The court of common pleas of any county 12733 may determine that for the efficient operation of the court 12734 additional funds are required to computerize the court, to make 12735 available computerized legal research services, or to do both. 12736 Upon making a determination that additional funds are required for 12737 either or both of those purposes, the court shall authorize and 12738 direct the clerk of the court of common pleas to charge one 12739 additional fee, not to exceed three dollars, on the filing of each 12740 cause of action or appeal under divisions (A), (Q), and (U) of 12741 section 2303.20 of the Revised Code. 12742

(2) All fees collected under division (A)(1) of this section 12743 shall be paid to the county treasurer. The treasurer shall place 12744 the funds from the fees in a separate fund to be disbursed, upon 12745 an order of the court, in an amount not greater than the actual 12746 cost to the court of procuring and maintaining computerization of 12747 the court, computerized legal research services, or both. 12748

(3) If the court determines that the funds in the fund
described in division (A)(2) of this section are more than
sufficient to satisfy the purpose for which the additional fee
described in division (A)(1) of this section was imposed, the
12752
court may declare a surplus in the fund and expend those surplus
12753

Page 412

funds for other appropriate technological expenses of the court. 12754

(B)(1) The court of common pleas of any county may determine 12755 that, for the efficient operation of the court, additional funds 12756 are required to computerize the office of the clerk of the court 12757 of common pleas and, upon that determination, authorize and direct 12758 the clerk of the court of common pleas to charge an additional 12759 fee, not to exceed ten dollars, on the filing of each cause of 12760 action or appeal, on the filing, docketing, and endorsing of each 12761 certificate of judgment, or on the docketing and indexing of each 12762 aid in execution or petition to vacate, revive, or modify a 12763 judgment under divisions (A), (P), (Q), (T), and (U) of section 12764 2303.20 of the Revised Code. Subject to division (B)(2) of this 12765 section, all moneys collected under division (B)(1) of this 12766 section shall be paid to the county treasurer to be disbursed, 12767 upon an order of the court of common pleas and subject to 12768 appropriation by the board of county commissioners, in an amount 12769 no greater than the actual cost to the court of procuring and 12770 maintaining computer systems for the office of the clerk of the 12771 court of common pleas. 12772

(2) If the court of common pleas of a county makes the 12773 determination described in division (B)(1) of this section, the 12774 board of county commissioners of that county may issue one or more 12775 general obligation bonds for the purpose of procuring and 12776 maintaining the computer systems for the office of the clerk of 12777 the court of common pleas. In addition to the purposes stated in 12778 division (B)(1) of this section for which the moneys collected 12779 under that division may be expended, the moneys additionally may 12780 be expended to pay debt charges on and financing costs related to 12781 any general obligation bonds issued pursuant to division (B)(2) of 12782 this section as they become due. General obligation bonds issued 12783 pursuant to division (B)(2) of this section are Chapter 133. 12784 securities. 12785

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 413

(C) Prior to January 1, 1993, and on and after January 1, 12786 2003, the court of common pleas shall collect the sum of four 12787 dollars as additional filing fees in each new civil action or 12788 proceeding for the charitable public purpose of providing 12789 financial assistance to legal aid societies that operate within 12790 the state. From January 1, 1993, through December 31, 2002, the 12791 The court of common pleas shall collect the sum of fifteen dollars 12792 as additional filing fees in each new civil action or proceeding 12793 for the charitable public purpose of providing financial 12794 assistance to legal aid societies that operate within the state. 12795 This division does not apply to proceedings concerning annulments, 12796 dissolutions of marriage, divorces, legal separation, spousal 12797 support, marital property or separate property distribution, 12798 support, or other domestic relations matters; to a juvenile 12799 division of a court of common pleas; to a probate division of a 12800 court of common pleas, except that the additional filing fees 12801 shall apply to name change, guardianship, and adoption 12802 proceedings; or to an execution on a judgment, proceeding in aid 12803 of execution, or other post-judgment proceeding arising out of a 12804 civil action. The filing fees required to be collected under this 12805 division shall be in addition to any other filing fees imposed in 12806 the action or proceeding and shall be collected at the time of the 12807 filing of the action or proceeding. The court shall not waive the 12808 payment of the additional filing fees in a new civil action or 12809 proceeding unless the court waives the advanced payment of all 12810 filing fees in the action or proceeding. All such moneys collected 12811 during a month shall be transmitted on or before the twentieth day 12812 of the following month by the clerk of the court to the treasurer 12813 of state. The moneys then shall be deposited by the treasurer of 12814 state to the credit of the legal aid fund established under 12815 section 120.52 of the Revised Code. 12816

The court may retain up to one per cent of the moneys it 12817

collects under this division to cover administrative costs,12010including the hiring of any additional personnel necessary to12819implement this division.12820

(D) On and after the thirtieth day after December 9, 1994, 12821 the court of common pleas shall collect the sum of thirty-two 12822 dollars as additional filing fees in each new action or proceeding 12823 for annulment, divorce, or dissolution of marriage for the purpose 12824 of funding shelters for victims of domestic violence pursuant to 12825 sections 3113.35 to 3113.39 of the Revised Code. The filing fees 12826 required to be collected under this division shall be in addition 12827 to any other filing fees imposed in the action or proceeding and 12828 shall be collected at the time of the filing of the action or 12829 proceeding. The court shall not waive the payment of the 12830 additional filing fees in a new action or proceeding for 12831 annulment, divorce, or dissolution of marriage unless the court 12832 waives the advanced payment of all filing fees in the action or 12833 proceeding. On or before the twentieth day of each month, all 12834 moneys collected during the immediately preceding month pursuant 12835 to this division shall be deposited by the clerk of the court into 12836 the county treasury in the special fund used for deposit of 12837 additional marriage license fees as described in section 3113.34 12838 of the Revised Code. Upon their deposit into the fund, the moneys 12839 shall be retained in the fund and expended only as described in 12840 section 3113.34 of the Revised Code. 12841

(E)(1) The court of common pleas may determine that, for the 12842 efficient operation of the court, additional funds are necessary 12843 to acquire and pay for special projects of the court, including, 12844 but not limited to, the acquisition of additional facilities or 12845 the rehabilitation of existing facilities, the acquisition of 12846 equipment, the hiring and training of staff, community service 12847 programs, mediation or dispute resolution services, the employment 12848 of magistrates, the training and education of judges, acting 12849

12818

### Substitute Version as Presented to the Senate Finance and Financial Institutions

judges, and magistrates, and other related services. Upon that12850determination, the court by rule may charge a fee, in addition to12851all other court costs, on the filing of each criminal cause, civil12852action or proceeding, or judgment by confession.12853

If the court of common pleas offers a special program or 12854 service in cases of a specific type, the court by rule may assess 12855 an additional charge in a case of that type, over and above court 12856 costs, to cover the special program or service. The court shall 12857 adjust the special assessment periodically, but not retroactively, 12858 so that the amount assessed in those cases does not exceed the 12859 actual cost of providing the service or program. 12860

All moneys collected under division (E) of this section shall 12861 be paid to the county treasurer for deposit into either a general 12862 special projects fund or a fund established for a specific special 12863 project. Moneys from a fund of that nature shall be disbursed upon 12864 an order of the court in an amount no greater than the actual cost 12865 to the court of a project. If a specific fund is terminated 12866 because of the discontinuance of a program or service established 12867 under division (E) of this section, the court may order that 12868 moneys remaining in the fund be transferred to an account 12869 established under this division for a similar purpose. 12870

(2) As used in division (E) of this section: 12871

(a) "Criminal cause" means a charge alleging the violation of 12872 a statute or ordinance, or subsection of a statute or ordinance, 12873 that requires a separate finding of fact or a separate plea before 12874 disposition and of which the defendant may be found guilty, 12875 whether filed as part of a multiple charge on a single summons, 12876 citation, or complaint or as a separate charge on a single 12877 summons, citation, or complaint. "Criminal cause" does not include 12878 separate violations of the same statute or ordinance, or 12879 subsection of the same statute or ordinance, unless each charge is 12880 filed on a separate summons, citation, or complaint. 12881

## Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 416

(b) "Civil action or proceeding" means any civil litigation 12882that must be determined by judgment entry. 12883

sec. 2317.02. The following persons shall not testify in 12884
certain respects: 12885

(A) An attorney, concerning a communication made to the 12886 attorney by a client in that relation or the attorney's advice to 12887 a client, except that the attorney may testify by express consent 12888 of the client or, if the client is deceased, by the express 12889 consent of the surviving spouse or the executor or administrator 12890 of the estate of the deceased client and except that, if the 12891 client voluntarily testifies or is deemed by section 2151.421 of 12892 the Revised Code to have waived any testimonial privilege under 12893 this division, the attorney may be compelled to testify on the 12894 same subject; 12895

(B)(1) A physician or a dentist concerning a communication 12896 made to the physician or dentist by a patient in that relation or 12897 the physician's or dentist's advice to a patient, except as 12898 otherwise provided in this division, division (B)(2), and division 12899 (B)(3) of this section, and except that, if the patient is deemed 12900 by section 2151.421 of the Revised Code to have waived any 12901 testimonial privilege under this division, the physician may be 12902 compelled to testify on the same subject. 12903

The testimonial privilege established under this division 12904 does not apply, and a physician or dentist may testify or may be 12905 compelled to testify, in any of the following circumstances: 12906

(a) In any civil action, in accordance with the discovery 12907
 provisions of the Rules of Civil Procedure in connection with a 12908
 civil action, or in connection with a claim under Chapter 4123. of 12909
 the Revised Code, under any of the following circumstances: 12910

(i) If the patient or the guardian or other legal 12911

Page 417

representative of the patient gives express consent; 12912

(ii) If the patient is deceased, the spouse of the patient or 12913
the executor or administrator of the patient's estate gives 12914
express consent; 12915

(iii) If a medical claim, dental claim, chiropractic claim, 12916 or optometric claim, as defined in section 2305.11 of the Revised 12917 Code, an action for wrongful death, any other type of civil 12918 action, or a claim under Chapter 4123. of the Revised Code is 12919 filed by the patient, the personal representative of the estate of 12920 the patient if deceased, or the patient's guardian or other legal 12921 representative.

(b) In any civil action concerning court-ordered treatment or 12923 services received by a patient, if the court-ordered treatment or 12924 services were ordered as part of a case plan journalized under 12925 section 2151.412 of the Revised Code or the court-ordered 12926 treatment or services are necessary or relevant to dependency, 12927 neglect, or abuse or temporary or permanent custody proceedings 12928 under Chapter 2151. of the Revised Code. 12929

(c) In any criminal action concerning any test or the results 12930 of any test that determines the presence or concentration of 12931 alcohol, a drug of abuse, or alcohol and a drug of abuse in the 12932 patient's blood, breath, urine, or other bodily substance at any 12933 time relevant to the criminal offense in question. 12934

(d) In any criminal action against a physician or dentist. In 12935 such an action, the testimonial privilege established under this 12936 division does not prohibit the admission into evidence, in 12937 accordance with the Rules of Evidence, of a patient's medical or 12938 dental records or other communications between a patient and the 12939 physician or dentist that are related to the action and obtained 12940 by subpoena, search warrant, or other lawful means. A court that 12941 permits or compels a physician or dentist to testify in such an 12942

action or permits the introduction into evidence of patient12943records or other communications in such an action shall require12944that appropriate measures be taken to ensure that the12945confidentiality of any patient named or otherwise identified in12946the records is maintained. Measures to ensure confidentiality that12947may be taken by the court include sealing its records or deleting12948specific information from its records.12949

(2)(a) If any law enforcement officer submits a written 12950 statement to a health care provider that states that an official 12951 criminal investigation has begun regarding a specified person or 12952 that a criminal action or proceeding has been commenced against a 12953 specified person, that requests the provider to supply to the 12954 officer copies of any records the provider possesses that pertain 12955 to any test or the results of any test administered to the 12956 specified person to determine the presence or concentration of 12957 alcohol, a drug of abuse, or alcohol and a drug of abuse in the 12958 person's blood, breath, or urine at any time relevant to the 12959 criminal offense in question, and that conforms to section 12960 2317.022 of the Revised Code, the provider, except to the extent 12961 specifically prohibited by any law of this state or of the United 12962 States, shall supply to the officer a copy of any of the requested 12963 records the provider possesses. If the health care provider does 12964 not possess any of the requested records, the provider shall give 12965 the officer a written statement that indicates that the provider 12966 does not possess any of the requested records. 12967

(b) If a health care provider possesses any records of the 12968 type described in division (B)(2)(a) of this section regarding the 12969 person in question at any time relevant to the criminal offense in 12970 question, in lieu of personally testifying as to the results of 12971 the test in question, the custodian of the records may submit a 12972 certified copy of the records, and, upon its submission, the 12973 certified copy is qualified as authentic evidence and may be 12974

#### Page 418

12975 admitted as evidence in accordance with the Rules of Evidence. 12976 Division (A) of section 2317.422 of the Revised Code does not 12977 apply to any certified copy of records submitted in accordance 12978 with this division. Nothing in this division shall be construed to 12979 limit the right of any party to call as a witness the person who 12980 administered the test to which the records pertain, the person 12981 under whose supervision the test was administered, the custodian 12982 of the records, the person who made the records, or the person 12983 under whose supervision the records were made.

(3)(a) If the testimonial privilege described in division 12984 (B)(1) of this section does not apply as provided in division 12985 (B)(1)(a)(iii) of this section, a physician or dentist may be 12986 compelled to testify or to submit to discovery under the Rules of 12987 Civil Procedure only as to a communication made to the physician 12988 or dentist by the patient in question in that relation, or the 12989 physician's or dentist's advice to the patient in question, that 12990 related causally or historically to physical or mental injuries 12991 that are relevant to issues in the medical claim, dental claim, 12992 chiropractic claim, or optometric claim, action for wrongful 12993 death, other civil action, or claim under Chapter 4123. of the 12994 Revised Code. 12995

(b) If the testimonial privilege described in division (B)(1) 12996 of this section does not apply to a physician or dentist as 12997 provided in division (B)(1)(c) of this section, the physician or 12998 dentist, in lieu of personally testifying as to the results of the 12999 test in question, may submit a certified copy of those results, 13000 and, upon its submission, the certified copy is qualified as 13001 authentic evidence and may be admitted as evidence in accordance 13002 with the Rules of Evidence. Division (A) of section 2317.422 of 13003 the Revised Code does not apply to any certified copy of results 13004 submitted in accordance with this division. Nothing in this 13005 division shall be construed to limit the right of any party to 13006

Page 419

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

call as a witness the person who administered the test in13007question, the person under whose supervision the test was13008administered, the custodian of the results of the test, the person13009who compiled the results, or the person under whose supervision13010the results were compiled.13011

(4) The testimonial privilege described in division (B)(1) of 13012 this section is not waived when a communication is made by a 13013 physician to a pharmacist or when there is communication between a 13014 patient and a pharmacist in furtherance of the physician-patient 13015 relation. 13016

(5)(a) As used in divisions (B)(1) to (4) of this section, 13017 "communication" means acquiring, recording, or transmitting any 13018 information, in any manner, concerning any facts, opinions, or 13019 statements necessary to enable a physician or dentist to diagnose, 13020 treat, prescribe, or act for a patient. A "communication" may 13021 include, but is not limited to, any medical or dental, office, or 13022 hospital communication such as a record, chart, letter, 13023 memorandum, laboratory test and results, x-ray, photograph, 13024 financial statement, diagnosis, or prognosis. 13025

(b) As used in division (B)(2) of this section, "health care 13026
 provider" has the same meaning as in section 3729.01 of the 13027
 Revised Code means a hospital, ambulatory care facility, long-term 13028
 care facility, pharmacy, emergency facility, or health care 13029
 practitioner. 13030

# (c) As used in division (B)(5)(b) of this section: 13031

(i) "Ambulatory care facility" means a facility that provides13032medical, diagnostic, or surgical treatment to patients who do not13033require hospitalization, including a dialysis center, ambulatory13034surgical facility, cardiac catheterization facility, diagnostic13035imaging center, extracorporeal shock wave lithotripsy center, home13036health agency, inpatient hospice, birthing center, radiation13037

	12020
therapy center, emergency facility, and an urgent care center.	13038
"Ambulatory health care facility" does not include the private	13039
office of a physician or dentist, whether the office is for an	13040
individual or group practice.	13041
(ii) "Emergency facility" means a hospital emergency	13042
department or any other facility that provides emergency medical	13043
services.	13044
(iii) "Health care practitioner" has the same meaning as in	13045
section 4769.01 of the Revised Code.	13046
(iv) "Hospital" has the same meaning as in section 3727.01 of	13047
the Revised Code.	13048
(v) "Long-term care facility" means a nursing home,	13049
residential care facility, or home for the aging, as those terms	13050
are defined in section 3721.01 of the Revised Code; an adult care	13051
facility, as defined in section 3722.01 of the Revised Code; a	13052
nursing facility or intermediate care facility for the mentally	13053
retarded, as those terms are defined in section 5111.20 of the	13054
Revised Code; a facility or portion of a facility certified as a	13055
skilled nursing facility under Title XVIII of the "Social Security	13056
<u>Act," 49 Stat. 286 (1965), 42 U.S.C.A. 1395, as amended.</u>	13057
(vi) "Pharmacy" has the same meaning as in section 4729.01 of	13058
the Revised Code.	13059
(6) Divisions (B)(1), (2), (3), (4), and (5) of this section	13060
apply to doctors of medicine, doctors of osteopathic medicine,	13061
doctors of podiatry, and dentists.	13062
(7) Nothing in divisions (B)(1) to (6) of this section	13063
affects, or shall be construed as affecting, the immunity from	13064
civil liability conferred by section 307.628 or 2305.33 of the	13065
Revised Code upon physicians who report an employee's use of a	13066
drug of abuse, or a condition of an employee other than one	13067
involving the use of a drug of abuse, to the employer of the	13068

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 422

employee in accordance with division (B) of that section. As used
in division (B)(7) of this section, "employee," "employer," and
"physician" have the same meanings as in section 2305.33 of the
Revised Code.
13072

(C) A member of the clergy, rabbi, priest, or regularly 13073 ordained, accredited, or licensed minister of an established and 13074 legally cognizable church, denomination, or sect, when the member 13075 of the clergy, rabbi, priest, or minister remains accountable to 13076 the authority of that church, denomination, or sect, concerning a 13077 confession made, or any information confidentially communicated, 13078 to the member of the clergy, rabbi, priest, or minister for a 13079 religious counseling purpose in the member of the clergy's, 13080 rabbi's, priest's, or minister's professional character; however, 13081 the member of the clergy, rabbi, priest, or minister may testify 13082 by express consent of the person making the communication, except 13083 when the disclosure of the information is in violation of a sacred 13084 trust; 13085

(D) Husband or wife, concerning any communication made by one 13086 to the other, or an act done by either in the presence of the 13087 other, during coverture, unless the communication was made, or act 13088 done, in the known presence or hearing of a third person competent 13089 to be a witness; and such rule is the same if the marital relation 13090 has ceased to exist; 13091

(E) A person who assigns a claim or interest, concerning any 13092
matter in respect to which the person would not, if a party, be 13093
permitted to testify; 13094

(F) A person who, if a party, would be restricted under 13095
section 2317.03 of the Revised Code, when the property or thing is 13096
sold or transferred by an executor, administrator, guardian, 13097
trustee, heir, devisee, or legatee, shall be restricted in the 13098
same manner in any action or proceeding concerning the property or 13099
thing. 13100

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(G)(1) A school guidance counselor who holds a valid educator 13101 license from the state board of education as provided for in 13102 section 3319.22 of the Revised Code, a person licensed under 13103 Chapter 4757. of the Revised Code as a professional clinical 13104 counselor, professional counselor, social worker, or independent 13105 social worker, or registered under Chapter 4757. of the Revised 13106 Code as a social work assistant concerning a confidential 13107 communication received from a client in that relation or the 13108 person's advice to a client unless any of the following applies: 13109

(a) The communication or advice indicates clear and present 13110 danger to the client or other persons. For the purposes of this 13111 division, cases in which there are indications of present or past 13112 child abuse or neglect of the client constitute a clear and 13113 present danger. 13114

(b) The client gives express consent to the testimony. 13115

(c) If the client is deceased, the surviving spouse or the 13116 13117 executor or administrator of the estate of the deceased client gives express consent. 13118

13119 (d) The client voluntarily testifies, in which case the school guidance counselor or person licensed or registered under 13120 Chapter 4757. of the Revised Code may be compelled to testify on 13121 the same subject. 13122

(e) The court in camera determines that the information 13123 communicated by the client is not germane to the counselor-client 13124 or social worker-client relationship. 13125

(f) A court, in an action brought against a school, its 13126 administration, or any of its personnel by the client, rules after 13127 an in-camera inspection that the testimony of the school guidance 13128 counselor is relevant to that action. 13129

(q) The testimony is sought in a civil action and concerns 13130 court-ordered treatment or services received by a patient as part 13131

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

of a case plan journalized under section 2151.412 of the Revised13132Code or the court-ordered treatment or services are necessary or13133relevant to dependency, neglect, or abuse or temporary or13134permanent custody proceedings under chapter Chapter 2151. of the13135Revised Code.13136

(2) Nothing in division (G)(1) of this section shall relieve
a school guidance counselor or a person licensed or registered
under Chapter 4757. of the Revised Code from the requirement to
report information concerning child abuse or neglect under section
13140
2151.421 of the Revised Code.

(H) A mediator acting under a mediation order issued under 13142 division (A) of section 3109.052 of the Revised Code or otherwise 13143 issued in any proceeding for divorce, dissolution, legal 13144 separation, annulment, or the allocation of parental rights and 13145 responsibilities for the care of children, in any action or 13146 proceeding, other than a criminal, delinquency, child abuse, child 13147 neglect, or dependent child action or proceeding, that is brought 13148 by or against either parent who takes part in mediation in 13149 accordance with the order and that pertains to the mediation 13150 process, to any information discussed or presented in the 13151 mediation process, to the allocation of parental rights and 13152 responsibilities for the care of the parents' children, or to the 13153 awarding of parenting time rights in relation to their children; 13154

(I) A communications assistant, acting within the scope of 13155 the communication assistant's authority, when providing 13156 telecommunications relay service pursuant to section 4931.35 of 13157 the Revised Code or Title II of the "Communications Act of 1934," 13158 104 Stat. 366 (1990), 47 U.S.C. 225, concerning a communication 13159 made through a telecommunications relay service. Nothing in this 13160 section shall limit the obligation of a communications assistant 13161 to divulge information or testify when mandated by federal law or 13162 regulation or pursuant to subpoena in a criminal proceeding. 13163

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Nothing in this section shall limit any immunity or privilege 13164 granted under federal law or regulation. 13165

(J)(1) A chiropractor in a civil proceeding concerning a 13166 communication made to the chiropractor by a patient in that 13167 relation or the chiropractor's advice to a patient, except as 13168 otherwise provided in this division. The testimonial privilege 13169 established under this division does not apply, and a chiropractor 13170 may testify or may be compelled to testify, in any civil action, 13171 in accordance with the discovery provisions of the Rules of Civil 13172 Procedure in connection with a civil action, or in connection with 13173 a claim under Chapter 4123. of the Revised Code, under any of the 13174 following circumstances: 13175

(a) If the patient or the guardian or other legal13176representative of the patient gives express consent.13177

(b) If the patient is deceased, the spouse of the patient or 13178the executor or administrator of the patient's estate gives 13179express consent. 13180

(c) If a medical claim, dental claim, chiropractic claim, or 13181 optometric claim, as defined in section 2305.11 of the Revised 13182 Code, an action for wrongful death, any other type of civil 13183 action, or a claim under Chapter 4123. of the Revised Code is 13184 filed by the patient, the personal representative of the estate of 13185 the patient if deceased, or the patient's guardian or other legal 13186 representative. 13187

(2) If the testimonial privilege described in division (J)(1) 13188 of this section does not apply as provided in division (J)(1)(c) 13189 of this section, a chiropractor may be compelled to testify or to 13190 submit to discovery under the Rules of Civil Procedure only as to 13191 a communication made to the chiropractor by the patient in 13192 question in that relation, or the chiropractor's advice to the 13193 patient in question, that related causally or historically to 13194

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

physical or mental injuries that are relevant to issues in the13195medical claim, dental claim, chiropractic claim, or optometric13196claim, action for wrongful death, other civil action, or claim13197under Chapter 4123. of the Revised Code.13198

(3) The testimonial privilege established under this division 13199
 does not apply, and a chiropractor may testify or be compelled to 13200
 testify, in any criminal action or administrative proceeding. 13201

(4) As used in this division, "communication" means 13203 acquiring, recording, or transmitting any information, in any 13204 manner, concerning any facts, opinions, or statements necessary to 13205 enable a chiropractor to diagnosis, treat, or act for a patient. A 13206 communication may include, but is not limited to, any 13207 chiropractic, office, or hospital communication such as a record, 13208 chart, letter, memorandum, laboratory test and results, x-ray, 13209 photograph, financial statement, diagnosis, or prognosis. 13210

Sec. 2317.022. (A) As used in this section, "health care13211provider" has the same meaning as in section 3729.01 2317.02 of13212the Revised Code.13213

(B) If an official criminal investigation has begun regarding 13214 a person or if a criminal action or proceeding is commenced 13215 against a person, any law enforcement officer who wishes to obtain 13216 from any health care provider a copy of any records the provider 13217 possesses that pertain to any test or the result of any test 13218 administered to the person to determine the presence or 13219 concentration of alcohol, a drug of abuse, or alcohol and a drug 13220 of abuse in the person's blood, breath, or urine at any time 13221 relevant to the criminal offense in question shall submit to the 13222 health care facility a written statement in the following form: 13223 "WRITTEN STATEMENT REQUESTING THE RELEASE OF RECORDS 13224

To: ..... (insert name of the health care 13225

#### Page 426

provider in question).

I hereby state that an official criminal investigation has 13227 begun regarding, or a criminal action or proceeding has been 13228 commenced against, ..... (insert the name of the 13229 person in question), and that I believe that one or more tests has 13230 been administered to him that person by this health care provider 13231 to determine the presence or concentration of alcohol, a drug of 13232 abuse, or alcohol and a drug of abuse in his that person's blood, 13233 breath, or urine at a time relevant to the criminal offense in 13234 question. Therefore, I hereby request that, pursuant to division 13235 (B)(2) of section 2317.02 of the Revised Code, this health care 13236 provider supply me with copies of any records the provider 13237 possesses that pertain to any test or the results of any test 13238 administered to the person specified above to determine the 13239 presence or concentration of alcohol, a drug of abuse, or alcohol 13240 and a drug of abuse in his that person's blood, breath, or urine 13241 at any time relevant to the criminal offense in question. 13242

•	٠	•	٠	•	٠	٠	٠	•	•	•	•	٠	٠	•	٠	٠	٠	٠	٠	•	٠	•	•	٠	•	٠	٠	٠	•	٠	•	٠	٠	•	•	•	

(Name of officer)	13244
	13245
(Officer's title)	13246
	13247
(Officer's employing agency)	13248
	13249
(Officer's telephone number)	13250
	13251
	13252
	13253
(Agency's address)	13254

Page 427

13226

13255 (Date written statement submitted)" 13256

(C) A health care provider that receives a written statement 13257 of the type described in division (B) of this section shall comply 13258 with division (B)(2) of section 2317.02 of the Revised Code 13259 13260 relative to the written statement.

Sec. 2329.66. (A) Every person who is domiciled in this state 13261 may hold property exempt from execution, garnishment, attachment, 13262 or sale to satisfy a judgment or order, as follows: 13263

(1)(a) In the case of a judgment or order regarding money 13264 owed for health care services rendered or health care supplies 13265 provided to the person or a dependent of the person, one parcel or 13266 item of real or personal property that the person or a dependent 13267 of the person uses as a residence. Division (A)(1)(a) of this 13268 section does not preclude, affect, or invalidate the creation 13269 under this chapter of a judgment lien upon the exempted property 13270 but only delays the enforcement of the lien until the property is 13271 sold or otherwise transferred by the owner or in accordance with 13272 other applicable laws to a person or entity other than the 13273 surviving spouse or surviving minor children of the judgment 13274 debtor. Every person who is domiciled in this state may hold 13275 exempt from a judgment lien created pursuant to division (A)(1)(a) 13276 of this section the person's interest, not to exceed five thousand 13277 dollars, in the exempted property. 13278

(b) In the case of all other judgments and orders, the 13279 person's interest, not to exceed five thousand dollars, in one 13280 parcel or item of real or personal property that the person or a 13281 dependent of the person uses as a residence. 13282

(2) The person's interest, not to exceed one thousand 13283 dollars, in one motor vehicle; 13284

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(3) The person's interest, not to exceed two hundred dollars 13285 in any particular item, in wearing apparel, beds, and bedding, and 13286 the person's interest, not to exceed three hundred dollars in each 13287 item, in one cooking unit and one refrigerator or other food 13288 preservation unit; 13289

(4)(a) The person's interest, not to exceed four hundred 13290 dollars, in cash on hand, money due and payable, money to become 13291 due within ninety days, tax refunds, and money on deposit with a 13292 bank, savings and loan association, credit union, public utility, 13293 landlord, or other person. Division (A)(4)(a) of this section 13294 applies only in bankruptcy proceedings. This exemption may include 13295 the portion of personal earnings that is not exempt under division 13296 (A)(13) of this section. 13297

(b) Subject to division (A)(4)(d) of this section, the
person's interest, not to exceed two hundred dollars in any
particular item, in household furnishings, household goods,
appliances, books, animals, crops, musical instruments, firearms,
and hunting and fishing equipment, that are held primarily for the
personal, family, or household use of the person;

(c) Subject to division (A)(4)(d) of this section, the 13304
person's interest in one or more items of jewelry, not to exceed 13305
four hundred dollars in one item of jewelry and not to exceed two 13306
hundred dollars in every other item of jewelry; 13307

(d) Divisions (A)(4)(b) and (c) of this section do not13308include items of personal property listed in division (A)(3) of13309this section.

If the person does not claim an exemption under division13311(A)(1) of this section, the total exemption claimed under division13312(A)(4)(b) of this section shall be added to the total exemption13313claimed under division (A)(4)(c) of this section, and the total13314shall not exceed two thousand dollars. If the person claims an13315

13316 exemption under division (A)(1) of this section, the total 13317 exemption claimed under division (A)(4)(b) of this section shall 13318 be added to the total exemption claimed under division (A)(4)(c)13319 of this section, and the total shall not exceed one thousand five 13320 hundred dollars.

(5) The person's interest, not to exceed an aggregate of 13321 seven hundred fifty dollars, in all implements, professional 13322 books, or tools of the person's profession, trade, or business, 13323 including agriculture; 13324

(6)(a) The person's interest in a beneficiary fund set apart, 13325 appropriated, or paid by a benevolent association or society, as 13326 exempted by section 2329.63 of the Revised Code; 13327

(b) The person's interest in contracts of life or endowment 13328 insurance or annuities, as exempted by section 3911.10 of the 13329 Revised Code; 13330

(c) The person's interest in a policy of group insurance or 13331 the proceeds of a policy of group insurance, as exempted by 13332 section 3917.05 of the Revised Code; 13333

(d) The person's interest in money, benefits, charity, 13334 relief, or aid to be paid, provided, or rendered by a fraternal 13335 benefit society, as exempted by section 3921.18 of the Revised 13336 Code; 13337

(e) The person's interest in the portion of benefits under 13338 policies of sickness and accident insurance and in lump-sum lump 13339 sum payments for dismemberment and other losses insured under 13340 those policies, as exempted by section 3923.19 of the Revised 13341 Code. 13342

(7) The person's professionally prescribed or medically 13343 necessary health aids; 13344

(8) The person's interest in a burial lot, including, but not 13345

Page 430

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 431

limited to, exemptions under section 517.09 or 1721.07 of the Revised Code;	13346 13347
(9) The person's interest in the following:	13348
(a) Moneys paid or payable for living maintenance or rights, as exempted by section 3304.19 of the Revised Code;	13349 13350
(b) Workers' compensation, as exempted by section 4123.67 of the Revised Code;	13351 13352
(c) Unemployment compensation benefits, as exempted by section 4141.32 of the Revised Code;	13353 13354
(d) Cash assistance payments under the Ohio works first program, as exempted by section 5107.75 of the Revised Code;	13355 13356
(e) <u>Benefits and services under the prevention, retention,</u> and contingency program, as exempted by section 5108.08 of the <u>Revised Code;</u>	13357 13358 13359
<pre>(f) Disability assistance payments, as exempted by section 5115.07 of the Revised Code. (10)(a) Except in cases in which the person was convicted of</pre>	13360 13361 13362

or pleaded guilty to a violation of section 2921.41 of the Revised 13363 Code and in which an order for the withholding of restitution from 13364 payments was issued under division (C)(2)(b) of that section or in 13365 cases in which an order for withholding was issued under section 13366 2907.15 of the Revised Code, and only to the extent provided in 13367 the order, and except as provided in sections 3105.171, 3105.63, 13368 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised 13369 Code, the person's right to a pension, benefit, annuity, 13370 retirement allowance, or accumulated contributions, the person's 13371 right to a participant account in any deferred compensation 13372 program offered by the Ohio public employees deferred compensation 13373 board, a government unit, or a municipal corporation, or the 13374 person's other accrued or accruing rights, as exempted by section 13375

 145.56, 146.13, 148.09, 742.47, 3307.41, 3309.66, or 5505.22 of
 13376

 the Revised Code, and the person's right to benefits from the Ohio
 13377

 public safety officers death benefit fund;
 13378

(b) Except as provided in sections 3119.80, 3119.81, 3121.02, 13379 3121.03, and 3123.06 of the Revised Code, the person's right to 13380 receive a payment under any pension, annuity, or similar plan or 13381 contract, not including a payment from a stock bonus or 13382 profit-sharing plan or a payment included in division (A)(6)(b) or 13383 (10)(a) of this section, on account of illness, disability, death, 13384 age, or length of service, to the extent reasonably necessary for 13385 the support of the person and any of the person's dependents, 13386 except if all the following apply: 13387

(i) The plan or contract was established by or under the 13388
auspices of an insider that employed the person at the time the 13389
person's rights under the plan or contract arose. 13390

(ii) The payment is on account of age or length of service. 13391

(iii) The plan or contract is not qualified under the 13392
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as 13393
amended. 13394

(c) Except for any portion of the assets that were deposited 13395 for the purpose of evading the payment of any debt and except as 13396 provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 13397 3123.06 of the Revised Code, the person's right in the assets held 13398 in, or to receive any payment under, any individual retirement 13399 account, individual retirement annuity, "Roth IRA," or education 13400 individual retirement account that provides benefits by reason of 13401 illness, disability, death, or age, to the extent that the assets, 13402 payments, or benefits described in division (A)(10)(c) of this 13403 section are attributable to any of the following: 13404

(i) Contributions of the person that were less than or equal 13405to the applicable limits on deductible contributions to an 13406

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

individual retirement account or individual retirement annuity in
the year that the contributions were made, whether or not the
person was eligible to deduct the contributions on the person's
federal tax return for the year in which the contributions were
made;
13407
13407
13407
13408
13408
13409
13410

(ii) Contributions of the person that were less than or equal 13412
to the applicable limits on contributions to a Roth IRA or 13413
education individual retirement account in the year that the 13414
contributions were made; 13415

(iii) Contributions of the person that are within the 13416 applicable limits on rollover contributions under subsections 219, 13417 402(c), 403(a)(4), 403(b)(8), 408(b), 408(d)(3), 408A(c)(3)(B), 13418 408A(d)(3), and 530(d)(5) of the "Internal Revenue Code of 1986," 13419 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 13420

(d) Except for any portion of the assets that were deposited 13421 for the purpose of evading the payment of any debt and except as 13422 provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 13423 3123.06 of the Revised Code, the person's right in the assets held 13424 in, or to receive any payment under, any Keogh or "H.R. 10" plan 13425 that provides benefits by reason of illness, disability, death, or 13426 age, to the extent reasonably necessary for the support of the 13427 person and any of the person's dependents. 13428

(11) The person's right to receive spousal support, child 13429
support, an allowance, or other maintenance to the extent 13430
reasonably necessary for the support of the person and any of the 13431
person's dependents; 13432

(12) The person's right to receive, or moneys received during 13433the preceding twelve calendar months from, any of the following: 13434

13435

(a) An award of reparations under sections 2743.51 to 2743.72 13436of the Revised Code, to the extent exempted by division (D) of 13437

Sub. H. B. No. 94	
Substitute Version as Presented to the Senate Finance and Financial Institutions	

section 2743.66 of the Revised Code;

(b) A payment on account of the wrongful death of an 13439 individual of whom the person was a dependent on the date of the 13440 individual's death, to the extent reasonably necessary for the 13441 support of the person and any of the person's dependents; 13442

(c) Except in cases in which the person who receives the 13443 payment is an inmate, as defined in section 2969.21 of the Revised 13444 Code, and in which the payment resulted from a civil action or 13445 appeal against a government entity or employee, as defined in 13446 section 2969.21 of the Revised Code, a payment, not to exceed five 13447 thousand dollars, on account of personal bodily injury, not 13448 including pain and suffering or compensation for actual pecuniary 13449 loss, of the person or an individual for whom the person is a 13450 dependent; 13451

(d) A payment in compensation for loss of future earnings of 13452 the person or an individual of whom the person is or was a 13453 dependent, to the extent reasonably necessary for the support of 13454 the debtor and any of the debtor's dependents. 13455

(13) Except as provided in sections 3119.80, 3119.81, 13456 3121.02, 3121.03, and 3123.06 of the Revised Code, personal 13457 earnings of the person owed to the person for services in an 13458 amount equal to the greater of the following amounts: 13459

(a) If paid weekly, thirty times the current federal minimum 13460 hourly wage; if paid biweekly, sixty times the current federal 13461 minimum hourly wage; if paid semimonthly, sixty-five times the 13462 current federal minimum hourly wage; or if paid monthly, one 13463 hundred thirty times the current federal minimum hourly wage that 13464 is in effect at the time the earnings are payable, as prescribed 13465 by the "Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 13466 U.S.C. 206(a)(1), as amended; 13467

(b) Seventy-five per cent of the disposable earnings owed to 13468

Page 434

Page 435

13469 the person. (14) The person's right in specific partnership property, as 13470 exempted by division (B)(3) of section 1775.24 of the Revised 13471 Code; 13472 (15) A seal and official register of a notary public, as 13473 exempted by section 147.04 of the Revised Code; 13474 (16) The person's interest in a tuition credit or a payment 13475 under section 3334.09 of the Revised Code pursuant to a tuition 13476 credit contract, as exempted by section 3334.15 of the Revised 13477 Code; 13478 (17) Any other property that is specifically exempted from 13479 execution, attachment, garnishment, or sale by federal statutes 13480 other than the "Bankruptcy Reform Act of 1978," 92 Stat. 2549, 11 13481 U.S.C.A. 101, as amended; 13482 (18) The person's interest, not to exceed four hundred 13483 dollars, in any property, except that division (A)(18) of this 13484 section applies only in bankruptcy proceedings. 13485 (B) As used in this section: 13486 (1) "Disposable earnings" means net earnings after the 13487 garnishee has made deductions required by law, excluding the 13488 deductions ordered pursuant to section 3119.80, 3119.81, 3121.02, 13489 3121.03, or 3123.06 of the Revised Code. 13490 (2) "Insider" means: 13491 (a) If the person who claims an exemption is an individual, a 13492 relative of the individual, a relative of a general partner of the 13493 individual, a partnership in which the individual is a general 13494 partner, a general partner of the individual, or a corporation of 13495 which the individual is a director, officer, or in control; 13496 (b) If the person who claims an exemption is a corporation, a 13497 director or officer of the corporation; a person in control of the 13498

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 436

corporation; a partnership in which the corporation is a general 13499 partner; a general partner of the corporation; or a relative of a 13500 general partner, director, officer, or person in control of the 13502 corporation;

(c) If the person who claims an exemption is a partnership, a 13503 general partner in the partnership; a general partner of the 13504 partnership; a person in control of the partnership; a partnership 13505 in which the partnership is a general partner; or a relative in, a 13506 general partner of, or a person in control of the partnership; 13507

(d) An entity or person to which or whom any of the following 13508 applies: 13509

(i) The entity directly or indirectly owns, controls, or
13510
holds with power to vote, twenty per cent or more of the
outstanding voting securities of the person who claims an
13512
exemption, unless the entity holds the securities in a fiduciary
or agency capacity without sole discretionary power to vote the
13514
securities or holds the securities solely to secure to debt and
13515
the entity has not in fact exercised the power to vote.

(ii) The entity is a corporation, twenty per cent or more of 13517 whose outstanding voting securities are directly or indirectly 13518 owned, controlled, or held with power to vote, by the person who 13519 claims an exemption or by an entity to which division (B)(2)(d)(i) 13520 of this section applies. 13521

(iii) A person whose business is operated under a lease or 13522
operating agreement by the person who claims an exemption, or a 13523
person substantially all of whose business is operated under an 13524
operating agreement with the person who claims an exemption. 13525

(iv) The entity operates the business or all or substantially 13526all of the property of the person who claims an exemption under a 13527lease or operating agreement. 13528

(e) An insider, as otherwise defined in this section, of a 13529

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(f) A managing agent of the person who claims an exemption. 13533

(3) "Participant account" has the same meaning as in section 13534148.01 of the Revised Code. 13535

(4) "Government unit" has the same meaning as in section 13536148.06 of the Revised Code. 13537

(C) For purposes of this section, "interest" shall be 13538 determined as follows: 13539

(1) In bankruptcy proceedings, as of the date a petition is 13540
 filed with the bankruptcy court commencing a case under Title 11 13541
 of the United States Code; 13542

(2) In all cases other than bankruptcy proceedings, as of the 13543
date of an appraisal, if necessary under section 2329.68 of the 13544
Revised Code, or the issuance of a writ of execution. 13545

An interest, as determined under division (C)(1) or (2) of 13546 this section, shall not include the amount of any lien otherwise 13547 valid pursuant to section 2329.661 of the Revised Code. 13548

Sec. 2715.041. (A) Upon the filing of a motion for an order 13549 of attachment pursuant to section 2715.03 of the Revised Code, the 13550 plaintiff shall file with the clerk of the court a praecipe 13551 instructing the clerk to issue to the defendant against whom the 13552 motion was filed a notice of the proceeding. Upon receipt of the 13553 praecipe, the clerk shall issue the notice which shall be in 13554 substantially the following form: 13555

(Case Caption)

Sub. H. B. No. 94	
Substitute Version as Presented to the Senate Finance and Financial Institutions	

Page 438

NOTICE	13559
You are hereby notified that (name and address of plaintiff),	13560
the plaintiff in this proceeding, has applied to this court for	13561
the attachment of property in your possession. The basis for this	13562
application is indicated in the documents that are enclosed with	13563
this notice.	13564
The law of Ohio and the United States provides that certain	13565
benefit payments cannot be taken from you to pay a debt. Typical	13566
among the benefits that cannot be attached or executed on by a	13567
creditor are:	13568
(1) Workers' compensation benefits;	13569
(2) Unemployment compensation payments;	13570
(3) Cash assistance payments under the Ohio works first	13571
program;	13572
(4) Benefits and services under the prevention, retention,	13573
and contingency program;	13574
(5) Disability assistance administered by the Ohio department	13575
of job and family services;	13576
(5)(6) Social security benefits;	13577
(6)(7) Supplemental security income (S.S.I.);	13578
(7)(8) Veteran's benefits;	13579
(8)(9) Black lung benefits;	13580
<del>(9)<u>(10)</u> Certain pensions.</del>	13581
Additionally, your wages never can be taken to pay a debt	13582

until a judgment has been obtained against you. There may be other 13583 benefits not included in this list that apply in your case. 13584

If you dispute the plaintiff's claim and believe that you are 13585 entitled to retain possession of the property because it is exempt 13586 or for any other reason, you may request a hearing before this 13587

13588 court by disputing the claim in the request for hearing form 13589 appearing below, or in a substantially similar form, and 13590 delivering the request for the hearing to this court, at the 13591 office of the clerk of this court, not later than the end of the 13592 fifth business day after you receive this notice. You may state 13593 your reasons for disputing the claim in the space provided on the 13594 form, but you are not required to do so. If you do state your 13595 reasons for disputing the claim in the space provided on the form, 13596 you are not prohibited from stating any other reasons at the 13597 hearing, and if you do not state your reasons, it will not be held 13598 against you by the court and you can state your reasons at the 13599 hearing.

If you request a hearing, it will be conducted in	13600
	13601
m. on,,	13602

If you do not request a hearing or file a bond on or before 13609 the end of the fifth business day after you receive this notice, 13610 the court, without further notice to you, may order a law 13611 enforcement officer or bailiff to take possession of the property. 13612 Notice of the dates, times, places, and purposes of any subsequent 13613 hearings and of the date, time, and place of the trial of the 13614 action will be sent to you. 13615

> > Clerk of Court 13617

Date: ..... 13618

(B) Along with the notice required by division (A) of this 13619

Page 440

13620 section, the clerk of the court also shall deliver to the 13621 defendant, in accordance with division (C) of this section, a 13622 request for hearing form together with a postage-paid, 13623 self-addressed envelope or a request for hearing form on a 13624 postage-paid, self-addressed postcard. The request for hearing 13625 shall be in substantially the following form: "(Name and Address of Court) 13626 Case Number ..... Date ..... 13627 REQUEST FOR HEARING 13628 I dispute the claim for the attachment of property in the 13629 above case and request that a hearing in this matter be held at 13630 the time and place set forth in the notice that I previously 13631 received. 13632 I dispute the claim for the following reasons: 13633 13634 (Optional) 13635 13636 13637 13638 (Name of Defendant) 13639 13640 (Signature) 13641 13642 (Date) 13643

WARNING: IF YOU DO NOT DELIVER THIS REQUEST FOR HEARING OR A 13644 REQUEST IN A SUBSTANTIALLY SIMILAR FORM TO THE OFFICE OF THE CLERK 13645 OF THIS COURT WITHIN FIVE (5) BUSINESS DAYS OF YOUR RECEIPT OF IT, 13646 YOU WAIVE YOUR RIGHT TO A HEARING AT THIS TIME AND YOU MAY BE 13647 REQUIRED TO GIVE UP THE PROPERTY SOUGHT WITHOUT A HEARING." 13648

(C) The notice required by division (A) of this section shall 13649

13650 be served on the defendant in duplicate not less than seven 13651 business days prior to the date on which the hearing is scheduled, 13652 together with a copy of the complaint and summons, if not 13653 previously served, and a copy of the motion for the attachment of 13654 property and the affidavit attached to the motion, in the same 13655 manner as provided in the Rules of Civil Procedure for the service 13656 of process. Service may be effected by publication as provided in 13657 the Rules of Civil Procedure except that the number of weeks for 13658 publication may be reduced by the court to the extent appropriate.

Sec. 2715.045. (A) Upon the filing of a motion for 13659 attachment, a court may issue an order of attachment without 13660 issuing notice to the defendant against whom the motion was filed 13661 and without conducting a hearing if the court finds that there is 13662 probable cause to support the motion and that the plaintiff that 13663 filed the motion for attachment will suffer irreparable injury if 13664 the order is delayed until the defendant against whom the motion 13665 has been filed has been given the opportunity for a hearing. The 13666 court's findings shall be based upon the motion and affidavit 13667 filed pursuant to section 2715.03 of the Revised Code and any 13668 other relevant evidence that it may wish to consider. 13669

(B) A finding by the court that the plaintiff will suffer 13670 irreparable injury may be made only if the court finds the 13671 existence of either of the following circumstances: 13672

(1) There is present danger that the property will be 13673 immediately disposed of, concealed, or placed beyond the 13674 jurisdiction of the court. 13675

(2) The value of the property will be impaired substantially 13676 if the issuance of an order of attachment is delayed. 13677

(C)(1) Upon the issuance by a court of an order of attachment 13678 without notice and hearing pursuant to this section, the plaintiff 13679 shall file the order with the clerk of the court, together with a 13680

Page 441

13681 praecipe instructing the clerk to issue to the defendant against 13682 whom the order was issued a copy of the motion, affidavit, and 13683 order of attachment, and a notice that an order of attachment was 13684 issued and that the defendant has a right to a hearing on the 13685 matter. The clerk then immediately shall serve upon the defendant, 13686 in the manner provided by the Rules of Civil Procedure for service 13687 of process, a copy of the complaint and summons, if not previously 13688 served, a copy of the motion, affidavit, and order of attachment, 13689 and the following notice:

	"(Name and Address of the Court)	13690
(Case Caption)	Case No	13691
	NOTICE	13692

You are hereby notified that this court has issued an order 13693 in the above case in favor of (name and address of plaintiff), the 13694 plaintiff in this proceeding, directing that property now in your 13695 possession, be taken from you. This order was issued on the basis 13696 of the plaintiff's claim against you as indicated in the documents 13697 that are enclosed with this notice. 13698

The law of Ohio and the United States provides that certain 13699 benefit payments cannot be taken from you to pay a debt. Typical 13700 among the benefits that cannot be attached or executed on by a 13701 creditor are: 13702

(1) Workers' compensation benefits;

(2) Unemployment compensation payments;

(3) Cash assistance payments under the Ohio works first 13705program; 13706

(4) <u>Benefits and services under the prevention, retention</u>, 13707 and contingency program; 13708

(5) Disability assistance administered by the Ohio department 13709 of job and family services; 13710

13703

Page 443

(5)(6) Social security benefits;	13711
(6)(7) Supplemental security income (S.S.I.);	13712
(7)(8) Veteran's benefits;	13713
(8)(9) Black lung benefits;	13714
<del>(9)<u>(10)</u> Certain pensions.</del>	13715

Additionally, your wages never can be taken to pay a debt 13716 until a judgment has been obtained against you. There may be other 13717 benefits not included in this list that apply in your case. 13718

If you dispute the plaintiff's claim and believe that you are 13719 entitled to possession of the property because it is exempt or for 13720 any other reason, you may request a hearing before this court by 13721 disputing the claim in the request for hearing form, appearing 13722 below, or in a substantially similar form, and delivering the 13723 request for hearing to this court at the above address, at the 13724 office of the clerk of this court, no later than the end of the 13725 fifth business day after you receive this notice. You may state 13726 your reasons for disputing the claim in the space provided on the 13727 form; however, you are not required to do so. If you do state your 13728 reasons for disputing the claim, you are not prohibited from 13729 stating any other reasons at the hearing, and if you do not state 13730 your reasons, it will not be held against you by the court and you 13731 can state your reasons at the hearing. If you request a hearing, 13732 it will be held within three business days after delivery of your 13733 request for hearing and notice of the date, time, and place of the 13734 hearing will be sent to you. 13735

If you do not request a hearing or file a bond before the end 13742 of the fifth business day after you receive this notice, 13743 possession of the property will be withheld from you during the 13744 pendency of the action. Notice of the dates, times, places, and 13745 purposes of any subsequent hearings and of the date, time, and 13746 place of the trial of the action will be sent to you. 13747 13748 Clerk of the Court 13749 13750 Date" 13751 (2) Along with the notice required by division (C)(1) of this 13752 section, the clerk of the court also shall deliver to the 13753 defendant a request for hearing form together with a postage-paid, 13754 self-addressed envelope or a request for hearing form on a 13755 postage-paid, self-addressed postcard. The request for hearing 13756 shall be in substantially the following form: 13757 "(Name and Address of Court) 13758 Case Number ..... Date ..... 13759 REQUEST FOR HEARING 13760 I dispute the claim for possession of property in the above 13761 case and request that a hearing in this matter be held within 13762 three business days after delivery of this request to the court. 13763 I dispute the claim for the following reasons: 13764 13765 (Optional) 13766 13767 13768 13769 (Name of Defendant) 13770 13771 (Signature) 13772

Page 444

(Date) 13774

WARNING: IF YOU DO NOT DELIVER THIS REQUEST FOR HEARING OR A 13775 REQUEST IN A SUBSTANTIALLY SIMILAR FORM TO THE OFFICE OF THE CLERK 13776 OF THIS COURT WITHIN FIVE (5) BUSINESS DAYS OF YOUR RECEIPT OF IT, 13777 YOU WAIVE YOUR RIGHT TO A HEARING AND POSSESSION OF THE PROPERTY 13778 WILL BE WITHHELD FROM YOU DURING THE PENDENCY OF THE ACTION." 13779

(D) The defendant may receive a hearing in accordance with 13780 section 2715.043 of the Revised Code by delivering a written 13781 request for hearing to the court within five business days after 13782 receipt of the notice provided pursuant to division (C) of this 13783 section. The request may set forth the defendant's reasons for 13784 disputing the plaintiff's claim for possession of property. 13785 However, neither the defendant's inclusion of nor failure to 13786 include such reasons upon the request constitutes a waiver of any 13787 defense of the defendant or affects the defendant's right to 13788 produce evidence at any hearing or at the trial of the action. If 13789 the request is made by the defendant, the court shall schedule a 13790 hearing within three business days after the request is made, send 13791 notice to the parties of the date, time, and place of the hearing, 13792 and hold the hearing accordingly. 13793

(E) If, after hearing, the court finds that there is not
 probable cause to support the motion, it shall order that the
 property be redelivered to the defendant without the condition of
 bond.

Sec. 2716.13. (A) Upon the filing of a proceeding in 13798 garnishment of property, other than personal earnings, under 13799 section 2716.11 of the Revised Code, the court shall cause the 13800 matter to be set for hearing within twelve days after that filing. 13801

(B) Upon the scheduling of a hearing relative to a proceeding 13802in garnishment of property, other than personal earnings, under 13803

13804 division (A) of this section, the clerk of the court immediately 13805 shall issue to the garnishee three copies of the order of 13806 garnishment of property, other than personal earnings, and of a 13807 written notice that the garnishee answer as provided in section 13808 2716.21 of the Revised Code and the garnishee's fee required by 13809 section 2716.12 of the Revised Code. The copies of the order and 13810 of the notice shall be served upon the garnishee in the same 13811 manner as a summons is served. The copies of the order and of the 13812 notice shall not be served later than seven days prior to the date 13813 on which the hearing is scheduled. The order shall bind the 13814 property, other than personal earnings, of the judgment debtor in 13815 the possession of the garnishee at the time of service.

The order of garnishment of property, other than personal 13816 earnings, and notice to answer shall be in substantially the 13817 following form: 13818 "ORDER AND NOTICE OF GARNISHMENT 13819 OF PROPERTY OTHER THAN PERSONAL EARNINGS 13820 AND ANSWER OF GARNISHEE 13821 Docket No. ..... 13822

- In the ..... Court 13824

vs.

The State of Ohio

....., Judgment Debtor 13830

- SECTION A. COURT ORDER AND NOTICE OF GARNISHMENT 13831
  - To: ..... Garnishee 13832

The judgment creditor in the above case has filed an 13833 affidavit, satisfactory to the undersigned, in this Court stating 13834

13826

13835 that you have money, property, or credits, other than personal 13836 earnings, in your hands or under your control that belong to the 13837 judgment debtor, and that some of the money, property, or credits 13838 may not be exempt from garnishment under the laws of the State of 13839 Ohio or the laws of the United States.

You are therefore ordered to complete the "ANSWER OF 13840 GARNISHEE" in section (B) of this form. Return one completed and 13841 signed copy of this form to the clerk of this court together with 13842 the amount determined in accordance with the "ANSWER OF GARNISHEE" 13843 by the following date on which a hearing is tentatively scheduled 13844 relative to this order of garnishment: ..... Deliver one 13845 completed and signed copy of this form to the judgment debtor 13846 prior to that date. Keep the other completed and signed copy of 13847 this form for your files. 13848

The total probable amount now due on this judgment is 13849 \$..... The total probable amount now due includes the unpaid 13850 portion of the judgment in favor of the judgment creditor, which 13851 is \$.....; interest on that judgment and, if applicable, 13852 prejudgment interest relative to that judgment at the rate of 13853 ..... per annum payable until that judgment is satisfied in full; 13854 and court costs in the amount of \$..... 13855

You also are ordered to hold safely anything of value that 13856 belongs to the judgment debtor and that has to be paid to the 13857 court, as determined under the "ANSWER OF GARNISHEE" in section 13858 (B) of this form, but that is of such a nature that it cannot be 13859 so delivered, until further order of the court. 13860

Witness my hand and the seal of this court this ..... 13861 day of ....., ..... 13862

> 13863

> > 13864 Judge

> > > 13865

SECTION B. ANSWER OF GARNISHEE

Page 447

Now comes ..... the garnishee, who says: 13866 1. That the garnishee has money, property, or credits, other 13867 than personal earnings, of the judgment debtor under the 13868 garnishee's control and in the garnishee's possession. 13869 13870 . . . . . . . . . . . . . . . . . . . if yes, amount 13871 yes no 2. That property is described as: 13872 3. If the answer to line 1 is "yes" and the amount is less 13873 than the probable amount now due on the judgment, as indicated in 13874 section (A) of this form, sign and return this form and pay the 13875 amount of line 1 to the clerk of this court. 13876 4. If the answer to line 1 is "yes" and the amount is greater 13877 than that probable amount now due on the judgment, as indicated in 13878 section (A) of this form, sign and return this form and pay that 13879 probable amount now due to the clerk of this court. 13880 5. If the answer to line 1 is "yes" but the money, property, 13881 or credits are of such a nature that they cannot be delivered to 13882 the clerk of the court, indicate that by placing an "X" in this 13883 space: ..... Do not dispose of that money, property, or credits 13884 or give them to anyone else until further order of the court. 13885 6. If the answer to line 1 is "no," sign and return this form 13886 to the clerk of this court. 13887 I certify that the statements above are true. 13888 13889 (Print Name of Garnishee) 13890 13891 (Print Name and Title of 13892 Person Who Completed Form) 13893 Signed ..... 13894 (Signature of Person Completing Form) 13895

Dated	this	 day of	, "	13896
Duccu	CIIID	 uuy or		10000

Section A of the form described in this division shall be 13897 completed before service. Section B of the form shall be completed 13898 by the garnishee, and the garnishee shall file one completed and 13899 signed copy of the form with the clerk of the court as the 13900 garnishee's answer. The garnishee may keep one completed and 13901 signed copy of the form and shall deliver the other completed and 13902 signed copy of the form to the judgment debtor. 13903

If several affidavits seeking orders of garnishment of 13904 property, other than personal earnings, are filed against the same 13905 judgment debtor in accordance with section 2716.11 of the Revised 13906 Code, the court involved shall issue the requested orders in the 13907 same order in which the clerk received the associated affidavits. 13908

(C)(1) At the time of the filing of a proceeding in 13909 garnishment of property, other than personal earnings, under 13910 section 2716.11 of the Revised Code, the judgment creditor also 13911 shall file with the clerk of the court a praecipe instructing the 13912 clerk to issue to the judgment debtor a notice to the judgment 13913 debtor form and a request for hearing form. Upon receipt of the 13914 praecipe and the scheduling of a hearing relative to an action in 13915 garnishment of property, other than personal earnings, under 13916 division (A) of this section, the clerk of the court immediately 13917 shall serve upon the judgment debtor, in accordance with division 13918 (D) of this section, two copies of the notice to the judgment 13919 debtor form and of the request for hearing form. The copies of the 13920 notice to the judgment debtor form and of the request for hearing 13921 form shall not be served later than seven days prior to the date 13922 on which the hearing is scheduled. 13923

(a) The notice to the judgment debtor that must be served 13924upon the judgment debtor shall be in substantially the following 13925form: 13926

Page 450

(Case Caption)	Case No	13928
	NOTICE TO THE JUDGMENT DEBTOR	13929

You are hereby notified that this court has issued an order 13930 in the above case in favor of (name and address of judgment 13931 creditor), the judgment creditor in this proceeding, directing 13932 that some of your money, property, or credits, other than personal 13933 earnings, now in the possession of (name and address of 13934 garnishee), the garnishee in this proceeding, be used to satisfy 13935 your debt to the judgment creditor. This order was issued on the 13936 basis of the judgment creditor's judgment against you that was 13937 obtained in (name of court) in (case number) on (date). Upon your 13938 receipt of this notice, you are prohibited from removing or 13939 attempting to remove the money, property, or credits until 13940 expressly permitted by the court. Any violation of this 13941 prohibition subjects you to punishment for contempt of court. 13942

The law of Ohio and the United States provides that certain 13943 benefit payments cannot be taken from you to pay a debt. Typical 13944 among the benefits that cannot be attached or executed upon by a 13945 creditor are the following: 13946

(1) Workers' compensation benefits; 13947

(2) Unemployment compensation payments; 13948

(3) Cash assistance payments under the Ohio works first 13949program; 13950

(4) <u>Benefits and services under the prevention, retention,</u> 13951<u>and contingency program;</u> 13952

(5)Disability assistance administered by the Ohio department13953of job and family services;13954

(5)(6) Social security benefits; 13955

(6)(7) Supplemental security income (S.S.I.);

(7)(8) Veteran's benefits;

13957

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 451

13959

<del>(8)<u>(9)</u> Black lung benefits;</del>	13958
---	-------

<del>(9)<u>(10)</u> Certain pensions.</del>

There may be other benefits not included in the above list 13960 that apply in your case. 13961

If you dispute the judgment creditor's right to garnish your 13962 property and believe that the judgment creditor should not be 13963 given your money, property, or credits, other than personal 13964 earnings, now in the possession of the garnishee because they are 13965 exempt or if you feel that this order is improper for any other 13966 reason, you may request a hearing before this court by disputing 13967 the claim in the request for hearing form, appearing below, or in 13968 a substantially similar form, and delivering the request for 13969 hearing to this court at the above address, at the office of the 13970 clerk of this court no later than the end of the fifth business 13971 day after you receive this notice. You may state your reasons for 13972 disputing the judgment creditor's right to garnish your property 13973 in the space provided on the form; however, you are not required 13974 to do so. If you do state your reasons for disputing the judgment 13975 creditor's right, you are not prohibited from stating any other 13976 reason at the hearing. If you do not state your reasons, it will 13977 not be held against you by the court, and you can state your 13978 reasons at the hearing. NO OBJECTIONS TO THE JUDGMENT ITSELF WILL 13979 BE HEARD OR CONSIDERED AT THE HEARING. If you request a hearing, 13980 the hearing will be limited to a consideration of the amount of 13981 your money, property, or credits, other than personal earnings, in 13982 the possession or control of the garnishee, if any, that can be 13983 used to satisfy all or part of the judgment you owe to the 13984 judgment creditor. 13985

13990 ..... You may request the court to conduct the hearing before 13991 this date by indicating your request in the space provided on the 13992 form; the court then will send you notice of any change in the 13993 date, time, or place of the hearing. If you do not request a 13994 hearing by delivering your request for a hearing no later than the 13995 end of the fifth business day after you receive this notice, some 13996 of your money, property, or credits, other than personal earnings, 13997 will be paid to the judgment creditor.

If you have any questions concerning this matter, you may 13998 contact the office of the clerk of this court. If you want legal 13999 representation, you should contact your lawyer immediately. If you 14000 need the name of a lawyer, contact the local bar association. 14001

- 14002 Clerk of the Court
  - 14004 Date" 14005
- (b) The request for hearing form that must be served upon the 14006 judgment debtor shall have attached to it a postage-paid, 14007 self-addressed envelope or shall be on a postage-paid 14008 self-addressed postcard, and shall be in substantially the 14009 following form: 14010

"(Name and Address of Court)

14012 Case Number ..... Date .....

### REQUEST FOR HEARING

- I dispute the judgment creditor's right to garnish my money, 14015 property, or credits, other than personal earnings, in the above 14016 case and request that a hearing in this matter be held 14017 14018 (Insert "on" or "earlier than") 14019
- the date and time set forth in the document entitled "NOTICE TO 14020

14003

14011

14013

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	
THE JUDGMENT DEBTOR" that I received with this request form.	14021
I dispute the judgment creditor's right to garnish my	14022
property for the following reasons:	
	14024
(Optional)	
	14026
	14027
I UNDERSTAND THAT NO OBJECTIONS TO THE JUDGMENT ITSELF WILL	14028
BE HEARD OR CONSIDERED AT THE HEARING.	
	14030
(Name of Judgment Debtor)	14031
	14032
(Signature)	14033
	14034
(Date)	14035
WARNING: IF YOU DO NOT DELIVER THIS REQUEST FOR HEARING OR A	14036

WARNING. IF YOU DO NOT DELIVER THIS REQUEST FOR HEARING OR A14036REQUEST IN A SUBSTANTIALLY SIMILAR FORM TO THE OFFICE OF THE CLERK14037OF THIS COURT WITHIN FIVE (5) BUSINESS DAYS OF YOUR RECEIPT OF IT,14038YOU WAIVE YOUR RIGHT TO A HEARING AND SOME OF YOUR MONEY,14039PROPERTY, OR CREDITS, OTHER THAN PERSONAL EARNINGS, NOW IN THE14040POSSESSION OF (GARNISHEE'S NAME) WILL BE PAID TO (JUDGMENT14041CREDITOR'S NAME) TO SATISFY SOME OF YOUR DEBT TO (JUDGMENT14042CREDITOR'S NAME)."14043

(2) The judgment debtor may receive a hearing in accordance 14044 with this division by delivering a written request for hearing to 14045 the court within five business days after receipt of the notice 14046 provided pursuant to division (C)(1) of this section. The request 14047 may set forth the judgment debtor's reasons for disputing the 14048 judgment creditor's right to garnish the money, property, or 14049 credits, other than personal earnings; however, neither the 14050

14051 judgment debtor's inclusion of nor failure to include those 14052 reasons upon the request constitutes a waiver of any defense of 14053 the judgment debtor or affects the judgment debtor's right to 14054 produce evidence at the hearing. If the request is made by the 14055 judgment debtor within the prescribed time, the hearing shall be 14056 limited to a consideration of the amount of money, property, or 14057 credits, other than personal earnings, of the judgment debtor in 14058 the hands of the garnishee, if any, that can be used to satisfy 14059 all or part of the debt owed by the judgment debtor to the 14060 judgment creditor. If a request for a hearing is not received by 14061 the court within the prescribed time, the hearing scheduled 14062 pursuant to division (A) of this section shall be canceled unless 14063 the court grants the judgment debtor a continuance in accordance 14064 with division (C)(3) of this section.

(3) If the judgment debtor does not request a hearing in the 14065 action within the prescribed time pursuant to division (C)(2) of 14066 this section, the court nevertheless may grant a continuance of 14067 the scheduled hearing if the judgment debtor, prior to the time at 14068 which the hearing was scheduled, as indicated on the notice to the 14069 judgment debtor required by division (C)(1) of this section, 14070 establishes a reasonable justification for failure to request the 14071 hearing within the prescribed time. If the court grants a 14072 continuance of the hearing, it shall cause the matter to be set 14073 for hearing as soon as practicable thereafter. The continued 14074 hearing shall be conducted in accordance with division (C)(2) of 14075 this section. 14076

(4) The court may conduct the hearing on the matter prior to 14077 the time at which the hearing was scheduled, as indicated on the 14078 notice to the judgment debtor required by division (C)(1) of this 14079 section, upon the request of the judgment debtor. The parties 14080 shall be sent notice, by the clerk of the court, by regular mail, 14081 of any change in the date, time, or place of the hearing. 14082

Substitute Version as Presented to the Senate Finance and Financial Institutions

(5) If the scheduled hearing is canceled and no continuance 14083 is granted, the court shall issue an order to the garnishee to pay 14084 all or some of the money, property, or credits, other than 14085 personal earnings, of the judgment debtor in the possession of the 14086 garnishee at the time of service of the notice and order into 14087 court if they have not already been paid to the court. This order 14088 shall be based on the answer of the garnishee filed pursuant to 14089 this section. If the scheduled hearing is conducted or if it is 14090 continued and conducted, the court shall determine at the hearing 14091 the amount of the money, property, or credits, other than personal 14092 earnings, of the judgment debtor in the possession of the 14093 garnishee at the time of service of the notice and order, if any, 14094 that can be used to satisfy all or part of the debt owed by the 14095 judgment debtor to the judgment creditor, and issue an order, 14096 accordingly, to the garnishee to pay that amount into court if it 14097 has not already been paid to the court. 14098

(D) The notice to the judgment debtor form and the request 14099 for hearing form described in division (C) of this section shall 14100 be sent by the clerk by ordinary or regular mail service unless 14101 the judgment creditor requests that service be made in accordance 14102 with the Rules of Civil Procedure, in which case the forms shall 14103 be served in accordance with the Rules of Civil Procedure. Any 14104 court of common pleas that issues an order of garnishment of 14105 property, other than personal earnings, under this section has 14106 jurisdiction to serve process pursuant to this section upon a 14107 garnishee who does not reside within the jurisdiction of the 14108 court. Any county court or municipal court that issues an order of 14109 garnishment of property, other than personal earnings, under this 14110 section has jurisdiction to serve process pursuant to this section 14111 upon a garnishee who does not reside within the jurisdiction of 14112 the court. 14113

Sec. 2921.13. (A) No person shall knowingly make a false

Page 455

14114

Page 456

14132

statement, or knowingly swear or affirm the truth of a false 14115 statement previously made, when any of the following applies: 14116

(1) The statement is made in any official proceeding. 14117

(2) The statement is made with purpose to incriminate 14118 another. 14119

(3) The statement is made with purpose to mislead a publicofficial in performing the public official's official function.14121

(4) The statement is made with purpose to secure the payment 14122
of unemployment compensation; Ohio works first; prevention, 14123
retention, and contingency assistance benefits and services; 14124
disability assistance; retirement benefits; economic development 14125
assistance, as defined in section 9.66 of the Revised Code; or 14126
other benefits administered by a governmental agency or paid out 14127
of a public treasury. 14128

(5) The statement is made with purpose to secure the issuance 14129
by a governmental agency of a license, permit, authorization, 14130
certificate, registration, release, or provider agreement. 14131

(6) The statement is sworn or affirmed before a notary public 14133or another person empowered to administer oaths. 14134

(7) The statement is in writing on or in connection with a 14135report or return that is required or authorized by law. 14136

(8) The statement is in writing and is made with purpose to 14137 induce another to extend credit to or employ the offender, to 14138 confer any degree, diploma, certificate of attainment, award of 14139 excellence, or honor on the offender, or to extend to or bestow 14140 upon the offender any other valuable benefit or distinction, when 14141 the person to whom the statement is directed relies upon it to 14142 that person's detriment. 14143

(9) The statement is made with purpose to commit or 14144

facilitate the commission of a theft offense.

(10) The statement is knowingly made to a probate court in 14146 connection with any action, proceeding, or other matter within its 14147 jurisdiction, either orally or in a written document, including, 14148 but not limited to, an application, petition, complaint, or other 14149 pleading, or an inventory, account, or report. 14150

(11) The statement is made on an account, form, record, 14151stamp, label, or other writing that is required by law. 14152

(12) The statement is made in connection with the purchase of 14153 a firearm, as defined in section 2923.11 of the Revised Code, and 14154 in conjunction with the furnishing to the seller of the firearm of 14155 a fictitious or altered driver's or commercial driver's license or 14156 permit, a fictitious or altered identification card, or any other 14157 document that contains false information about the purchaser's 14158 identity. 14159

(13) The statement is made in a document or instrument of 14160 writing that purports to be a judgment, lien, or claim of 14161 indebtedness and is filed or recorded with the secretary of state, 14162 a county recorder, or the clerk of a court of record. 14163

(B) No person, in connection with the purchase of a firearm, 14164 as defined in section 2923.11 of the Revised Code, shall knowingly 14165 furnish to the seller of the firearm a fictitious or altered 14166 driver's or commercial driver's license or permit, a fictitious or 14167 altered identification card, or any other document that contains 14168 false information about the purchaser's identity. 14169

(C) It is no defense to a charge under division (A)(4) of 14170this section that the oath or affirmation was administered or 14171taken in an irregular manner. 14172

(D) If contradictory statements relating to the same fact are 14173
 made by the offender within the period of the statute of 14174
 limitations for falsification, it is not necessary for the 14175

14145

fense

Page 458

prosecution to prove which statement was false but only that one 14176 or the other was false. 14177

(E)(1) Whoever violates division (A)(1), (2), (3), (4), (5), 14178
(6), (7), (8), (10), (11), or (13) of this section is guilty of 14179
falsification, a misdemeanor of the first degree. 14180

(2) Whoever violates division (A)(9) of this section is 14181 guilty of falsification in a theft offense. Except as otherwise 14182 provided in this division, falsification in a theft offense is a 14183 misdemeanor of the first degree. If the value of the property or 14184 services stolen is five hundred dollars or more and is less than 14185 five thousand dollars, falsification in a theft offense is a 14186 felony of the fifth degree. If the value of the property or 14187 services stolen is five thousand dollars or more and is less than 14188 one hundred thousand dollars, falsification in a theft offense is 14189 a felony of the fourth degree. If the value of the property or 14190 services stolen is one hundred thousand dollars or more, 14191 falsification in a theft offense is a felony of the third degree. 14192

(3) Whoever violates division (A)(12) or (B) of this section 14193is guilty of falsification to purchase a firearm, a felony of the 14194fifth degree. 14195

(F) A person who violates this section is liable in a civil 14196 action to any person harmed by the violation for injury, death, or 14197 loss to person or property incurred as a result of the commission 14198 of the offense and for reasonable attorney's fees, court costs, 14199 and other expenses incurred as a result of prosecuting the civil 14200 action commenced under this division. A civil action under this 14201 division is not the exclusive remedy of a person who incurs 14202 injury, death, or loss to person or property as a result of a 14203 violation of this section. 14204

**sec. 2953.21.** (A)(1) Any person who has been convicted of a 14205 criminal offense or adjudicated a delinquent child and who claims 14206

that there was such a denial or infringement of the person's 14207 rights as to render the judgment void or voidable under the Ohio 14208 Constitution or the Constitution of the United States may file a 14209 petition in the court that imposed sentence, stating the grounds 14210 for relief relied upon, and asking the court to vacate or set 14211 aside the judgment or sentence or to grant other appropriate 14212 relief. The petitioner may file a supporting affidavit and other 14213 documentary evidence in support of the claim for relief. 14214

(2) A petition under division (A)(1) of this section shall be 14215 filed no later than one hundred eighty days after the date on 14216 which the trial transcript is filed in the court of appeals in the 14217 direct appeal of the judgment of conviction or adjudication or, if 14218 the direct appeal involves a sentence of death, the date on which 14219 the trial transcript is filed in the supreme court. If no appeal 14220 is taken, the petition shall be filed no later than one hundred 14221 eighty days after the expiration of the time for filing the 14222 appeal. 14223

(3) In a petition filed under division (A) of this section, a 14224 person upon whom a sentence of death has been imposed may ask the 14225 court to render void or voidable the judgment with respect to the 14226 conviction of aggravated murder or the specification of an 14227 aggravating circumstance. 14228

(4) A petitioner shall state in the original or amended
petition filed under division (A) of this section all grounds for
relief claimed by the petitioner. Except as provided in section
2953.23 of the Revised Code, any ground for relief that is not so
stated in the petition is waived.

(5) If the petitioner in a petition filed under division (A) 14234 of this section was convicted of or pleaded guilty to a felony, 14235 the petition may include a claim that the petitioner was denied 14236 the equal protection of the laws in violation of the Ohio 14237 Constitution or the United States Constitution because the 14238

14239 sentence imposed upon the petitioner for the felony was part of a 14240 consistent pattern of disparity in sentencing by the judge who 14241 imposed the sentence, with regard to the petitioner's race, 14242 gender, ethnic background, or religion. If the supreme court 14243 adopts a rule requiring a court of common pleas to maintain 14244 information with regard to an offender's race, gender, ethnic 14245 background, or religion, the supporting evidence for the petition 14246 shall include, but shall not be limited to, a copy of that type of 14247 information relative to the petitioner's sentence and copies of 14248 that type of information relative to sentences that the same judge 14249 imposed upon other persons.

(B) The clerk of the court in which the petition is filed 14250 shall docket the petition and bring it promptly to the attention 14251 of the court. The petitioner need not serve a copy of the petition 14252 on the prosecuting attorney. The clerk of the court in which the 14253 petition is filed immediately shall forward a copy of the petition 14254 to the prosecuting attorney of that county. 14255

(C) The court shall consider a petition that is timely filed 14256 under division (A)(2) of this section even if a direct appeal of 14257 the judgment is pending. Before granting a hearing on a petition 14258 filed under division (A) of this section, the court shall 14259 determine whether there are substantive grounds for relief. In 14260 making such a determination, the court shall consider, in addition 14261 to the petition, the supporting affidavits, and the documentary 14262 evidence, all the files and records pertaining to the proceedings 14263 against the petitioner, including, but not limited to, the 14264 indictment, the court's journal entries, the journalized records 14265 of the clerk of the court, and the court reporter's transcript. 14266 The court reporter's transcript, if ordered and certified by the 14267 court, shall be taxed as court costs. If the court dismisses the 14268 petition, it shall make and file findings of fact and conclusions 14269 of law with respect to such dismissal. 14270

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(D) Within ten days after the docketing of the petition, or 14271
within any further time that the court may fix for good cause 14272
shown, the prosecuting attorney shall respond by answer or motion. 14273
Within twenty days from the date the issues are made up, either 14274
party may move for summary judgment. The right to summary judgment 14275
shall appear on the face of the record. 14276

(E) Unless the petition and the files and records of the case 14277 show the petitioner is not entitled to relief, the court shall 14278 proceed to a prompt hearing on the issues even if a direct appeal 14279 of the case is pending. If the court notifies the parties that it 14280 has found grounds for granting relief, either party may request an 14281 appellate court in which a direct appeal of the judgment is 14282 pending to remand the pending case to the court. 14283

(F) At any time before the answer or motion is filed, the 14284
petitioner may amend the petition with or without leave or 14285
prejudice to the proceedings. The petitioner may amend the 14286
petition with leave of court at any time thereafter. 14287

(G) If the court does not find grounds for granting relief, 14288 it shall make and file findings of fact and conclusions of law and 14289 shall enter judgment denying relief on the petition. If no direct 14290 appeal of the case is pending and the court finds grounds for 14291 relief or if a pending direct appeal of the case has been remanded 14292 to the court pursuant to a request made pursuant to division (E) 14293 of this section and the court finds grounds for granting relief, 14294 it shall make and file findings of fact and conclusions of law and 14295 shall enter a judgment that vacates and sets aside the judgment in 14296 question, and, in the case of a petitioner who is a prisoner in 14297 custody, shall discharge or resentence the petitioner or grant a 14298 new trial as the court determines appropriate. The court also may 14299 make supplementary orders to the relief granted, concerning such 14300 matters as rearraignment, retrial, custody, and bail. If the trial 14301 court's order granting the petition is reversed on appeal and if 14302

14303 the direct appeal of the case has been remanded from an appellate 14304 court pursuant to a request under division (E) of this section, 14305 the appellate court reversing the order granting the petition 14306 shall notify the appellate court in which the direct appeal of the 14307 case was pending at the time of the remand of the reversal and 14308 remand of the trial court's order. Upon the reversal and remand of 14309 the trial court's order granting the petition, regardless of 14310 whether notice is sent or received, the direct appeal of the case 14311 that was remanded is reinstated.

(H) Upon the filing of a petition pursuant to division (A) of 14312
 this section by a prisoner in a state correctional institution who 14313
 has received the death penalty, the court may stay execution of 14314
 the judgment challenged by the petition. 14315

(I)(1) If a person who has received the death penalty intends 14316 to file a petition under this section, the court shall appoint 14317 counsel to represent the person upon a finding that the person is 14318 indigent and that the person either accepts the appointment of 14319 counsel or is unable to make a competent decision whether to 14320 accept or reject the appointment of counsel. The court may decline 14321 to appoint counsel for the person only upon a finding, after a 14322 hearing if necessary, that the person rejects the appointment of 14323 counsel and understands the legal consequences of that decision or 14324 upon a finding that the person is not indigent. 14325

(2) The court shall not appoint as counsel under division 14326 (I)(1) of this section an attorney who represented the petitioner 14327 at trial in the case to which the petition relates unless the 14328 person and the attorney expressly request the appointment. The 14329 court shall appoint as counsel under division (I)(1) of this 14330 section only an attorney who is certified under Rule 65 20 of the 14331 Rules of Superintendence for the Courts of Common Pleas Ohio to 14332 represent indigent defendants charged with or convicted of an 14333 offense for which the death penalty can be or has been imposed. 14334

The ineffectiveness or incompetence of counsel during proceedings 14335 under this section does not constitute grounds for relief in a 14336 proceeding under this section, in an appeal of any action under 14337 this section, or in an application to reopen a direct appeal. 14338

(3) Division (I) of this section does not preclude attorneys 14339 who represent the state of Ohio from invoking the provisions of 28 14340 U.S.C. 154 with respect to capital cases that were pending in 14341 federal habeas corpus proceedings prior to the effective date of 14342 this amendment insofar as the petitioners in those cases were 14343 represented in proceedings under this section by one or more 14344 counsel appointed by the court under this section or section 14345 120.06, 120.16, 120.26, or 120.33 of the Revised Code and those 14346 appointed counsel meet the requirements of division (I)(2) of this 14347 section. 14348

(J) Subject to the appeal of a sentence for a felony that is 14349 authorized by section 2953.08 of the Revised Code, the remedy set 14350 forth in this section is the exclusive remedy by which a person 14351 may bring a collateral challenge to the validity of a conviction 14352 or sentence in a criminal case or to the validity of an 14353 adjudication of a child as a delinquent child for the commission 14354 of an act that would be a criminal offense if committed by an 14355 adult or the validity of a related order of disposition. 14356

sec. 3109.14. (A) As used in this section, "birth record" and 14357
"certification of birth" have the meanings given in section 14358
3705.01 of the Revised Code. 14359

(B)(1) The director of health, a person authorized by the 14360
director, a local commissioner of health, or a local registrar of 14361
vital statistics shall charge and collect <u>a fee</u> for each certified 14362
copy of a birth record <del>and</del>, for each certification of birth <del>a fee</del> 14363
<del>of two dollars</del>, and for each copy of a death record <del>a fee of two</del> 14364
<del>dollars</del>, Until October 1, 2001, the fee shall be two dollars. On 14365

and after October 1, 2001, the fee shall be three dollars. The fee 14366 is in addition to the fee imposed by section 3705.24 or any other 14367 section of the Revised Code. A local commissioner of health or a 14368 local registrar of vital statistics may retain an amount of each 14369 additional fee collected, not to exceed three per cent of the 14370 amount of the additional fee, to be used for costs directly 14371 related to the collection of the fee and the forwarding of the fee 14372 to the treasurer of state. 14373

(2) Upon the filing for a divorce decree under section 14374 3105.10 or a decree of dissolution under section 3105.65 of the 14375 Revised Code, a court of common pleas shall charge and collect a 14376 fee of ten dollars. Until October 1, 2001, the fee shall be ten 14377 dollars. On and after October 1, 2001, the fee shall be eleven 14378 dollars. The fee is in addition to any other court costs or fees. 14379 The county clerk of courts may retain an amount of each additional 14380 fee collected, not to exceed three per cent of the amount of the 14381 additional fee, to be used for costs directly related to the 14382 collection of the fee and the forwarding of the fee to the 14383 treasurer of state. 14384

(C) The additional fees collected, but not retained, under 14385 this section during each month shall be forwarded not later than 14386 the tenth day of the immediately following month to the treasurer 14387 of state, who shall deposit the fees in the state treasury to the 14388 credit of the children's trust fund, which is hereby created. A 14389 person or government entity that fails to forward the fees in a 14390 timely manner, as determined by the treasurer of state, shall 14391 forward to the treasurer of state, in addition to the fees, a 14392 penalty equal to ten per cent of the fees. 14393

The treasurer of state shall invest the moneys in the fund, 14394 and all earnings resulting from investment of the fund shall be 14395 credited to the fund, except that actual administrative costs 14396 incurred by the treasurer of state in administering the fund may 14397

14398 be deducted from the earnings resulting from investments. The 14399 amount that may be deducted shall not exceed three per cent of the 14400 total amount of fees credited to the fund in each fiscal year, 14401 except that the children's trust fund board may approve an amount 14402 for actual administrative costs exceeding three per cent but not 14403 exceeding four per cent of such amount. The balance of the 14404 investment earnings shall be credited to the fund. Moneys credited 14405 to the fund shall be used only for the purposes described in 14406 sections 3109.13 to 3109.18 of the Revised Code.

Sec. 3109.17. (A) For each fiscal biennium, the children's 14407 trust fund board shall establish a biennial state plan for 14408 comprehensive child abuse and child neglect prevention. The plan 14409 shall be transmitted to the governor, the president and minority 14410 leader of the senate, and the speaker and minority leader of the 14411 house of representatives and shall be made available to the 14412 general public. 14413

(B) In developing and carrying out the state plan, the 14414 children's trust fund board shall, in accordance with Chapter 119. 14415 of the Revised Code, do all of the following: 14416

14417 (1) Ensure that an opportunity exists for assistance through child abuse and child neglect prevention programs to persons 14418 throughout the state of various social and economic backgrounds; 14419

(2) Before the thirtieth day of October of each year, notify 14420 each child abuse and child neglect prevention advisory board of 14421 the amount estimated to be block granted to that advisory board 14422 for the following fiscal year. 14423

(3) Develop criteria for county or district comprehensive 14424 allocation plans, including criteria for determining the plans' 14425 effectiveness; 14426

(4) Review county or district comprehensive allocation plans; 14427

Page 466

14428

14448

(5) Make a block grant to each child abuse and child neglect 14429 prevention advisory board for the purpose of funding child abuse 14430 and child neglect prevention programs. The block grants shall be 14431 allocated among advisory boards according to a formula based on 14432 the ratio of the number of children under age eighteen in the 14433 county or multicounty district to the number of children under age 14434 eighteen in the state, as shown in the most recent federal 14435 decennial census of population. Subject to the availability of 14436 funds, each advisory board shall receive a minimum of ten thousand 14437 dollars per fiscal year. In the case of an advisory board that 14438 serves a multicounty district, the advisory board shall receive, 14439 subject to available funds, a minimum of ten thousand dollars per 14440 fiscal year for each county in the district. Block grants shall be 14441 disbursed to the advisory boards twice annually. At least fifty 14442 per cent of the amount of the block grant allocated to an advisory 14443 board for a fiscal year shall be disbursed to the advisory board 14444 not later than the thirtieth day of September. The remainder of 14445 the block grant allocated to the advisory board for that fiscal 14446 year shall be disbursed before the thirty-first day of March. 14447

If the children's trust fund board determines, based on 14449 county or district performance or on the annual report submitted 14450 by an advisory board, that the advisory board is not operating in 14451 accordance with the criteria established in division (B)(3) of 14452 this section, it may revise the allocation of funds that the 14453 advisory board receives. 14454

(6) Provide for the monitoring of expenditures from the
 14455
 children's trust fund and of programs that receive money from the
 14456
 children's trust fund;
 14457

- (7) Establish reporting requirements for advisory boards; 14458
- (8) Collaborate with appropriate persons and government 14459

### Substitute Version as Presented to the Senate Finance and Financial Institutions

entities and facilitate the exchange of information among those 14460 persons and entities for the purpose of child abuse and child 14461 neglect prevention; 14462

(9) Provide for the education of the public and professionals 14463for the purpose of child abuse and child neglect prevention. 14464

14465

(C) The children's trust fund board shall prepare a report 14466 for each fiscal biennium that evaluates the expenditure of money 14467 from the children's trust fund. On or before January 1, 2002, and 14468 on or before the first day of January of a year that follows the 14469 end of a fiscal biennium of this state, the board shall file a 14470 copy of the report with the governor, the president and minority 14471 leader of the senate, and the speaker and minority leader of the 14472 house of representatives. 14473

(D) In addition to the duties described in this section and
 14474
 in section 3109.16 of the Revised Code, the children's trust fund
 board shall perform the duties described in section 121.371 of the
 Revised Code with regard to the wellness block grant program.
 14474

Sec. 3119.022. When a court or child support enforcement 14478 agency calculates the amount of child support to be paid pursuant 14479 to a child support order in a proceeding in which one parent is 14480 the residential parent and legal custodian of all of the children 14481 who are the subject of the child support order or in which the 14482 court issues a shared parenting order, the court or agency shall 14483 use a worksheet identical in content and form to the following: 14484 CHILD SUPPORT COMPUTATION WORKSHEET 14485 SOLE RESIDENTIAL PARENT OR SHARED PARENTING ORDER 14486 Name of parties ..... 14487 14488 Case No. ..... Number of minor children ..... 14489

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

The following parent was designated as residential parent and			
legal custodian: mother father shared			
		Column I Column II Column III	14492
		Father Mother Combined	14493
INCO	ME		14494
1.a.	Annual gross income from		14495
	employment or, when		14496
	determined appropriate		14497
	by the court or agency,		14498
	average annual gross income		14499
	from employment over a		14500
	reasonable period of years.		14501
	(Exclude overtime, bonuses,		14502
	self-employment income, or		14503
	commissions)	\$	14504
b.	Amount of overtime,		14505
	bonuses, and commissions		14506
	(year 1 representing the		14507
	most recent year)		14508
	Father	Mother	14509
	Yr. 3 \$	Yr. 3 \$	14510
	(Three years ago)	(Three years ago)	14511
	Yr. 2 \$	Yr. 2 \$	14512
	(Two years ago)	(Two years ago)	14513
	Yr. 1 \$	Yr. 1 \$	14514
	(Last calendar year)	(Last calendar year)	14515
	Average \$	Average \$	14516
	(Include in Col. I and/or		14517
	Col. II the average of the		14518
	three years or the year 1		14519
	amount, whichever is less,		14520
	if there exists a reasonable		14521
	expectation that the total		14522

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

earnings from overtime and/or		14523
bonuses during the current		14524
calendar year will meet or		14525
exceed the amount that is		14526
the lower of the average		14527
of the three years or the		14528
year 1 amount. If, however,		14529
there exists a reasonable		14530
expectation that the total		14531
earnings from overtime/		14532
bonuses during the current		14533
calendar year will be less		14534
than the lower of the average		14535
of the 3 years or the year 1		14536
amount, include only the		14537
amount reasonably expected		14538
to be earned this year.)	\$ \$	14539
		14540
For self-employment income:		14541
Gross receipts from		14542
business	\$ \$	14543
Ordinary and necessary		14544
business expenses	\$ \$	14545
5.6% of adjusted gross		14546
income or the actual		14547
marginal difference between		14548
the actual rate paid by the		14549
self-employed individual		14550
and the F.I.C.A. rate	\$ \$	14551
Adjusted gross income from		14552
self-employment (subtract		14553
the sum of 2b and 2c from		14554
2a)	\$ \$	14555

2.

a.

b.

c.

d.

			14556
3.	Annual income from interest		14557
	and dividends (whether or		14558
	not taxable )	\$ \$	14559
			14560
4.	Annual income from		14561
	unemployment compensation	\$ \$	14562
			14563
5.	Annual income from workers'		14564
	compensation, disability		14565
	insurance benefits, or social		14566
	security disability/		14567
	retirement benefits	\$ \$	14568
			14569
б.	Other annual income		14570
	(identify)	\$ \$	14571
			14572
7.	Total annual gross income		14573
	(add lines 1a, 1b, 2d, and		14574
	3-6)	\$ \$	14575
			14576
ADJU	JSTMENTS TO INCOME		14577
8.	Adjustment for minor children		14578
	born to or adopted by either		14579
	parent and another parent who		14580
	are living with this parent;		14581
	adjustment does not apply		14582
	to stepchildren (number of		14583
	children times federal income		14584
	tax exemption less child		14585
	support received, not to		14586
	exceed the federal tax		14587
	exemption)	\$ \$	14588

			14589
9.	Annual court-ordered support		14590
	paid for other children	\$ \$	14591
			14592
10.	Annual court-ordered spousal		14593
	support paid to any spouse		14594
	or former spouse	\$ \$	14595
			14596
11.	Amount of local income taxes		14597
	actually paid or estimated		14598
	to be paid	\$ \$	14599
			14600
12.	Mandatory work-related		14601
	deductions such as union		14602
	dues, uniform fees, etc.		14603
	(not including taxes, social		14604
	security, or retirement)	\$ \$	14605
			14606
13.	Total gross income		14607
	adjustments (add lines		14608
	8 through 12)	\$ \$	14609
			14610
14.	Adjusted annual gross		14611
	income (subtract line 13		14612
	from line 7)	\$ \$	14613
			14614
15.	Combined annual income that		14615
	is basis for child support		14616
	order (add line 14, Col. I		14617
	and Col. II)		\$ 14618
			14619
16.	Percentage of parent's		14620
	income to total income		14621

	H. B. No. 94 titute Version as Presented to the Senate Finance and Fina	ncial Institution	S	Page 472
a.	Father (divide line 14,			14622
	Col. I, by line 15, Col.			14623
	III)%			14624
b.	Mother (divide line 14,			14625
	Col. II, by line 15, Col.			14626
	III)%			14627
				14628
17.	Basic combined child			14629
	support obligation (refer			14630
	to schedule, first column,			14631
	locate the amount nearest			14632
	to the amount on line 15,			14633
	Col. III, then refer to			14634
	column for number of			14635
	children in this family.			14636
	If the income of the			14637
	parents is more than one			14638
	sum but less than another,			14639
	you may calculate the			14640
	difference.)		\$	14641
				14642
18.	Annual support obligation per parent			14643
a.	Father (multiply line 17,			14644
	Col. III, by line 16a) \$			14645
b.	Mother (multiply line 17,			14646
	Col. III, by line 16b)	\$		14647
				14648
19.	Annual child care expenses			14649
	for children who are the			14650
	subject of this order that			14651
	are work-, employment			14652
	training-, or education-			14653
	related, as approved by			14654

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 473
the court or agency	14655
(deduct tax credit from	14656
annual cost, whether or	14657
not claimed)\$\$\$	14658
	14659
20. Marginal, out-of-pocket	14660
costs, necessary to provide	14661
for health insurance for	14662
the children who are the	14663
subject of this order \$ \$	14664
	14665
21. ADJUSTMENTS TO CHILD SUPPORT	14666
Father (only if obligor Mother (only if obligor	14667
or shared parenting) or shared parenting)	14668
a. Additions: line 16a b. Additions: line 16b	14669
times sum of amounts times sum of amounts	14670
shown on line 19, Col. II shown on line 19, Col. I	14671
and line 20, Col. II and line 20, Col. I	14672
\$\$	14673
c. Subtractions: line 16b d. Subtractions: line 16a	14674
times sum of amounts times sum of amounts	14675
shown on line 19, Col. I shown on line 19, Col. I	I 14676
and line 20, Col. I and line 20, Col. II	14677
\$\$	14678
	14679
22. OBLIGATION AFTER ADJUSTMENTS TO CHILD SUPPORT:	14680
a. Father: line 18a plus <u>or minus</u>	14681
the difference between line	
21a minus line 21c <del>(if the</del>	14682
amount on line 21c is	14683
greater than or equal to	14684
the amount on line 21a or	14685
if 21a and 21c are not	14686

	. H. B. No. 94 stitute Version as Presented to the Senate F	inance and Financial Institutions	Page 474
	applicableenter the		14687
	<del>number on line 18a in</del>		14688
	<del>Col. I)</del>	\$	14689
b.	Mother: line 18b plus <u>or minus</u>		14690
	the difference between line		
	21b minus line 21d <del>(if the</del>		14691
	amount on line 21d is		14692
	<del>greater than or equal to</del>		14693
	the amount on line 21b or		14694
	if 21b and 21d are not		14695
	applicableenter the		14696
	number on line 18b in		14697
	<del>Col. II)</del>	\$	14698
			14699
23.	ACTUAL ANNUAL OBLIGATION:		14700
a.	(Line 22a or <u>22b</u> , whichever		14701
	line corresponds to the		14702
	parent who is the obligor).	\$	14703
b.	Any non-means-tested		14704
	benefits, including social		14705
	security and veterans'		14706
	benefits, paid to and		14707
	received by a child or a		14708
	person on behalf of the		14709
	child due to death,		14710
	disability, or retirement		14711
	of the parent	\$	14712
c.	Actual annual obligation		14713
	(subtract line 23b from		14714
	line 23a)	\$	14715
			14716
24.	a.Deviation from sole residentia	al parent support amount shown	14717

on line 23c if amount would be unjust or inappropriate: (see 14718

	section 3119.23 of the Revise	d Code.) (Specific facts and	14719
	monetary value must be stated	L.)	14720
			14721
			14722
			14723
			14724
b.	Deviation from shared parenti	ng order: (see sections 3119.23	14725
	and 3119.24 of the Revised Co	de.) (Specific facts including	14726
	amount of time children spend	with each parent, ability of	14727
	each parent to maintain adequ	ate housing for children, and	14728
	each parent's expenses for ch	ildren must be stated to justify	14729
	deviation.)		14730
			14731
			14732
			14733
			14734
			14735
25.	FINAL FIGURE (This amount		14736
	reflects final annual child		14737
	support obligation; line		14738
	23c plus or minus any		14739
	amounts indicated in line		14740
	24a or 24b	\$ Father/Mother,	14741
		OBLIGOR	
			14742
26.	FOR DECREE: Child support		14743
	per month (divide obligor's		14744
	annual share, line 25, by		14745
	12) plus any processing		14746
	charge	\$	14747
Prep	ared by:		14748
Coun	sel:	Pro se:	14749
	(For mother/father)		14750

CSEA:	Other:	14751
Worksheet Has Been Revie	wed and Agreed To:	14752
		14753
Mother	Date	14754
		14755
Father	Date	14756

Sec. 3301.075. The state board of education shall adopt rules 14757 governing the purchasing and leasing of data processing services 14758 and equipment for all local, exempted village, city, and joint 14759 vocational school districts and all educational service centers. 14760 Such rules shall include provisions for the establishment of an 14761 Ohio education computer network under procedures, guidelines, and 14762 specifications of the department of education. 14763

14764

The department shall administer funds appropriated for the 14765 Ohio education computer network to ensure its efficient and 14766 economical operation and shall approve no more than twenty-seven 14767 data acquisition sites to operate concurrently. Such sites shall 14768 be approved for funding in accordance with rules of the state 14769 board adopted under this section that shall provide for the 14770 14771 superintendent of public instruction to require the membership of 14772 each data acquisition site to be composed of combinations of school districts and educational service centers from contiguous 14773 counties having sufficient students to support an efficient, 14774 economical comprehensive program of computer services to member 14775 districts and educational service centers. Each data acquisition 14776 site, other than sites organized under Chapter 167. of the Revised 14777 Code prior to the effective date of this section, shall be 14778 organized in accordance with section 3313.92 or Chapter 167. of 14779 the Revised Code. 14780

The department of education may contract with an independent 14781 for profit or nonprofit entity to provide current and historical 14782

information on Ohio government through the Ohio education computer
network to school district libraries operating in accordance with
section 3375.14 of the Revised Code in order to assist school
teachers in social studies course instruction and support student
research projects. Any such contract shall be awarded in
accordance with Chapter 125. of the Revised Code.

**sec. 3301.70.** (A) The state board of education is the 14789 designated state agency responsible for the coordination and 14790 administration of sections 110 to 118 of the "National and 14791 Community Service Act of 1990, "104 Stat. 3127 (1990), 42 U.S.C. 14792 12401 to 12431, and amendments thereto as amended. With the 14793 assistance of the state Ohio community service advisory committee 14794 council created in section 121.40 of the Revised Code, the state 14795 board shall coordinate with other state agencies to apply for 14796 funding under the act when appropriate. 14797

(B) With the assistance of the state Ohio community service 14798 advisory committee council, the state board of education shall 14799 develop a plan to assist school districts in the implementation of 14800 section 3313.605 of the Revised Code and other community service 14801 activities of school districts. The state board shall encourage 14802 the development of school district programs meeting the 14803 requirements for funding under the "National and Community Service 14804 Act of 1990. " The plan shall include the investigation of funding 14805 from all available sources for school community service education 14806 programs, including funds available under the "National and 14807 Community Service Act of 1990, " and the provision of technical 14808 assistance to school districts for the implementation of community 14809 service education programs. The plan shall also provide for 14810 technical assistance to be given to school boards to assist in 14811 obtaining funds for community service education programs from any 14812 14813 source.

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 478

(C) With the assistance of the state <u>Ohio</u> community service 14814 advisory committee <u>council</u>, the state board of education shall do 14815 all of the following: 14816

(1) Disseminate information about school district community
 14817
 service education programs to other school districts and to
 14818
 statewide organizations involved with or promoting volunteerism;
 14819

(2) Recruit additional school districts to develop community 14820service education programs; 14821

(3) Identify or develop model community service programs, 14822
 teacher training courses, and community service curricula and 14823
 teaching materials for possible use by school districts in their 14824
 programs. 14825

Sec. 3301.80. (A) There is hereby created the Ohio SchoolNet 14826 commission as an independent agency. The commission shall 14827 administer programs to provide financial and other assistance to 14828 school districts and other educational institutions for the 14829 acquisition and utilization of educational technology. 14830

The commission is a body corporate and politic, an agency of 14831 the state performing essential governmental functions of the 14832 state. 14833

(B)(1) The commission shall consist of eleven members, seven 14834 of whom are voting members. Of the voting members, one shall be 14835 appointed by the speaker of the house of representatives and one 14836 shall be appointed by the president of the senate. The members 14837 appointed by the speaker of the house and the president of the 14838 senate shall not be members of the general assembly. The state 14839 superintendent of public instruction or a designee of the 14840 superintendent, the director of budget and management or a 14841 designee of the director, the director of administrative services 14842 or a designee of the director, the chairperson of the public 14843

14844 utilities commission or a designee of the chairperson, and the 14845 director of the Ohio educational telecommunications network 14846 commission or a designee of the director shall serve on the 14847 commission as ex officio voting members. Of the nonvoting members, 14848 two shall be members of the house of representatives appointed by 14849 the speaker of the house and two shall be members of the senate 14850 appointed by the president of the senate. The members appointed 14851 from each house shall not be members of the same political party. 14852 The superintendent of public instruction or the superintendent's 14853 designee shall be the chairperson of the commission.

(2) The members shall serve without compensation. The voting 14855 members appointed by the speaker of the house of representatives 14856 and the president of the senate shall be reimbursed, pursuant to 14857 office of budget and management guidelines, for necessary expenses 14858 incurred in the performance of official duties. 14859

(3) The terms of office for the members appointed by the 14861 speaker of the house and the president of the senate shall be for 14862 two years, with each term ending on the same day of the same month 14863 as did the term that it succeeds. The members appointed by the 14864 speaker of the house and the president of the senate may be 14865 reappointed. Any member appointed from the house of 14866 representatives or senate who ceases to be a member of the 14867 legislative house from which the member was appointed shall cease 14868 to be a member of the commission. Vacancies among appointed 14869 members shall be filled in the manner provided for original 14870 appointments. Any member appointed to fill a vacancy occurring 14871 prior to the expiration date of the term for which a predecessor 14872 was appointed shall hold office as a member for the remainder of 14873 that term. The members appointed by the speaker of the house and 14874 the president of the senate shall continue in office subsequent to 14875

Page 479

14854

14860

14876 the expiration date of that member's term until a successor takes 14877 office or until a period of sixty days has elapsed, whichever occurs first.

(C)(1) The commission shall be under the supervision of an 14879 executive director who shall be appointed by the commission. The 14880 executive director shall serve at the pleasure of the commission 14881 and shall direct commission employees in the administration of all 14882 programs for the provision of financial and other assistance to 14883 school districts and other educational institutions for the 14884 acquisition and utilization of educational technology. 14885

(2) The employees of the Ohio SchoolNet commission shall be 14886 placed in the unclassified service. The commission shall fix the 14887 compensation of the executive director. The executive director 14888 shall employ and fix the compensation for such employees as 14889 necessary to facilitate the activities and purposes of the 14890 commission. The employees shall serve at the pleasure of the 14891 executive director. 14892

(3) The employees of the Ohio SchoolNet commission shall be 14893 exempt from Chapter 4117. of the Revised Code and shall not be 14894 public employees as defined in section 4117.01 of the Revised 14895 Code. 14896

(D) The Ohio SchoolNet commission shall do all of the 14897 14898 following:

(1) Make grants to institutions and other organizations as 14899 prescribed by the general assembly for the provision of technical 14900 assistance, professional development, and other support services 14901 to enable school districts, community schools established under 14902 Chapter 3314. of the Revised Code, and other educational 14903 institutions to utilize educational technology; 14904

(2) Contract with the department of education, state 14905 institutions of higher education, private nonprofit institutions 14906

14878

of higher education holding certificates of authorization under14907section 1713.02 of the Revised Code, and such other public or14908private entities as the executive director deems necessary for the14909administration and implementation of the programs under the14910commission's jurisdiction;14911

(3) Establish a reporting system to which school districts, 14912 community schools established under Chapter 3314. of the Revised 14913 Code, and other educational institutions receiving financial 14914 14915 assistance pursuant to this section for the acquisition of educational technology report information as to the manner in 14916 which such assistance was expended, the manner in which the 14917 equipment or services purchased with the assistance is being 14918 utilized, the results or outcome of this utilization, and other 14919 information as may be required by the commission; 14920

(4) Establish necessary guidelines governing purchasing and
 procurement by participants in programs administered by the
 commission that facilitate the timely and effective implementation
 14921
 of such programs;

(5) Take into consideration the efficiency and cost savings 14925of statewide procurement prior to allocating and releasing funds 14926for any programs under its administration. 14927

(E)(1) The executive director shall implement policies and 14928 directives issued by the Ohio SchoolNet commission. 14929

(2) The Ohio SchoolNet commission may establish a systems
support network to facilitate the timely implementation of the
programs, projects, or activities for which it provides
14932
assistance.

(3) Chapters 123., 124., 125., and 153., and sections 9.331, 14934
9.332, and 9.333 of the Revised Code do not apply to contracts, 14935
programs, projects, or activities of the Ohio SchoolNet 14936
commission. 14937

**Sec. 3301.85.** (A) The OhioReads office is hereby established 14938 within the department of education. The office shall be under the 14939 supervision of an executive <del>director</del> administrator, who shall be 14940 appointed by the superintendent of public instruction, with the 14941 advice and consent of the OhioReads council. The executive 14942 director administrator shall serve at the pleasure of and report 14943 to the superintendent, but shall discharge the position according 14944 to quidelines issued by the council and shall perform any task 14945 designated by the council. The executive director administrator 14946 shall devote full time to the duties of that position and shall 14947 hold no other position within the department. The superintendent 14948 may hire additional staff for the office and shall fix the 14949 compensation of such employees as necessary to facilitate the 14950 activities and purposes of the office. All such employee positions 14951 shall be administrative staff positions, and all persons employed 14952 in those positions shall serve at the pleasure of the 14953 superintendent and shall not be subject to the provisions of 14954 Chapter 4117. of the Revised Code. The department shall provide 14955 the executive director administrator and any additional staff 14956 hired by the superintendent with offices within the department's 14957 office space. 14958

(B) Any employee of the OhioReads office who is a member of a 14959 bargaining unit on the effective date of this amendment shall 14960 retain that status. However, when any position encumbered by such 14961 employee is vacated for any reason, the position shall cease to be 14962 subject to any provision of Chapter 4117. of the Revised Code, and 14963 any person hired to fill such position after the effective date of 14964 this amendment shall be hired in accordance with division (A) of 14965 this section as that division exists after the effective date of 14966 14967 this amendment.

Sec. 3302.041. (A) Each school district that in 1999 was 14968

declared to be in a state of academic emergency, under an academic	14969
watch, or in need of continuous improvement under section 3302.03	14970
of the Revised Code and that is projected to receive any parity	14971
aid payments under section 3317.0217 of the Revised Code for	14972
either of the two fiscal years beginning July 1, 2001, or July 1,	14973
2002, shall amend its continuous improvement plan required under	14974
section 3302.04 of the Revised Code to include a budget for	14975
expending the parity aid for either of those two fiscal years that	14976
the district is projected to receive such aid. For each year	14977
included in the budget, the district shall allocate the full	14978
amount of projected parity aid among one or more of the following:	14979
(1) Upgrading, or purchasing additional classroom equipment,	14980
materials, textbooks, or technology;	14981
materials, textbooks, or technology,	14901
(2) Lowering the teacher/student ratios in additional	14982
<u>classrooms;</u>	14983
(3) Providing additional advanced curriculum opportunities;	14984
(4) Providing additional electives or required courses for	14985
graduation;	14986
(5) Increasing the number of days of professional	14987
development;	14988
(6) Providing all-day kindergarten to more students;	14989
(7) Providing preschool to more students;	14990
(8) Providing additional programming and services for special	14991
student populations such as gifted, disadvantaged, or disabled	14992
students;	14993
(9) Providing new programs or increasing the number of	14994
students served by existing programs to prevent academic failure	14995

students served by existing programs to prevent academic failure14995or to intervene in the case of students in danger of academic14996failure, such as tutoring or summer school programs.14997

# Substitute Version as Presented to the Senate Finance and Financial Institutions

(B) For each expenditure of parity aid allocated in the	14998
budget under division (A) of this section, the district's amended	14999
continuous improvement plan shall describe:	15000
(1) How the expenditure will result in new programs or	15001
opportunities, or an expanded availability of programs or	15002
opportunities to more students, and will not simply fund existing	15003
programs with parity aid instead of general revenue fund moneys or	15004
other district income.	15005
(2) How the proposed expenditure is expected to enhance the	15006
district's continuous improvement plan, improve the district's	15007
academic success, and promote the district's achievement of the	15008
standard unit of improvement required by the department of	15009
education under rules adopted pursuant to section 3302.04 of the	15010
Revised Code.	15011
(C) A copy of each amended continuous improvement plan	15012
required to contain a budget under this section shall be submitted	15013
to the department by September 1, 2001. The department, beginning	15014
July 1, 2002, shall assess a random sampling of the districts in	15015
each of fiscal years 2003 and 2004 to determine whether the	15016
district did in fact make the expenditures included in its	15017
proposed parity aid budget during the preceding fiscal year.	15018
(D) If in either year, the department finds that a district	15019
did not spend its preceding year's parity aid funds in the manner	15020

specified in the budget for that year, it shall notify the state 15021 board of education of its findings and shall subtract the amount 15022 of any parity aid funds not spent in the manner specified in the 15023 budget from any parity aid otherwise due to the district under 15024 section 3317.0217 of the Revised Code in the current fiscal year. 15025 If payments are reduced to any district under this division, the 15026 department shall continue to assess the expenditures of such 15027 district in each ensuing year and shall continue to make 15028 deductions in accordance with this section until such year as the 15029

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 485
district is found to be in compliance with this section.	15030
(E) Whenever the department reexamines the status of school	15031
districts under division (A) of section 3302.03 of the Revised	15032
Code, it shall require all districts expected to receive parity	15033
aid payments and determined either to need continuous improvement,	15034
be under an academic watch, or be in a state of academic emergency	15035
to submit their three-year continuous improvement plans to the	15036
department and to include as an integral part of such plans,	15037
budgets meeting the requirements of divisions (A) and (B) of this	15038
section. The department shall annually assess a random sampling of	15039
all such districts and withhold parity aid payments from	15040
noncomplying districts in the same manner as required under	15041
divisions (C) and (D) of this section.	15042
(F) At any time, for good cause and with the approval of the	15043
department, a school district may amend a budget adopted under	15044
this section. Any such amendment, however, shall provide that any	15045
parity aid payments the district proposes not to spend on one of	15046
the items listed in division (A) of this section are instead	15047
reallocated to other items listed in such division.	15048
(G) The superintendent of public instruction may authorize a	15049
school district to spend parity aid payments for a purpose not	15050
listed in division (A) of this section upon request of the	15051
district if the superintendent considers it appropriate.	15052
Sec. 3303.01. Except when utilized in Chapter 3311. of the	15053
Revised Code, whenever the term vocational education occurs	15054
anywhere in the Revised Code, it shall be deemed to refer to	15055
career-technical education, except that joint vocational school	15056

districts shall continue to be styled as and shall maintain their15050legal existence as either joint vocational school districts or15058vocational school districts pursuant to section 3311.01.15059

15076

15077

Sec. 3305.061. Notwithstanding section 171.07 and division	15060
(D) of section 3305.06 of the Revised Code, the percentage of an	15061
electing employee's compensation contributed by a public	15062
institution of higher education under division (D) of section	15063
3305.06 of the Revised Code shall not exceed the percentage of	15064
compensation transferred under section 145.87, 3307.84, or 3309.88	15065
of the Revised Code, as appropriate, by the state retirement	15066
system that otherwise applies to the electing employee's position.	15067
A change in the percentage of compensation contributed under	15068
division (D) of section 3305.06 of the Revised Code, as required	15069
by this section, shall take effect on the same day a change in the	15070
percentage of compensation takes effect under section 145.87,	15071
3307.84, or 3309.88 of the Revised Code, as appropriate.	15072
Sec. 3307.05. The state teachers retirement board shall	15073

consist of the following nine members: 15074

(A) The superintendent of public instruction; 15075

- (B) The auditor of state;
- (C) The attorney general;

(D) Five members, known as teacher members, who shall be 15078members of the state teachers retirement system; 15079

(E) A former member of the system, known as the retired 15080
teacher member, who shall be a superannuate <u>and who is not</u> 15081
<u>otherwise employed in a position requiring the retired teacher</u> 15082
<u>member to make contributions to the system</u>. 15083

sec. 3311.057. (A) Any educational service center that is 15084 formed by merging two or more educational service centers or 15085 former county school districts after July 1, 1995, but prior to 15086 July 1, 1999 2003, may determine the number of members of its 15087 governing board of education and whether the members are to be 15088

### Substitute Version as Presented to the Senate Finance and Financial Institutions

elected at large or by subdistrict, provided each board shall have 15089 an odd number of members. 15090

(B) If an educational service center described in division 15091 (A) of this section is formed on or after the effective date of 15092 this section, the <u>governing</u> board of education of each service 15093 center that is merging to form the new service center shall 15094 include identical provisions for electing the new service center's 15095 governing board in its resolution adopted pursuant to division (A) 15096 of section 3311.053 of the Revised Code. If there is any 15097 transition period between the effective date of the merger of the 15098 service centers and the assumption of control of the new service 15099 center by the new board, the resolutions shall include provisions 15100 for an interim governing board which shall be appointed to govern 15101 the service center until the time the new board is elected and 15102 assumes control of the service center. 15103

(C) If an educational service center described in division 15104 (A) of this section was formed prior to the effective date of this 15105 section, the governing board of the service center may adopt at 15106 any time prior to July 1, 1999 2003, a resolution setting forth 15107 provisions for changing the number of members and the manner of 15108 electing its board and provisions for any transitional period 15109 15110 between the abolition of the existing board and the assumption of control by the new board. 15111

(D) Any provisions for electing a governing board adopted 15112 pursuant to division (B) or (C) of this section may provide for 15113 the election of members at large, may provide for the 15114 establishment of subdistricts within the district, or may require 15115 some members to be elected at large and some to be elected from 15116 subdistricts. If subdistricts are included, the resolutions shall 15117 specify the manner in which their boundaries are to be drawn. The 15118 provisions shall attempt to ensure that each elected member of the 15119 board represents an equal number of residents of the service 15120

### Substitute Version as Presented to the Senate Finance and Financial Institutions

center. To accomplish this, any subdistrict containing a multiple15121of the number of electors in another subdistrict, may elect15122at-large within that subdistrict, a number of board members equal15123to the multiple that its population is of the population of the15124other subdistrict.15125

(E) The provisions for selecting board members set forth in 15126 the latest resolution adopted pursuant to division (B) or (C) of 15127 this section prior to July 1, <del>1999</del> <u>2003</u>, shall remain the method 15128 of electing <del>school</del> board members within that educational service 15129 center. 15130

Sec. 3311.058. Notwithstanding anything to the contrary in 15131 Section 45.32 of Am. Sub. H.B. 117 of the 121st General Assembly, 15132 146 Ohio Laws 900, 1805, as subsequently amended, or in Chapter 15133 <u>3311. of the Revised Code, no educational service center shall be</u> 15134 required to merge in order to achieve any prescribed minimum 15135 average daily membership if such a merger will cause the territory 15136 of the resultant joint educational service center to comprise more 15137 than eight hundred square miles. 15138

Sec. 3311.062. Notwithstanding anything prohibiting the 15139 existence of school districts with noncontiguous territory in 15140 section 3311.06 or 3311.37 of the Revised Code or in any other 15141 section of this chapter, a new school district may be formed under 15142 this chapter after the effective date of this section from the 15143 territory of noncontiguous school districts, provided that the 15144 board of education of any school district containing territory 15145 lying between the noncontiguous portions of such a new school 15146 district adopts a resolution approving the establishment of the 15147 new district. 15148

**sec. 3313.21.** The board of education of each city, local, and 15149 exempted village school district shall formulate a written policy 15150

detailing procedures for the identification of gifted students as	15151
defined by rule of the state board of education. Annually, in	15152
accordance with the policy, the school board shall identify those	15153
students enrolled in the district who are gifted children.	15154
	15155
Each school district may offer multiple strategies, programs,	15156
or services for identified gifted students. A district may employ	15157
flexible instructional grouping in the delivery of educational	15158
services for identified gifted students. Student grouping options	15159
may be based on student interests, abilities, or needs. Grouping	15160
alternatives may include any of the following:	15161
(A) Cluster grouping with curriculum differentiation;	15162
(B) Advanced placement and honors courses;	15163
(C) Special schools;	15164
(D) Self-contained classrooms;	15165
(E) Cross-grade-level grouping for subject-area instruction;	15166
(F) Resource rooms.	15167

**Sec. 3313.37.** (A)(1) The board of education of any city, 15168 local, or exempted village school district may build, enlarge, 15169 repair, and furnish the necessary schoolhouses, purchase or lease 15170 sites therefor, or rights-of-way thereto, or purchase or lease 15171 real estate to be used as playgrounds for children or rent 15172 suitable schoolrooms, either within or without the district, and 15173 provide the necessary apparatus and make all other necessary 15174 provisions for the schools under its control. The governing board 15175 of any educational service center may build, enlarge, repair, and 15176 furnish the necessary facilities for conducting special education 15177 programs and driver education courses, purchase or lease sites 15178 therefor, or rights-of-way thereto, or purchase or lease real 15179

estate or rent suitable facilities to be used for such purposes15180and provide the necessary apparatus and make all other necessary15181provisions for such facilities as are under its control.15182

(2) A governing board of an educational service center may 15183 acquire, lease, or enter into a contract to purchase, lease, or 15184 sell real and personal property and may construct, enlarge, 15185 repair, renovate, furnish, or equip facilities, buildings, or 15186 structures for the educational service center's purposes. The 15187 board may enter into loan agreements, including mortgages, for the 15188 acquisition of such property. If a governing board exercises any 15189 of these powers to acquire office or classroom space, the board of 15190 county commissioners has no obligation to provide and equip 15191 offices and to provide heat, light, water, and janitorial services 15192 for the use of the service center pursuant to section 3319.19 of 15193 the Revised Code, unless there is a contract as provided by 15194 division (D) of that section. 15195

(3) A board of county commissioners may issue securities of 15196 the county pursuant to Chapter 133. of the Revised Code for the 15197 acquisition of real and personal property or for the construction, 15198 enlargement, repair, or renovation of facilities, buildings, or 15199 structures by an educational service center, but only if the 15200 county has a contract under division (D) of section 3319.19 of the 15201 Revised Code with the educational service center whereby the 15202 educational service center agrees to pay the county an amount 15203 equal to the debt charges on the issued securities on or before 15204 the date those charges fall due. For the purposes of this section, 15205 "debt charges" and "securities" have the same meanings as in 15206 section 133.01 of the Revised Code. 15207

(B)(1) Boards of education of city, local, and exempted
village school districts may acquire land by gift or devise, by
purchase, or by appropriation. Lands purchased may be purchased
for cash, by installment payments, with or without a mortgage, by

entering into lease-purchase agreements, or by lease with an15212option to purchase, provided that if the purchase price is to be15213paid over a period of time, such payments shall not extend for a15214period of more than five years. A special tax levy may be15215authorized by the voters of the school district in accordance with15216section 5705.21 of the Revised Code to provide a special fund to15218meet the future time payments.15218

(2) For the purposes of section 5705.21 of the Revised Code, 15219
 acquisition of land under the provisions of this division shall be 15220
 considered a necessary requirement of the school district. 15221

(3) Boards of education of city, local, and exempted village 15222 school districts may acquire federal land at a discount by a 15223 lease-purchase agreement for use as a site for the construction of 15224 educational facilities or for other related purposes. External 15225 administrative and other costs pertaining to the acquisition of 15226 federal land at a discount may be paid from funds available to the 15227 school district for operating purposes. Such boards of education 15228 may also acquire federal land by lease-purchase agreements, by 15229 negotiation, or otherwise. 15230

(4) As used in this division:

(a) "Office equipment" includes but is not limited to 15232typewriters, copying and duplicating equipment, and computer and 15233data processing equipment. 15234

(b) "Software for instructional purposes" includes computer 15235
 programs usable for computer assisted instruction, computer 15236
 managed instruction, drill and practice, and problem simulations. 15237

A board of education or governing board of an educational 15238 service center may acquire the necessary office equipment, and 15239 computer hardware and software for instructional purposes, for the 15240 schools under its control by purchase, by lease, by installment 15241 payments, by entering into lease-purchase agreements, or by lease 15242

Page 491

15243 with an option to purchase. In the case of a city, exempted 15244 village, or local school district, if the purchase price is to be 15245 paid over a period of time, the contract setting forth the terms 15246 of such purchase shall be considered a continuing contract 15247 pursuant to section 5705.41 of the Revised Code. Payments shall 15248 not extend for a period of more than five years. Costs relating to 15249 the acquisition of necessary apparatus may be paid from funds 15250 available to the school district or educational service center for 15251 operating purposes.

(5) A board of education or governing board of an educational 15252 service center may acquire the necessary equipment for the 15253 maintenance or physical upkeep of facilities and land under its 15254 control by entering into lease-purchase agreements. If payments 15255 under the lease-purchase agreement are to be made over a period of 15256 time, the agreement shall be considered a continuing contract 15257 pursuant to section 5705.41 of the Revised Code, and such payments 15258 shall not extend for a period of more than five years. 15259

**sec. 3313.41.** (A) Except as provided in divisions (C), (D), 15260 and (F), and (G) of this section, when a board of education 15261 decides to dispose of real or personal property that it owns in 15262 its corporate capacity, and that exceeds in value ten thousand 15263 dollars, it shall sell the property at public auction, after 15264 giving at least thirty days' notice of the auction by publication 15265 in a newspaper of general circulation or by posting notices in 15266 five of the most public places in the school district in which the 15267 property, if it is real property, is situated, or, if it is 15268 personal property, in the school district of the board of 15269 education that owns the property. The board may offer real 15270 property for sale as an entire tract or in parcels. 15271

(B) When the board of education has offered real or personal 15272property for sale at public auction at least once pursuant to 15273

division (A) of this section, and the property has not been sold, the board may sell it at a private sale. Regardless of how it was offered at public auction, at a private sale, the board shall, as it considers best, sell real property as an entire tract or in parcels, and personal property in a single lot or in several lots. 15274 15275 15276 15277 15278

(C) If a board of education decides to dispose of real or 15279 personal property that it owns in its corporate capacity and that 15280 exceeds in value ten thousand dollars, it may sell the property to 15281 the adjutant general; to any subdivision or taxing authority as 15282 respectively defined in divisions (A) and (C) of section 5705.01 15283 of the Revised Code, township park district, board of park 15284 commissioners established under Chapter 755. of the Revised Code, 15285 or park district established under Chapter 1545. of the Revised 15286 Code; to a wholly or partially tax-supported university, 15287 university branch, or college; or to the board of trustees of a 15288 school district library, upon such terms as are agreed upon. The 15289 sale of real or personal property to the board of trustees of a 15290 school district library is limited, in the case of real property, 15291 to a school district library within whose boundaries the real 15292 property is situated, or, in the case of personal property, to a 15293 school district library whose boundaries lie in whole or in part 15294 within the school district of the selling board of education. 15295

(D) When a board of education decides to trade as a part or 15296
 an entire consideration, an item of personal property on the 15297
 purchase price of an item of similar personal property, it may 15298
 trade the same upon such terms as are agreed upon by the parties 15299
 to the trade. 15300

(E) The president and the treasurer of the board of education 15301shall execute and deliver deeds or other necessary instruments of 15302conveyance to complete any sale or trade under this section. 15303

15304

(F) When a board of education has identified a parcel of real 15305

15306 property that it determines is needed for school purposes, the 15307 board may, upon a majority vote of the members of the board, 15308 acquire that property by exchanging real property that the board 15309 owns in its corporate capacity for the identified real property or 15310 by using real property that the board owns in its corporate 15311 capacity as part or an entire consideration for the purchase price 15312 of the identified real property. Any exchange or acquisition made 15313 pursuant to this division shall be made by a conveyance executed 15314 by the president and the treasurer of the board.

(G) When a school district board of education decides to 15315 dispose of real property suitable for use as classroom space, 15316 prior to disposing of such property under division (A) through (F) 15317 of this section, it shall first offer that property for sale to 15318 the governing authorities of the start-up community schools, 15319 established under Chapter 3314. of the Revised Code and located 15320 within the territory of the school district, at a price that is 15321 not higher than the appraised fair market value of that property. 15322 If more than one community school governing authority accepts the 15323 offer made by the school district board, the board shall sell the 15324 property to the governing authority that accepted the offer first 15325 in time. If no community school governing authority accepts the 15326 offer within sixty days after the offer is made by the school 15327 district board, the board may dispose of the property in the 15328 applicable manner prescribed under divisions (A) to (F) of this 15329 section. 15330

**Sec. 3313.603.** (A) As used in this section: 15331

(1) "One unit" means a minimum of one hundred twenty hours of 15332
course instruction, except that for a laboratory course, "one 15333
unit" means a minimum of one hundred fifty hours of course 15334
instruction. 15335

(2) "One-half unit" means a minimum of sixty hours of course 15336

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 495

Substitute version as i resented to the Senate i mance and i mancial institutions	
instruction, except that for physical education courses, "one-half	15337
unit" means a minimum of one hundred twenty hours of course	15338
instruction.	15339
(B) Beginning September 15, 2001, the requirements for	15340
graduation from every high school shall include <del>twenty-one</del> <u>twenty</u>	15341
units earned in grades nine through twelve and shall be	15342
distributed as follows:	15343
(1) English language arts, four units;	15344
(2) Health, one-half unit;	15345
(3) Mathematics, three units;	15346
(4) Physical education, one-half unit;	15347
(5) Science, two units until September 15, 2003, and three	15348
units thereafter, which at all times shall include both of the	15349
following:	15350
(a) Biological sciences, one unit;	15351
(b) Physical sciences, one unit.	15352
(6) Social studies, three units, which shall include both of	15353
the following:	15354
(a) American history, one-half unit;	15355
(b) American government, one-half unit.	15356
(7) Elective units, <del>eight</del> <u>seven</u> units until September 15,	15357
2003, and <del>seven</del> <u>six</u> units thereafter.	15358
Each student's electives shall include at least one unit, or	15359
two half units, chosen from among the areas of	15360
business/technology, fine arts, and/or foreign language.	15361
(C) Every high school may permit students below the ninth	15362
grade to take advanced work for credit. A high school shall count	15363
such advanced work toward the graduation requirements of division	15364

15365 (B) of this section if the advanced work was both:

(1) Taught by a person who possesses a license or certificate 15366 issued under section 3301.071, 3319.22, or 3319.222 of the Revised 15367 Code that is valid for teaching high school; 15368

(2) Designated by the board of education of the city, local, 15369 or exempted village school district, the board of the cooperative 15370 education school district, or the governing authority of the 15371 chartered nonpublic school as meeting the high school curriculum 15372 requirements. 15373

(D) Units earned in English language arts, mathematics, 15374 science, and social studies that are delivered through integrated 15375 academic and technical instruction are eligible to meet the 15376 graduation requirements of division (B) of this section. 15377

**sec. 3313.64.** (A) As used in this section and in section 15378 3313.65 of the Revised Code: 15379

(1) "Parent" means either parent, unless the parents are 15380 separated or divorced or their marriage has been dissolved or 15381 annulled, in which case "parent" means the parent who is the 15382 residential parent and legal custodian of the child. When a child 15383 is in the legal custody of a government agency or a person other 15384 than the child's natural or adoptive parent, "parent" means the 15385 parent with residual parental rights, privileges, and 15386 responsibilities. When a child is in the permanent custody of a 15387 government agency or a person other than the child's natural or 15388 adoptive parent, "parent" means the parent who was divested of 15389 parental rights and responsibilities for the care of the child and 15390 the right to have the child live with the parent and be the legal 15391 custodian of the child and all residual parental rights, 15392 privileges, and responsibilities. 15393

(2) "Legal custody," "permanent custody," and "residual 15394

Page 496

### Substitute Version as Presented to the Senate Finance and Financial Institutions

parental rights, privileges, and responsibilities" have the same 15395 meanings as in section 2151.011 of the Revised Code. 15396

(3) "School district" or "district" means a city, local, or 15397
 exempted village school district and excludes any school operated 15398
 in an institution maintained by the department of youth services. 15399

(4) Except as used in division (C)(2) of this section, "home" 15400
means a home, institution, foster home, group home, or other 15401
residential facility in this state that receives and cares for 15402
children, to which any of the following applies: 15403

(a) The home is licensed, certified, or approved for suchpurpose by the state or is maintained by the department of youth15405services.

(b) The home is operated by a person who is licensed, 15407certified, or approved by the state to operate the home for such 15408purpose. 15409

(c) The home accepted the child through a placement by a 15410 person licensed, certified, or approved to place a child in such a 15411 home by the state. 15412

(d) The home is a children's home created under section154135153.21 or 5153.36 of the Revised Code.15414

(5) "Agency" means all of the following: 15415

(a) A public children services agency;

(b) An organization that holds a certificate issued by the 15417 Ohio department of job and family services in accordance with the 15418 requirements of section 5103.03 of the Revised Code and assumes 15419 temporary or permanent custody of children through commitment, 15420 agreement, or surrender, and places children in family homes for 15421 the purpose of adoption; 15422

(c) Comparable agencies of other states or countries thathave complied with applicable requirements of section 2151.39, or15424

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 498

sections 5103.20 to 5103.28 of the Revised Code. 15425

(6) A child is placed for adoption if either of the following 15426
occurs: 15427

(a) An agency to which the child has been permanently
 15428
 committed or surrendered enters into an agreement with a person
 pursuant to section 5103.16 of the Revised Code for the care and
 15430
 adoption of the child.

(b) The child's natural parent places the child pursuant to 15432section 5103.16 of the Revised Code with a person who will care 15433for and adopt the child. 15434

(7) "Handicapped preschool child" means a handicapped child, 15435 as defined by division (A) of section 3323.01 of the Revised Code, 15436 who is at least three years of age but is not of compulsory school 15437 age, as defined in section 3321.01 of the Revised Code, and who is 15438 not currently enrolled in kindergarten. 15439

(8) "Child," unless otherwise indicated, includes handicapped 15440preschool children. 15441

(B) Except as otherwise provided in section 3321.01 of the 15442
Revised Code for admittance to kindergarten and first grade, a 15443
child who is at least five but under twenty-two years of age and 15444
any handicapped preschool child shall be admitted to school as 15445
provided in this division. 15446

(1) A child shall be admitted to the schools of the school 15447district in which the child's parent resides. 15448

(2) A child who does not reside in the district where the 15449 child's parent resides shall be admitted to the schools of the 15450 district in which the child resides if any of the following 15451 applies: 15452

(a) The child is in the legal or permanent custody of a 15453government agency or a person other than the child's natural or 15454

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 499
adoptive parent.	15455
(b) The child resides in a home.	15456
(c) The child requires special education.	15457
(3) A child who is not entitled under division $(B)(2)$ of this	15458
section to be admitted to the schools of the district where the	15459
child resides and who is residing with a resident of this state	15460
with whom the child has been placed for adoption shall be admitted	15461
to the schools of the district where the child resides unless	15462
either of the following applies:	15463
(a) The placement for adoption has been terminated.	15464
(b) Another school district is required to admit the child	15465
under division (B)(1) of this section.	15466
Division (B) of this section does not prohibit the board of	15467
education of a school district from placing a handicapped child	15468
who resides in the district in a special education program outside	15469
of the district or its schools in compliance with Chapter 3323. of	15470
the Revised Code.	15471
(C) A district shall not charge tuition for children admitted	15472
under division (B)(1) or (3) of this section. If the district	15473
admits a child under division (B)(2) of this section, tuition	15474
shall be paid to the district that admits the child as follows:	15475
	15476
(1) If the child receives special education in accordance	15477
with Chapter 3323. of the Revised Code, tuition shall be paid in	15478
accordance with section 3323.091, 3323.13, 3323.14, or 3323.141 of	15479
the Revised Code regardless of who has custody of the child or	15480
whether the child resides in a home.	15481
(2) Except as otherwise provided in division (C)(2)(d) of	15482
this section, if the child is in the permanent or legal custody of	15483
a government agency or person other than the child's parent,	15484

tuition shall be paid by:

(a) The district in which the child's parent resided at the 15486 time the court removed the child from home or at the time the 15487 court vested legal or permanent custody of the child in the person 15488 or government agency, whichever occurred first; 15489

(b) If the parent's residence at the time the court removed 15490 the child from home or placed the child in the legal or permanent 15491 custody of the person or government agency is unknown, tuition 15492 shall be paid by the district in which the child resided at the 15493 time the child was removed from home or placed in legal or 15494 permanent custody, whichever occurred first; 15495

(c) If a school district cannot be established under division 15496 (C)(2)(a) or (b) of this section, tuition shall be paid by the 15497 district determined as required by section 2151.357 of the Revised 15498 Code by the court at the time it vests custody of the child in the 15499 person or government agency; 15500

(d) If at the time the court removed the child from home or 15501 vested legal or permanent custody of the child in the person or 15502 government agency, whichever occurred first, one parent was in a 15503 residential or correctional facility or a juvenile residential 15504 placement and the other parent, if living and not in such a 15505 facility or placement, was not known to reside in this state, 15506 tuition shall be paid by the district determined under division 15507 (D) of section 3313.65 of the Revised Code as the district 15508 required to pay any tuition while the parent was in such facility 15509 or placement. 15510

(3) If the child is not in the permanent or legal custody of 15511 a government agency or person other than the child's parent and 15512 the child resides in a home, tuition shall be paid by one of the 15513 following: 15514

(a) The school district in which the child's parent resides; 15515

Page 500

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 501

(b) If the child's parent is not a resident of this state, 15516 the home in which the child resides. 15517

(D) Tuition required to be paid under divisions (C)(2) and 15518 (3)(a) of this section shall be computed in accordance with 15519 section 3317.08 of the Revised Code. Tuition required to be paid 15520 under division (C)(3)(b) of this section shall be computed in 15521 accordance with section 3317.081 of the Revised Code. If a home 15522 fails to pay the tuition required by division (C)(3)(b) of this 15523 15524 section, the board of education providing the education may recover in a civil action the tuition and the expenses incurred in 15525 prosecuting the action, including court costs and reasonable 15526 attorney's fees. If the prosecuting attorney or city director of 15527 law represents the board in such action, costs and reasonable 15528 attorney's fees awarded by the court, based upon the prosecuting 15529 attorney's, director's, or one of their designee's time spent 15530 preparing and presenting the case, shall be deposited in the 15531 county or city general fund. 15532

(E) A board of education may enroll a child free of any
tuition obligation for a period not to exceed sixty days, on the
sworn statement of an adult resident of the district that the
resident has initiated legal proceedings for custody of the child.

(F) In the case of any individual entitled to attend school
under this division, no tuition shall be charged by the school
district of attendance and no other school district shall be
required to pay tuition for the individual's attendance.
Notwithstanding division (B), (C), or (E) of this section:

(1) All persons at least eighteen but under twenty-two years 15542 of age who live apart from their parents, support themselves by 15543 their own labor, and have not successfully completed the high 15544 school curriculum or the individualized education program 15545 developed for the person by the high school pursuant to section 15546 3323.08 of the Revised Code, are entitled to attend school in the 15547

district in which they reside.

(2) Any child under eighteen years of age who is married is 15549entitled to attend school in the child's district of residence. 15550

(3) A child is entitled to attend school in the district in 15551 which either of the child's parents is employed if the child has a 15552 medical condition that may require emergency medical attention. 15553 The parent of a child entitled to attend school under division 15554 (F)(3) of this section shall submit to the board of education of 15555 the district in which the parent is employed a statement from the 15556 child's physician certifying that the child's medical condition 15557 may require emergency medical attention. The statement shall be 15558 supported by such other evidence as the board may require. 15559

(4) Any child residing with a person other than the child's 15560 parent is entitled, for a period not to exceed twelve months, to 15561 attend school in the district in which that person resides if the 15562 child's parent files an affidavit with the superintendent of the 15563 district in which the person with whom the child is living resides 15564 stating all of the following: 15565

(a) That the parent is serving outside of the state in the 15566armed services of the United States; 15567

(b) That the parent intends to reside in the district upon 15568 returning to this state; 15569

(c) The name and address of the person with whom the child is 15570living while the parent is outside the state. 15571

(5) Any child under the age of twenty-two years who, after 15572 the death of a parent, resides in a school district other than the 15573 district in which the child attended school at the time of the 15574 parent's death is entitled to continue to attend school in the 15575 district in which the child attended school at the time of the 15576 parent's death for the remainder of the school year, subject to 15577 approval of that district board. 15578

Page 502

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(6) A child under the age of twenty-two years who resides 15579 with a parent who is having a new house built in a school district 15580 outside the district where the parent is residing is entitled to 15581 attend school for a period of time in the district where the new 15582 house is being built. In order to be entitled to such attendance, 15583 the parent shall provide the district superintendent with the 15584 following: 15585

(a) A sworn statement explaining the situation, revealing the 15586
location of the house being built, and stating the parent's 15587
intention to reside there upon its completion; 15588

(b) A statement from the builder confirming that a new house 15589is being built for the parent and that the house is at the 15590location indicated in the parent's statement. 15591

(7) A child under the age of twenty-two years residing with a 15592 parent who has a contract to purchase a house in a school district 15593 outside the district where the parent is residing and who is 15594 waiting upon the date of closing of the mortgage loan for the 15595 purchase of such house is entitled to attend school for a period 15596 of time in the district where the house is being purchased. In 15597 order to be entitled to such attendance, the parent shall provide 15598 the district superintendent with the following: 15599

(a) A sworn statement explaining the situation, revealing the 15600
 location of the house being purchased, and stating the parent's 15601
 intent to reside there; 15602

(b) A statement from a real estate broker or bank officer 15603 confirming that the parent has a contract to purchase the house, 15604 that the parent is waiting upon the date of closing of the 15605 mortgage loan, and that the house is at the location indicated in 15606 the parent's statement. 15607

The district superintendent shall establish a period of time 15608 not to exceed ninety days during which the child entitled to 15609

15610 attend school under division (F)(6) or (7) of this section may 15611 attend without tuition obligation. A student attending a school 15612 under division (F)(6) or (7) of this section shall be eligible to 15613 participate in interscholastic athletics under the auspices of 15614 that school, provided the board of education of the school 15615 district where the student's parent resides, by a formal action, 15616 releases the student to participate in interscholastic athletics 15617 at the school where the student is attending, and provided the 15618 student receives any authorization required by a public agency or 15619 private organization of which the school district is a member 15620 exercising authority over interscholastic sports.

(8) A child whose parent is a full-time employee of a city, 15621 local, or exempted village school district, or of an educational 15622 service center, may be admitted to the schools of the district 15623 where the child's parent is employed, or in the case of a child 15624 whose parent is employed by an educational service center, in the 15625 district that serves the location where the parent's job is 15626 primarily located, provided the district board of education 15627 establishes such an admission policy by resolution adopted by a 15628 majority of its members. Any such policy shall take effect on the 15629 first day of the school year and the effective date of any 15630 amendment or repeal may not be prior to the first day of the 15631 subsequent school year. The policy shall be uniformly applied to 15632 all such children and shall provide for the admission of any such 15633 child upon request of the parent. No child may be admitted under 15634 this policy after the first day of classes of any school year. 15635

(9) A child who is with the child's parent under the care of 15636 a shelter for victims of domestic violence, as defined in section 15637 3113.33 of the Revised Code, is entitled to attend school free in 15638 the district in which the child is with the child's parent, and no 15639 other school district shall be required to pay tuition for the 15640 child's attendance in that school district. 15641

The enrollment of a child in a school district under this 15642 division shall not be denied due to a delay in the school 15643 district's receipt of any records required under section 3313.672 15644 of the Revised Code or any other records required for enrollment. 15645 Any days of attendance and any credits earned by a child while 15646 enrolled in a school district under this division shall be 15647 transferred to and accepted by any school district in which the 15648 child subsequently enrolls. The state board of education shall 15649 adopt rules to ensure compliance with this division. 15650

(10) Any child under the age of twenty-two years whose parent 15651 has moved out of the school district after the commencement of 15652 classes in the child's senior year of high school is entitled, 15653 subject to the approval of that district board, to attend school 15654 in the district in which the child attended school at the time of 15655 the parental move for the remainder of the school year and for one 15656 additional semester or equivalent term. A district board may also 15657 adopt a policy specifying extenuating circumstances under which a 15658 student may continue to attend school under division (F)(10) of 15659 this section for an additional period of time in order to 15660 successfully complete the high school curriculum for the 15661 individualized education program developed for the student by the 15662 high school pursuant to section 3323.08 of the Revised Code. 15663

(11) As used in this division, "grandparent" means a parent 15664 of a parent of a child. A child under the age of twenty-two years 15665 who is in the custody of the child's parent, resides with a 15666 grandparent, and does not require special education is entitled to 15667 attend the schools of the district in which the child's 15668 grandparent resides, provided that, prior to such attendance in 15669 any school year, the board of education of the school district in 15670 which the child's grandparent resides and the board of education 15671 of the school district in which the child's parent resides enter 15672 into a written agreement specifying that good cause exists for 15673

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 506

such attendance, describing the nature of this good cause, and 15674 consenting to such attendance. 15675

In lieu of a consent form signed by a parent, a board of 15676 education may request the grandparent of a child attending school 15677 in the district in which the grandparent resides pursuant to 15678 division (F)(11) of this section to complete any consent form 15679 required by the district, including any authorization required by 15680 sections 3313.712, 3313.713, and 3313.716 of the Revised Code. 15681 Upon request, the grandparent shall complete any consent form 15682 required by the district. A school district shall not incur any 15683 liability solely because of its receipt of a consent form from a 15684 grandparent in lieu of a parent. 15685

Division (F)(11) of this section does not create, and shall 15686 not be construed as creating, a new cause of action or substantive 15687 legal right against a school district, a member of a board of 15688 education, or an employee of a school district. This section does 15689 not affect, and shall not be construed as affecting, any 15690 immunities from defenses to tort liability created or recognized 15691 by Chapter 2744. of the Revised Code for a school district, 15692 member, or employee. 15693

(12) A child under the age of twenty-two years is entitled to 15694
attend school in a school district other than the district in 15695
which the child is entitled to attend school under division (B), 15696
(C), or (E) of this section provided that, prior to such 15697
attendance in any school year, both of the following occur: 15698

(a) The superintendent of the district in which the child is 15699
entitled to attend school under division (B), (C), or (E) of this 15700
section contacts the superintendent of another district for 15701
purposes of this division; 15702

(b) The superintendents of both districts enter into a 15703 written agreement that consents to the attendance and specifies 15704

## Substitute Version as Presented to the Senate Finance and Financial Institutions

15705 that the purpose of such attendance is to protect the student's 15706 physical or mental well-being or to deal with other extenuating 15707 circumstances deemed appropriate by the superintendents.

While an agreement is in effect under this division for a 15708 student who is not receiving special education under Chapter 3323. 15709 of the Revised Code and notwithstanding Chapter 3327. of the 15710 Revised Code, the board of education of neither school district 15711 involved in the agreement is required to provide transportation 15712 15713 for the student to and from the school where the student attends.

A student attending a school of a district pursuant to this 15714 division shall be allowed to participate in all student 15715 activities, including interscholastic athletics, at the school 15716 where the student is attending on the same basis as any student 15717 who has always attended the schools of that district while of 15718 compulsory school age. 15719

(13) For as long as this state receives grants under the 15720 "McKinney-Vento Homeless Assistance Act," 42 U.S.C.A. 11431 et 15721 seq., for the education of homeless children, each city, local, 15722 and exempted village school district shall comply with the 15723 requirements of that act governing the provision of a free, 15724 appropriate public education, including public preschool, to each 15725 homeless child. 15726

(G) A board of education, after approving admission, may 15727 waive tuition for students who will temporarily reside in the 15728 district and who are either of the following: 15729

(1) Residents or domiciliaries of a foreign nation who 15730 request admission as foreign exchange students; 15731

(2) Residents or domiciliaries of the United States but not 15732 of Ohio who request admission as participants in an exchange 15733 program operated by a student exchange organization. 15734

(H) Pursuant to sections 3311.211, 3313.90, 3319.01, 3323.04, 15735

### Substitute Version as Presented to the Senate Finance and Financial Institutions

3327.04, and 3327.06 of the Revised Code, a child may attend
school or participate in a special education program in a school
district other than in the district where the child is entitled to
attend school under division (B) of this section.

(I) This division does not apply to a child receiving special 15740 education. 15741

A school district required to pay tuition pursuant to 15742 division (C)(2) or (3) of this section or section 3313.65 of the 15743 Revised Code shall have an amount deducted under division (F) of 15744 section 3317.023 of the Revised Code equal to its own tuition rate 15745 for the same period of attendance. A school district entitled to 15746 receive tuition pursuant to division (C)(2) or (3) of this section 15747 or section 3313.65 of the Revised Code shall have an amount 15748 credited under division (F) of section 3317.023 of the Revised 15749 Code equal to its own tuition rate for the same period of 15750 attendance. If the tuition rate credited to the district of 15751 attendance exceeds the rate deducted from the district required to 15752 pay tuition, the department of education shall pay the district of 15753 attendance the difference from amounts deducted from all 15754 districts' payments under division (F) of section 3317.023 of the 15755 Revised Code but not credited to other school districts under such 15756 division and from appropriations made for such purpose. The 15757 treasurer of each school district shall, by the fifteenth day of 15758 January and July, furnish the superintendent of public instruction 15759 a report of the names of each child who attended the district's 15760 schools under divisions (C)(2) and (3) of this section or section 15761 3313.65 of the Revised Code during the preceding six calendar 15762 months, the duration of the attendance of those children, the 15763 school district responsible for tuition on behalf of the child, 15764 and any other information that the superintendent requires. 15765

Upon receipt of the report the superintendent, pursuant to 15766 division (F) of section 3317.023 of the Revised Code, shall deduct 15767

## Substitute Version as Presented to the Senate Finance and Financial Institutions

15795

each district's tuition obligations under divisions (C)(2) and (3)
of this section or section 3313.65 of the Revised Code and pay to
the district of attendance that amount plus any amount required to
be paid by the state.
15771

(J) In the event of a disagreement, the superintendent of 15772public instruction shall determine the school district in which 15773the parent resides. 15774

(K) Nothing in this section requires or authorizes, or shall 15775 be construed to require or authorize, the admission to a public 15776 school in this state of a pupil who has been permanently excluded 15777 from public school attendance by the superintendent of public 15778 instruction pursuant to sections 3301.121 and 3313.662 of the 15779 Revised Code. 15780

Sec. 3314.07. (A) The expiration of the contract for a 15781 community school between a sponsor and a school shall be the date 15782 provided in the contract. A successor contract may be entered into 15783 unless the contract is terminated or not renewed pursuant to this 15784 section. 15785

(B)(1) A sponsor may choose not to renew a contract at its
expiration or may choose to terminate a contract prior to its
expiration for any of the following reasons:
15788

(a) Failure to meet student performance requirements stated 15789in the contract; 15790

(b) Failure to meet generally accepted standards of fiscal 15791management; 15792

(c) Violation of any provision of the contract or applicable 15793state or federal law; 15794

(d) Other good cause.

A termination shall be effective only at the conclusion of a 15796

school year.

(2) <u>A sponsor may choose to terminate a contract prior to its</u>	15798
expiration if the sponsor has suspended the operation of the	15799
contract under section 3314.072 of the Revised Code.	15800

(3) At least one hundred eighty ninety days prior to the 15801 15802 termination or nonrenewal of a contract, the sponsor shall notify the school of the proposed action in writing. The notice shall 15803 include the reasons for the proposed action in detail, the 15804 effective date of the termination or nonrenewal, and a statement 15805 that the school may, within fourteen days of receiving the notice, 15806 request an informal hearing before the sponsor. Such request must 15807 be in writing. The informal hearing shall be held within seventy 15808 days of the receipt of a request for the hearing. Promptly 15809 following the informal hearing, the sponsor shall issue a written 15810 decision either affirming or rescinding the decision to terminate 15811 or not renew the contract. 15812

(3)(4) A decision by the sponsor to terminate a contract may15813be appealed to the state board of education. The decision by the15814state board pertaining to an appeal under this division is final.15815If the sponsor is the state board, its decision to terminate a15816contract under division (B)(4) of this section shall be final.15817

(5) The termination of a contract under this section shall be15818effective upon the occurrence of the later of the following15819events:15820

(a) Ninety days following the date the sponsor notifies the15821school of its decision to terminate the contract as prescribed in15822division (B)(3) of this section;15823

(b) If an informal hearing is requested under division (B)(3)15824of this section and as a result of that hearing the sponsor15825affirms its decision to terminate the contract, the effective date15826of the termination specified in the notice issued under division15827

Page 510

(B)(3) of this section, or if that decision is appealed to the	15828
state board under division (B)(4) of this section and the state	15829
board affirms that decision, the date established in the	15830
resolution of the state board affirming the sponsor's decision.	15831

(C) A child attending a community school whose contract has 15832 been terminated or, nonrenewed, or suspended or that closes for 15833 any reason shall be admitted to the schools of the district in 15834 which the child is entitled to attend under section 3313.64 or 15835 3313.65 of the Revised Code. Any deadlines established for the 15836 purpose of admitting students under section 3313.97 or 3313.98 15837 shall be waived for students to whom this division pertains. 15838

(D) A sponsor of a community school and the officers, 15839
directors, or employees of such a sponsor are not liable in 15840
damages in a tort or other civil action for harm allegedly arising 15841
from either of the following: 15842

(1) A failure of the community school or any of its officers, 15843
directors, or employees to perform any statutory or common law 15844
duty or responsibility or any other legal obligation; 15845

(2) An action or omission of the community school or any of 15846its officers, directors, or employees that results in harm. 15847

(E) As used in this section:

(1) "Harm" means injury, death, or loss to person or 15849property. 15850

(2) "Tort action" means a civil action for damages for 15851
injury, death, or loss to person or property other than a civil 15852
action for damages for a breach of contract or another agreement 15853
between persons. 15854

Sec. 3314.072. The provisions of this section are enacted to15855promote the public health, safety, and welfare by establishing15856procedures under which the governing authorities of community15857

schools established under this chapter will be held accountable	15858
for their compliance with the terms of the contracts they enter	15859
into with their school's sponsors and the law relating to the	15860
school's operation. Suspension of the operation of a school	15861
imposed under this section is intended to encourage the governing	15862
authority's compliance with the terms of the school's contract and	15863
the law and is not intended to be an alteration of the terms of	15864
that contract.	15865

(A) If a sponsor of a community school established under this 15866 chapter suspends the operation of that school pursuant to 15867 procedures set forth in this section, the governing authority 15868 shall not operate that school while the suspension is in effect. 15869 Any such suspension shall remain in effect until the sponsor 15870 notifies the governing authority that it is no longer in effect. 15871 The contract of a school of which operation is suspended under 15872 this section also may be subject to termination or nonrenewal 15873 under section 3314.07 of the Revised Code. 15874

(B) If at any time the sponsor of a community school15875established under this chapter determines that conditions at the15876school do not comply with a health and safety standard established15877by law for school buildings, the sponsor shall immediately suspend15878the operation of the school pursuant to procedures set forth in15879division (D) of this section.15880

(C)(1) For any of the reasons prescribed in division 15881 (B)(1)(a) to (d) of section 3314.07 of the Revised Code, the 15882 sponsor of a community school established under this chapter may 15883 suspend the operation of the school only if it first issues to the 15884 governing authority notice of the sponsor's intent to suspend the 15885 operation of the contract. Such notice shall explain the reasons 15886 for the sponsor's intent to suspend operation of the contract and 15887 shall provide the school's governing authority with five business 15888 days to submit to the sponsor a proposal to remedy the conditions 15889

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 513
cited as reasons for the suspension.	15890
(2) The sponsor shall promptly review any proposed remedy	15891

timely submitted by the governing authority and either approve or	15892
disapprove the remedy. If the sponsor disapproves the remedy	15893
proposed by the governing authority, if the governing authority	15894
fails to submit a proposed remedy in the manner prescribed by the	15895
sponsor, or if the governing authority fails to implement the	15896
remedy as approved by the sponsor, the sponsor may suspend	15897
operation of the school pursuant to procedures set forth in	15898
division (D) of this section.	15899

(D)(1) If division (B) of this section applies or if the 15900 sponsor of a community school established under this chapter 15901 decides to suspend the operation of a school as permitted in 15902 division (C)(2) of this section, the sponsor shall promptly send 15903 written notice to the governing authority stating that the 15904 operation of the school is immediately suspended, and explaining 15905 the specific reasons for the suspension. The notice shall state 15906 that the governing authority has five business days to submit a 15907 proposed remedy to the conditions cited as reasons for the 15908 suspension or face potential contract termination. 15909

(2) Upon receipt of the notice of suspension prescribed under 15910 division (D)(1) of this section, the governing authority shall 15911 immediately notify the employees of the school and the parents of 15912 the students enrolled in the school of the suspension and the 15913 reasons therefore, and shall cease all school operations on the 15914 next business day. 15915

Sec. 3314.08. (A) As used in this section: 15916

(1) "Base formula amount" means the amount specified as such 15917 in a community school's financial plan for a school year pursuant 15918 to division (A)(15) of section 3314.03 of the Revised Code. 15919

## Substitute Version as Presented to the Senate Finance and Financial Institutions

(2) "Cost-of-doing-business factor" has the same meaning as 15920in section 3317.02 of the Revised Code. 15921

(3) "IEP" means an individualized education program asdefined in section 3323.01 of the Revised Code.15923

(4) "Applicable <u>special education</u> weight" means: 15924

(a) For a student receiving special education and related
services pursuant to an IEP for a handicap described in division
(A) of section 3317.013 of the Revised Code, the multiple
specified in that division;

(b) For a student receiving special education and related
services pursuant to an IEP for a handicap described in division
(B) of section 3317.013 or division (F)(3) of section 3317.02 of
the Revised Code, the multiple specified in division (B) of
section 3317.013 of the Revised Code.

(5) "Total special education weight" means the sum of the 15934
following: 15935

(a) The number of students reported under division (B)(2)(c) 15936 of this section who are entitled to attend school in the district, 15937 are enrolled in grades one through twelve in a community school, 15938 and are receiving from their community school special education 15939 and related services pursuant to an IEP for a handicap described 15940 in division (A) of section 3317.013 of the Revised Code, 15941 multiplied by the multiple specified in division (A) of section 15942 3317.013 of the Revised Code; 15943

(b) One-half the number of students reported under division 15944 (B)(2)(c) of this section who are entitled to attend school in the 15945 district, are enrolled in kindergarten in a community school, and 15946 are receiving from their community school special education and 15947 related services pursuant to an IEP for a handicap described in 15948 division (A) of section 3317.013 of the Revised Code, multiplied 15949 by the multiple specified in division (A) of section 3317.013 of 15950

the Revised Code;

(c) The number of students reported under division (B)(2)(c) 15952 of this section who are entitled to attend school in the district, 15953 are enrolled in grades one through twelve in a community school, 15954 and are receiving from their community school special education 15955 and related services pursuant to an IEP for a handicap described 15956 in division (B) of section 3317.013 or division (F)(3) of section 15957 3317.02 of the Revised Code, multiplied by the multiple specified 15958 in division (B) of section 3317.013 of the Revised Code; 15959

(d) One-half the number of students reported under division 15960 (B)(2)(c) of this section who are entitled to attend school in the 15961 district, are enrolled in kindergarten in a community school, and 15962 are receiving from their community school special education and 15963 related services pursuant to an IEP for a handicap described in 15964 division (B) of section 3317.013 or division (F)(3) of section 15965 3317.02 of the Revised Code, multiplied by the multiple specified 15966 in division (B) of section 3317.013 of the Revised Code 15967 "Applicable vocational education weight" means: 15968

(a) For a student enrolled in vocational education programs15969or classes described in division (A) of section 3317.014 of the15970Revised Code, the multiple specified in that division;15971

(b) For a student enrolled in vocational education programs15972or classes described in division (B) of section 3317.014 of the15973Revised Code, the multiple specified in that division.15974

(6) "Entitled to attend school" means entitled to attend
 15975
 school in a district under section 3313.64 or 3313.65 of the
 Revised Code.
 15977

(7) "DPIA reduction factor" means the percentage figure, if 15978 any, for reducing the per pupil amount of disadvantaged pupil 15979 impact aid a community school is entitled to receive pursuant to 15980 divisions (D)(4)(5) and (5)(6) of this section in any year, as 15981

Page 515

### Substitute Version as Presented to the Senate Finance and Financial Institutions

specified in the school's financial plan for the year pursuant to 15982 division (A)(15) of section 3314.03 of the Revised Code. 15983 (8) "All-day kindergarten" has the same meaning as in section 15984 3317.029 of the Revised Code. 15985 (B) The state board of education shall adopt rules requiring 15986 both of the following: 15987 (1) The board of education of each city, exempted village, 15988 and local school district to annually report the number of 15989 students entitled to attend school in the district who are 15990 enrolled in grades one through twelve in a community school 15991 established under this chapter, the number of students entitled to 15992 attend school in the district who are enrolled in kindergarten in 15993 a community school, the number of those kindergartners who are 15994 enrolled in all-day kindergarten in their community school, and 15995 for each child, the community school in which the child is 15996 enrolled. 15997

(2) The governing authority of each community schoolestablished under this chapter to annually report all of thefollowing:

(a) The number of students enrolled in grades one through
twelve and the number of students enrolled in kindergarten in the
school who are not receiving special education and related
services pursuant to an IEP;

(b) The number of enrolled students in grades one through
 twelve and the number of enrolled students in kindergarten, who
 are receiving special education and related services pursuant to
 an IEP;

(c) The number of students reported under division (B)(2)(b)
of this section receiving special education and related services
pursuant to an IEP for a handicap described in each of divisions
(A) and (B) of section 3317.013 and division (F)(3) of section

Sub. H. B. No. 94	
Substitute Version as Presented to the Senate Finance and Financial Institutions	

3317.02 of the Revised Code;

(d) The full-time equivalent number of students reported 16014 under divisions (B)(2)(a) and (b) of this section who are enrolled 16015 in vocational education programs or classes described in each of 16016 divisions (A) and (B) of section 3317.014 of the Revised Code that 16017 are provided by the community school; 16018

(e) The number of enrolled preschool handicapped students 16019 receiving special education services in a state-funded unit; 16020

(e)(f) The community school's base formula amount; 16021

(f)(g) For each student, the city, exempted village, or local 16022 school district in which the student is entitled to attend school; 16023

16024

(g)(h)Any DPIA reduction factor that applies to a school16025year.16026

(C) From the payments made to a city, exempted village, or 16027 local school district under Chapter 3317. of the Revised Code and, 16028 if necessary, sections 321.14 and 323.156 of the Revised Code, the 16029 department of education shall annually subtract all of the 16030 following: 16031

(1) An amount equal to the sum of the amounts obtained when, 16032 for each community school where the district's students are 16033 enrolled, the number of the district's students reported under 16034 divisions (B)(2)(a) and (b) of this section who are enrolled in 16035 grades one through twelve, and one-half the number of students 16036 reported under those divisions who are enrolled in kindergarten, 16037 in that community school is multiplied by the base formula amount 16038 of that community school as adjusted by the school district's 16039 16040 cost-of-doing-business factor.

(2) The product of the number of district students reported 16041 under division (B)(2)(c) of this section as enrolled in grades one 16042

Page 517

through twelve, and one-half of the number of district students	16043
reported under that division as enrolled in kindergarten, who are	16044
receiving special education and related services pursuant to an	16045
IEP in their respective community schools for a handicap described	16046
in division (A) or (B) of section 3317.013 or division (F)(3) of	16047
section 3317.02 of the Revised Code, multiplied by the total	16048
special education weight times the community school's base formula	16049
amount; sum of the amounts calculated under divisions (C)(2)(a)	16050
and (b) of this section:	16051

(a) For each of the district's students reported under16052division (B)(2)(c) of this section as enrolled in a community16053school in grades one through twelve and receiving special16054education and related services pursuant to an IEP for a handicap16055described in section 3317.013 or division (F)(3) of section160563317.02 of the Revised Code, the product of the applicable weight16057times the community school's base formula amount;16058

(b) For each of the district's students reported under16059division (B)(2)(c) of this section as enrolled in kindergarten in16060a community school and receiving special education and related16061services pursuant to an IEP for a handicap described in section160623317.013 or division (F)(3) of section 3317.02 of the Revised16063Code, one-half of the amount calculated as prescribed in division16064(C)(2)(a) of this section.16065

(3) For each of the district's students reported under
 16066
 division (B)(2)(d) of this section for whom payment is made under
 16067
 division (D)(4) of this section, the amount of that payment;
 16068

(4) An amount equal to the sum of the amounts obtained when, 16069 for each community school where the district's students are 16070 enrolled, the number of the district's students enrolled in that 16071 community school and residing in the district in a family 16072 participating in Ohio works first under Chapter 5107. of the 16073 Revised Code is multiplied by the per pupil amount of 16074

disadvantaged pupil impact aid the school district receives that 16075 year pursuant to division (B) or (C) of section 3317.029 of the 16076 Revised Code, as adjusted by any DPIA reduction factor of that 16077 community school. If the district receives disadvantaged pupil 16078 impact aid under division (B) of that section, the per pupil 16079 amount of that aid is the quotient of the amount the district 16080 received under that division divided by the number of children 16081 ages five through seventeen residing in the district and living in 16082 a family participating in Ohio works first, as most recently 16083 reported under section 3317.10 of the Revised Code. If the 16084 district receives disadvantaged pupil impact aid under division 16085 (C) of section 3317.029 of the Revised Code, the per pupil amount 16086 of that aid is the per pupil dollar amount prescribed for the 16087 district in division (C)(1) or (2) of that section. 16088

(4)(5) An amount equal to the sum of the amounts obtained 16089
when, for each community school where the district's students are 16090
enrolled, the district's per pupil amount of aid received under 16091
division (E) of section 3317.029 of the Revised Code, as adjusted 16092
by any DPIA reduction factor of the community school, is 16093
multiplied by the sum of the following: 16094

(a) The number of the district's students reported under
division (B)(2)(a) of this section who are enrolled in grades one
to three in that community school and who are not receiving
special education and related services pursuant to an IEP;
16098

(b) One-half of the district's students who are enrolled in 16099
 all-day or any other kindergarten class in that community school 16100
 and who are not receiving special education and related services 16101
 pursuant to an IEP; 16102

(c) One-half of the district's students who are enrolled in 16103 all-day kindergarten in that community school and who are not 16104 receiving special education and related services pursuant to an 16105 IEP. 16106

### Page 519

## Substitute Version as Presented to the Senate Finance and Financial Institutions

The district's per pupil amount of aid under division (E) of 16107 section 3317.029 of the Revised Code is the quotient of the amount 16108 the district received under that division divided by the 16109 district's kindergarten through third grade ADM, as defined in 16110 that section. 16111

(D) The department shall annually pay to a community school 16112 established under this chapter all of the following: 16113

(1) An amount equal to the sum of the amounts obtained when 16114 the number of students enrolled in grades one through twelve, plus 16115 one-half of the kindergarten students in the school, reported 16116 under divisions (B)(2)(a) and (b) of this section who are not 16117 receiving special education and related services pursuant to an 16118 IEP for a handicap described in division (A) or (B) of section 16119 3317.013 or division (F)(3) of section 3317.02 of the Revised Code 16120 is multiplied by the community school's base formula amount, as 16121 adjusted by the cost-of-doing-business factor of the school 16122 district in which the student is entitled to attend school; 16123

(2) The greater of the following:

(a) The aggregate amount that the department paid to the
16125
community school in fiscal year 1999 for students receiving
16126
special education and related services pursuant to IEPs, excluding
16127
federal funds and state disadvantaged pupil impact aid funds;
16128

(b) The sum of the amounts calculated under divisions16129(D)(2)(b)(i) and (ii) of this section:16130

(i) For each student reported under division (B)(2)(c) of
16131
this section as enrolled in the school in grades one through
16132
twelve and receiving special education and related services
16133
pursuant to an IEP for a handicap described in division (A) or (B)
16134
of section 3317.013 or division (F)(3) of section 3317.02 of the
16135
Revised Code, the following amount:

(the community school's base formula amount X the 16137

### Substitute Version as Presented to the Senate Finance and Financial Institutions

cost-of-doing-business factor of the district where the student 16138 is entitled to attend school) + (the applicable special education 16139 weight 16140 X the community school's base formula amount); 16141 (ii) For each student reported under division (B)(2)(c) of 16142 this section as enrolled in kindergarten and receiving special 16143 education and related services pursuant to an IEP for a handicap 16144 described in division (A) or (B) of section 3317.013 or division 16145 (F)(3) of section 3317.02 of the Revised Code, one-half of the 16146 amount calculated under the formula prescribed in division 16147 (D)(2)(b)(i) of this section. 16148 (3) An amount received from federal funds to provide special 16149 education and related services to students in the community 16150 school, as determined by the superintendent of public instruction. 16151 (4) For each student reported under division (B)(2)(d) of 16152 this section as enrolled in vocational education programs or 16153 classes that are described in section 3317.014 of the Revised 16154 Code, are provided by the community school, and are comparable as 16155 determined by the superintendent of public instruction to school 16156 district vocational education programs and classes eligible for 16157 state weighted funding under section 3317.014 of the Revised Code, 16158 an amount equal to the applicable vocational education weight 16159 times the community school's base formula amount times the 16160 percentage of time the student spends in the vocational education 16161 programs or classes. 16162 (5) An amount equal to the sum of the amounts obtained when, 16163 for each school district where the community school's students are 16164 entitled to attend school, the number of that district's students 16165

enrolled in the community school and participating in Ohio works 16166 first is multiplied by the per pupil amount of disadvantaged pupil 16167 impact aid that school district receives that year pursuant to 16168 division (B) or (C) of section 3317.029 of the Revised Code, as 16169

### Substitute Version as Presented to the Senate Finance and Financial Institutions

adjusted by any DPIA reduction factor of the community school. The16170per pupil amount of aid shall be determined as described in16171division (C)(3) of this section.16172

(5)(6) An amount equal to the sum of the amounts obtained 16173
when, for each school district where the community school's 16174
students are entitled to attend school, the district's per pupil 16175
amount of aid received under division (E) of section 3317.029 of 16176
the Revised Code, as adjusted by any DPIA reduction factor of the 16177
community school, is multiplied by the sum of the following: 16178

(a) The number of the district's students reported under
division (B)(2)(a) of this section who are enrolled in grades one
to three in that community school and who are not receiving
special education and related services pursuant to an IEP;
16182

(b) One-half of the district's students who are enrolled in 16183
 all-day or any other kindergarten class in that community school 16184
 and who are not receiving special education and related services 16185
 pursuant to an IEP; 16186

(c) One-half of the district's students who are enrolled in 16187 all-day kindergarten in that community school and who are not 16188 receiving special education and related services pursuant to an 16189 IEP. 16190

The district's per pupil amount of aid under division (E) of16191section 3317.029 of the Revised Code shall be determined as16192described in division (C)(4)(5) of this section.16193

(E)(1) If a community school's costs for a fiscal year for a 16194 student receiving special education and related services pursuant 16195 to an IEP for a handicap described in division (F)(3) of section 16196 3317.02 3317.013 of the Revised Code are twenty-five thousand 16197 dollars or more, the school may submit to the superintendent of 16198 public instruction documentation, as prescribed by the 16199 superintendent, of all its costs for that student. Upon submission 16200

of documentation for a student of the type and in the manner 16201 prescribed, the department shall pay to the community school an 16202 amount equal to the school's costs for the student in excess of 16203 twenty-five thousand dollars. 16204

(2) In fiscal year 2002, if a community school's costs for a 16205 student receiving special education and related services pursuant 16206 to an IEP for a handicap described in division (F)(3) of section 3317.013 of the Revised Code are twenty-five thousand dollars or more, the school may submit to the superintendent of public 16209 instruction documentation, as prescribed by the superintendent, of 16210 all its costs for that student. Upon submission of documentation 16211 16212 for a student of the type and in the manner prescribed, the department shall pay to the community school an amount equal to 16213 the school's costs for the student in excess of twenty-five 16214 thousand dollars. 16215

(3) In any fiscal year after fiscal year 2002, if a community 16216 school's costs for a student receiving special education and 16217 related services pursuant to an IEP for a handicap described in 16218 division (F)(3) of section 3317.013 of the Revised Code are twenty 16219 thousand dollars or more, the school may submit to the 16220 superintendent of public instruction documentation, as prescribed 16221 by the superintendent, of all its costs for that student. Upon 16222 submission of documentation for a student of the type and in the 16223 manner prescribed, the department shall pay to the community 16224 school an amount equal to the school's costs for the student in 16225 excess of twenty thousand dollars. 16226

(4) The community school shall only report <u>under divisions</u> 16227 (E)(1) to (3) of this section, and the department shall only pay 16228 for, the costs of educational expenses and the related services 16229 provided to the student in accordance with the student's 16230 individualized education program. Any legal fees, court costs, or 16231 other costs associated with any cause of action relating to the 16232

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

student may not be included in the amount.

(F) A community school may apply to the department of 16234 education for preschool handicapped or gifted unit funding the 16235 school would receive if it were a school district. Upon request of 16236 its governing authority, a community school that received unit 16237 funding as a school district-operated school before it became a 16238 community school shall retain any units awarded to it as a school 16239 district-operated school provided the school continues to meet 16240 eligibility standards for the unit. 16241

A community school shall be considered a school district and 16242 its governing authority shall be considered a board of education 16243 for the purpose of applying to any state or federal agency for 16244 grants that a school district may receive under federal or state 16245 law or any appropriations act of the general assembly. The 16246 governing authority of a community school may apply to any private 16247 entity for additional funds. 16248

(G) A board of education sponsoring a community school may 16249 utilize local funds to make enhancement grants to the school or 16250 may agree, either as part of the contract or separately, to 16251 provide any specific services to the community school at no cost 16252 to the school. 16253

(H) A community school may not levy taxes or issue bonds 16254 secured by tax revenues. 16255

(I) No community school shall charge tuition for the 16256 enrollment of any student. 16257

(J) A community school may borrow money to pay any necessary 16258 and actual expenses of the school in anticipation of the receipt 16259 of any portion of the payments to be received by the school 16260 pursuant to division (D) of this section. The school may issue 16261 notes to evidence such borrowing to mature no later than the end 16262 of the fiscal year in which such money was borrowed. The proceeds 16263

Page 524

of the notes shall be used only for the purposes for which the 16264 anticipated receipts may be lawfully expended by the school. 16265

(K) For purposes of determining the number of students for 16266 which divisions (D)(4)(5) and (5)(6) of this section applies in 16267 any school year, a community school may submit to the department 16268 of job and family services, no later than the first day of March, 16269 a list of the students enrolled in the school. For each student on 16270 the list, the community school shall indicate the student's name, 16271 address, and date of birth and the school district where the 16272 student is entitled to attend school. Upon receipt of a list under 16273 this division, the department of job and family services shall 16274 determine, for each school district where one or more students on 16275 the list is entitled to attend school, the number of students 16276 residing in that school district who were included in the 16277 department's report under section 3317.10 of the Revised Code. The 16278 department shall make this determination on the basis of 16279 information readily available to it. Upon making this 16280 determination and no later than ninety days after submission of 16281 the list by the community school, the department shall report to 16282 the state department of education the number of students on the 16283 list who reside in each school district who were included in the 16284 department's report under section 3317.10 of the Revised Code. In 16285 complying with this division, the department of job and family 16286 services shall not report to the state department of education any 16287 personally identifiable information on any student. 16288

(L) The department of education shall adjust the amounts 16289 subtracted and paid under divisions (C) and (D) of this section to 16290 reflect any enrollment of students in community schools for less 16291 than the equivalent of a full school year. For purposes of this 16292 section, a student shall be considered enrolled in the community 16293 school for any portion of the school year the student is 16294 participating at a college under Chapter 3365. of the Revised 16295

Page 525

### Page 526

Code.

(M) The department of education shall reduce the amounts paid 16297
 under division (D) of this section to reflect payments made to 16298
 colleges under division (B) of section 3365.07 of the Revised 16299
 Code. 16300

Sec. 3314.09. (A)As used in this section and section163013314.091 of the Revised Code, "native student" means a student16302entitled to attend school in the school district under section163033313.64 or 3313.65 of the Revised Code.16304

The (B) Except as provided in section 3314.091 of the Revised 16305 16306 Code, the board of education of each city, local, and exempted village school district shall provide transportation to and from 16307 school for its district's native students enrolled in a community 16308 school located in that district or another district on the same 16309 basis that it provides transportation for its native students 16310 enrolled in schools to which they are assigned by the board of 16311 education at the same grade level and who live the same distance 16312 from school except when, in the judgment of the board, confirmed 16313 by the state board of education, the transportation is unnecessary 16314 or unreasonable. A board shall not be required to transport 16315 nonhandicapped students to and from a community school located in 16316 another school district if the transportation would require more 16317 than thirty minutes of direct travel time as measured by school 16318 bus from the collection point designated by the district's 16319 coordinator of school transportation. 16320

(C) Where it is impractical to transport a pupil to and from 16321 a community school by school conveyance, a board may, in lieu of 16322 providing the transportation, pay a parent, guardian, or other 16323 person in charge of the child. The amount paid per pupil shall in 16324 no event exceed the average transportation cost per pupil, which 16325 shall be based on the cost of transportation of children by all 16326

### 1 . . . . .

16296

### Substitute Version as Presented to the Senate Finance and Financial Institutions

boards of education in this state during the next preceding year. 16327

(D) The daily and annual instructional schedules of a 16328 community school are the sole responsibility of the community 16329 school's governing authority, and are subject only to the 16330 requirements of this chapter and the governing authority's 16331 contract with its sponsor. Each school district board of education 16332 that is required to provide transportation for community school 16333 students under this section shall provide the transportation in 16334 accordance with those schedules so that students may be present on 16335 time and at all times that the community school is open for 16336 instruction. 16337

Sec. 3314.091. (A) A school district is not required to 16338 provide transportation for any native student enrolled in a 16339 community school if the district board of education has entered 16340 into an agreement with the community school's governing authority 16341 that designates the community school as responsible for providing 16342 or arranging for the transportation of the district's native 16343 students to and from the community school. For any such agreement 16344 to be effective, it must be certified by the superintendent of 16345 public instruction as having met both of the following 16346 requirements: 16347

(1) It is submitted to the department of education by a16348deadline which shall be established by the department.16349

(2) It specifies qualifications, such as residing a minimum16350distance from the school, for students to have their16351transportation provided or arranged.16352

(B)(1) A community school governing board that enters into an16353agreement to provide transportation under this section shall16354provide or arrange transportation free of any charge for each of16355its enrolled students in grades kindergarten through eight who16356live more than two miles from the school, except that the16357

governing board may make a payment in lieu of providing	16358
transportation to the parent, guardian, or person in charge of the	16359
student at the same rate as specified for a school district board	16360
in division (C) of section 3314.09 of the Revised Code if the	16361
drive time measured by the vehicle specified by the school for	16362
transporting the students from the student's residence to the	16363
school is more than thirty minutes. The governing board may	16364
provide or arrange transportation for any other enrolled student	16365
and may charge a fee for such service. The governing board may	16366
request the payment specified under division (C) of this section	16367
for any student it transports, for whom it arranges	16368
transportation, or for whom it makes a payment in lieu of	16369
providing transportation if the student lives more than one mile	16370
from the community school.	16371

(2) Notwithstanding anything to the contrary in division16372(B)(1) of this section, a community school governing board shall16373provide or arrange transportation free of any charge for any16374disabled student enrolled in the school for whom the student's16375individualized education program developed under Chapter 3323. of16376the Revised Code specifies transportation.16377

(C)(1) If a school district board and a community school 16378 governing authority elect to enter into an agreement under this 16379 section, the department of education annually shall pay the 16380 community school the amount specified in division (C)(2) of this 16381 section for each of the enrolled students for whom the school's 16382 governing authority provides or arranges transportation to and 16383 from school. The department shall deduct the payment from the 16384 state payment under Chapter 3317. and, if necessary, sections 16385 321.14 and 323.156 of the Revised Code that is otherwise paid to 16386 the school district in which the student enrolled in the community 16387 school resides. The department shall include the number of the 16388 district's native students for whom payment is made to a community 16389

school under this division in the calculation of the district's	16390
transportation payment under division (D) of section 3317.022 of	16391
the Revised Code.	16392

A community school shall be paid under this division only for 16393 students who live more than one mile from the school and whose 16394 transportation to and from school is actually provided or arranged 16395 or for whom a payment in lieu of transportation is made by the 16396 community school's governing authority. To gualify for the 16397 payments, the community school shall report to the department, in 16398 the form and manner required by the department, data on the number 16399 of students transported or whose transportation is arranged, the 16400 number of miles traveled, cost to transport, and any other 16401 information requested by the department. 16402

A community school shall use payments received under this16403division solely to pay the costs of providing or arranging for the16404transportation of students who live more than one mile from the16405school, which may include payments to a parent, guardian, or other16406person in charge of a child in lieu of transportation.16407

(2) The payment to a community school governing authority16408under this section for each student who lives more than one mile16409from the school or who is disabled and whose individualized16410education program requires transportation and for whom the school16411actually provides or arranges transportation or makes a payment in16412lieu of providing transportation, shall be made according to the16413following schedule:16414

(a) In fiscal year 2002, four-hundred fifty dollars per16415student;16416

(b) In fiscal year 2003 and every fiscal year thereafter, the16417amount specified in division (C)(2)(a) of this section multiplied16418by the negative or positive percentage of change reported in the16419consumer price index (all urban consumers, transportation) by the16420

bureau of labor statistics of the United States department of	16421
labor from the beginning of the calendar year that ended just	16422
prior to the beginning of the fiscal year to the end of that	16423
<u>calendar year.</u>	16424

(D) Except when arranged through payment to a parent, 16425 guardian, or person in charge of a child, transportation provided 16426 or arranged for by a community school pursuant to an agreement 16427 under this section is subject to all provisions of the Revised 16428 Code, and all rules adopted under the Revised Code, pertaining to 16429 the construction, design, equipment, and operation of school buses 16430 and other vehicles transporting students to and from school. The 16431 drivers and mechanics of the vehicles are subject to all 16432 provisions of the Revised Code, and all rules adopted under the 16433 Revised Code, pertaining to drivers and mechanics of such 16434 vehicles. The community school also shall comply with sections 16435 <u>3313.201</u>, <u>3327.09</u>, and <u>3327.10</u> and division (B) of section <u>3327.16</u> 16436 of the Revised Code as if it were a school district. For purposes 16437 of complying with section 3327.10 of the Revised Code, the 16438 educational service center that serves the county in which the 16439 community school is located shall be the certifying agency, unless 16440 the agreement designates the school district as the certifying 16441 16442 agency.

Sec. 3316.20. (A)(1) The school district solvency assistance 16443 fund is hereby created in the state treasury, to consist of such 16444 amounts designated for the purposes of the fund by the general 16445 assembly. The fund shall be used to provide assistance and grants 16446 to school districts to enable them to remain solvent and to pay 16447 unforseeable expenses of a temporary or emergency nature that they 16448 are unable to pay from existing resources. 16449

16450

(2) There is hereby created within the fund an account known 16451

as the school district shared resource account, which shall16452consist of money appropriated to it by the general assembly. The16453money in the account shall be used solely for solvency assistance16454to school districts that have been declared under division (B)(1)16455or (5) of section 3316.03 of the Revised Code to be in a state of16456fiscal emergency because of a certified operating deficit16457exceeding ten per cent.16458

(3) There is hereby created within the fund an account known 16459 as the catastrophic expenditures account, which shall consist of 16460 money appropriated to the account by the general assembly plus all 16461 investment earnings of the fund. Money in the account shall be 16462 used solely for the following: 16463

(a) Solvency assistance to school districts that have been 16464
 declared under division (B)(1) or (5) of section 3316.03 of the 16465
 Revised Code to be in a state of fiscal emergency because of a 16466
 certified operating deficit exceeding ten per cent, in the event 16467
 that all money in the shared resource account is utilized for 16468
 solvency assistance; 16469

(b) Grants to school districts under division (C) of this 16470 section. 16471

(B) Solvency assistance payments under division (A)(2) or 16472
(3)(a) of this section shall be made from the fund by the 16473
superintendent of public instruction in accordance with rules 16474
adopted by the director of budget and management, after consulting 16475
with the superintendent, specifying approval criteria and 16476
procedures necessary for administering the fund. 16477

The fund shall be reimbursed for any solvency assistance 16478 amounts paid under division (A)(2) or (3)(a) of this section not 16479 later than the end of the second fiscal year following the fiscal 16480 year in which the solvency assistance payment was made. If not 16481 made directly by the school district, such reimbursement shall be 16482

made by the director of budget and management from the amounts the16483school district would otherwise receive pursuant to sections164843317.022 to 3317.025 of the Revised Code, or from any other funds16485appropriated for the district by the general assembly.16486Reimbursements shall be credited to the respective account from16487which the solvency assistance paid to the district was deducted.16488

(C) The superintendent of public instruction may make 16489 recommendations, and the controlling board may grant money from 16490 the catastrophic expenditures account to any school district that 16491 suffers an unforeseen catastrophic event that severely depletes 16492 the district's financial resources. The superintendent shall make 16493 recommendations for the grants in accordance with rules adopted by 16494 the director of budget and management after consulting with the 16495 superintendent. A school district shall not be required to repay 16496 any grant awarded to the district under this division unless the 16497 district receives money from a third party, including an agency of 16498 the government of the United States, specifically for the purpose 16499 of compensating the district for expenses incurred as a result of 16500 the unforeseen catastrophic event. 16501

**Sec. 3317.012.** (A)(1) The general assembly, having analyzed 16502 school district expenditure and cost data for fiscal year 1996 16503 <u>1999</u>, performed the calculation described in division (B) of this 16504 section, and adjusted the results for inflation, and added the 16505 amounts described in division (A)(2) of this section, hereby 16506 determines that the base cost of an adequate education per pupil 16507 for the fiscal year beginning July 1,  $\frac{1998}{2001}$ , is  $\frac{$4,063}{$4,814}$ . 16508 For the five following fiscal years, the base cost per pupil for 16509 each of those years, reflecting an annual rate of inflation of two 16510 and eight-tenths per cent, is  $\frac{54,177}{54,949}$  for fiscal year  $\frac{2000}{54}$ 16511 <u>2003</u>, <del>\$4,294</del> <u>\$5,088</u> for fiscal year <del>2001</del> <u>2004</u>, <del>\$4,414</del> <u>\$5,230</u> for 16512 fiscal year 2002 2005, \$4,538 \$5,376 for fiscal year 2003 2006, 16513 and \$4,665 \$5,527 for fiscal year 2004 2007. 16514

Page 532

(2) The base cost per pupil amounts specified in division	16515
(A)(1) of this section include amounts to reflect the cost to	16516
school districts of increasing the minimum number of high school	16517
academic units required for graduation beginning September 15,	16518
2001, under section 3313.603 of the Revised Code. Analysis of	16519
fiscal year 1999 data revealed that the school districts meeting	16520
the requirements of division (B) of this section on average	16521
required high school students to complete a minimum of nineteen	16522
and eight-tenths units to graduate. The general assembly	16523
determines that the cost of funding the additional two-tenths unit	16524
required by section 3313.603 of the Revised Code is \$12 per pupil	16525
in fiscal year 2002. This amount was added after the calculation	16526
described in division (B) of this section and the adjustment for	16527
inflation from fiscal year 1999 to fiscal year 2002. It is this	16528
total amount, the calculated base cost plus the supplement to pay	16529
for the additional partial unit, that constitutes the base cost	16530
amount specified in division (A)(1) of this section for fiscal	16531
year 2002 and that is inflated to produce the base cost amounts	16532
for fiscal years 2003 through 2007.	16533

(B) In determining the base cost stated in division (A) of 16534 this section, capital and debt costs, costs paid for by federal 16535 funds, and costs covered by funds provided pursuant to sections 16536 3317.023 and 3317.024 of the Revised Code as they existed prior to 16537 July 1, 1998, for disadvantaged pupil impact aid and 16538 transportation were excluded, as were the effects on the 16539 districts' state funds of the application of the 16540 cost-of-doing-business factors, assuming an eighteen a seven and 16541 one-half per cent variance. 16542

The base cost for fiscal year 1996 1999 was calculated as the 16543 unweighted average cost per student, on a school district basis, 16544 of educating students who were not receiving vocational education 16545 or services pursuant to Chapter 3323. of the Revised Code and who 16546

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 534

Substitute version as Presented to the Senate Finance and Financial Institutions	
were enrolled in a city, exempted village, or local school	16547
district that in fiscal year $1994$ $1999$ met all of the following	16548
criteria:	16549
(1) The district met at least <del>all but one</del> <u>twenty</u> of the	16550
following <u>twenty-seven</u> performance standards:	16551
(a) A <del>three</del> <u>ninety</u> per cent or <del>lower dropout</del> <u>higher</u>	16552
graduation rate;	16553
(b) At least seventy-five per cent of fourth graders	16554
proficient on the mathematics test prescribed under division	16555
(A)(1) of section 3301.0710 of the Revised Code;	16556
(c) At least seventy-five per cent of fourth graders	16557
proficient on the reading test prescribed under division (A)(1) of	16558
section 3301.0710 of the Revised Code;	16559
(d) At least seventy-five per cent of fourth graders	16560
proficient on the writing test prescribed under division (A)(1) of	16561
section 3301.0710 of the Revised Code;	16562
(e) At least seventy-five per cent of fourth graders	16563
proficient on the citizenship test prescribed under division	16564
(A)(1) of section 3301.0710 of the Revised Code;	16565
(f) <u>At least seventy-five per cent of fourth graders</u>	16566
proficient on the science test prescribed under division (A)(1) of	16567
section 3301.0710 of the Revised Code;	16568
(g) At least seventy-five per cent of sixth graders	16569
proficient on the mathematics test prescribed under division	16570
(A)(2) of section 3301.0710 of the Revised Code;	16571
(h) At least seventy-five per cent of sixth graders	16572
proficient on the reading test prescribed under division (A)(2) of	16573
section 3301.0710 of the Revised Code;	16574
(i) At least seventy-five per cent of sixth graders	16575
proficient on the writing test prescribed under division (A)(2) of	16576

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 535
section 3301.0710 of the Revised Code;	16577
(j) At least seventy-five per cent of sixth graders	16578
proficient on the citizenship test prescribed under division	16579
(A)(2) of section 3301.0710 of the Revised Code;	16580
(k) At least seventy-five per cent of sixth graders	16581
proficient on the science test prescribed under division (A)(2) of	16582
section 3301.0710 of the Revised Code;	16583
(1) At least seventy-five per cent of ninth graders	16584
proficient on the mathematics test prescribed under <del>former</del>	16585
division (B) of section 3301.0710 of the Revised Code Section 4 of	16586
Am. Sub. S.B. 55 of the 122nd general assembly;	16587
(g)(m) At least seventy-five per cent of ninth graders	16588
proficient on the reading test prescribed under former division	16589
(B) of section 3301.0710 of the Revised Code Section 4 of Am. Sub.	16590
S.B. 55 of the 122nd general assembly;	16591
( <u>h)(n)</u> At least seventy-five per cent of ninth graders	16592
proficient on the writing test prescribed under former division	16593
(B) of section 3301.0710 of the Revised Code Section 4 of Am. Sub.	16594
S.B. 55 of the 122nd general assembly;	16595
(i)(o) At least seventy-five per cent of ninth graders	16596
proficient on the citizenship test prescribed under former	16597
division (B) of section 3301.0710 of the Revised Code Section 4 of	16598
Am. Sub. S.B. 55 of the 122nd general assembly;	16599
(j)(p) At least seventy-five per cent of ninth graders	16600
proficient on the science test prescribed under Section 4 of Am.	16601
Sub. S.B. 55 of the 122nd general assembly;	16602
(q) At least eighty-five per cent of tenth graders proficient	16603
on the mathematics test prescribed under <del>former division (B) of</del>	16604
section 3301.0710 of the Revised Code Section 4 of Am. Sub. S.B.	16605
55 of the 122nd general assembly;	16606

## Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 536

(k)(r) At least eighty-five per cent of tenth graders	16607
proficient on the reading test prescribed under former division	16608
(B) of section 3301.0710 of the Revised Code Section 4 of Am. Sub.	16609
S.B. 55 of the 122nd general assembly;	16610
$\frac{(1)(s)}{(s)}$ At least eighty-five per cent of tenth graders	16611
proficient on the writing test prescribed under former division	16612
(B) of section 3301.0710 of the Revised Code Section 4 of Am. Sub.	16613
S.B. 55 of the 122nd general assembly;	16614
(m)(t) At least eighty-five per cent of tenth graders	16615
proficient on the citizenship test prescribed under former	16616
division (B) of section 3301.0710 of the Revised Code Section 4 of	16617
Am. Sub. S.B. 55 of the 122nd general assembly;	16618
<del>(n)</del> (u) At least eighty-five per cent of tenth graders	16619
proficient on the science test prescribed under Section 4 of Am.	16620
Sub. S.B. 55 of the 122nd general assembly;	16621
(v) At least sixty per cent of twelfth graders proficient on	16622
the mathematics test prescribed under division (A)(3) of section	16623
3301.0710 of the Revised Code;	16624
(o)(w) At least sixty per cent of twelfth graders proficient	16625
on the reading test prescribed under division (A)(3) of section	16626
3301.0710 of the Revised Code;	16627
$\frac{(p)(x)}{(x)}$ At least sixty per cent of twelfth graders proficient	16628
on the writing test prescribed under division $(A)(3)$ of section	16629
3301.0710 of the Revised Code;	16630
(q)(y) At least sixty per cent of twelfth graders proficient	16631
on the citizenship test prescribed under division (A)(3) of	16632
section 3301.0710 of the Revised Code;	16633
(r)(z) At least sixty per cent of twelfth graders proficient	16634
on the science test prescribed under division (A)(3) of section	16635
3301.0710 of the Revised Code;	16636

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 537

(aa) An attendance rate for the year of at least ninety-three 16637 per cent as defined in section 3302.01 of the Revised Code. 16638

16639

In determining whether a school district met any of the 16640 performance standards specified in divisions (B)(1)(a) to (aa) of 16641 this section, the general assembly used a rounding procedure 16642 previously recommended by the department of education. It is the 16643 same rounding procedure the general assembly used in 1998 to 16644 determine whether a district had met the standards of former 16645 divisions (B)(1)(a) to (r) of this section for purposes of 16646 constructing the previous model based on fiscal year 1996 data. 16647

(2) The district was not among the ten <u>five</u> per cent of all 16648
districts with the highest income <del>factors, as defined in section</del> 16649
<del>3317.02 of the Revised Code</del>, nor among the ten <u>five</u> per cent of 16650
all districts with the lowest income <del>factors</del>. 16651

(3) The district was not among the five per cent of all
districts with the highest valuation per pupil in ADM, as reported
under division (A) of section 3317.03 of the Revised Code as it
16654
existed prior to July 1, 1998, nor among the five per cent of all
16655
districts with the lowest valuation per pupil.

This model for calculating the base cost of an adequate 16657 education is expenditure-based. The general assembly recognizes 16658 that increases in state funding to school districts since fiscal 16659 year 1996, the fiscal year upon which the general assembly based 16660 its model for calculating state funding to school districts for 16661 fiscal years 1999 through 2001, has increased school district base 16662 cost expenditures for fiscal year 1999, the fiscal year upon which 16663 the general assembly based its model for calculating state funding 16664 for fiscal years 2002 through 2007. In the case of school 16665 districts included in the fiscal year 1999 model that also had met 16666 the fiscal year 1996 performance criteria of former division 16667 (B)(1) of this section, the increased state funding may have 16668

driven the districts' expenditures beyond the expenditures that	16669
were actually needed to maintain their educational programs at the	16670
level necessary to maintain their ability to meet the fiscal year	16671
<u>1999 performance criteria of current division (B)(1) of this</u>	16672
section. The general assembly has determined to control for this	16673
effect by stipulating in the later model that the fiscal year 1999	16674
base cost expenditures of the districts that also met the	16675
performance criteria of former division (B)(1) of this section	16676
equals their base cost expenditures per pupil for fiscal year	16677
1996, inflated to fiscal year 1999 using an annual rate of	16678
inflation of two and eight-tenths per cent. However, if this	16679
inflated amount exceeded the district's actual fiscal year 1999	16680
base cost expenditures per pupil, the district's actual fiscal	16681
year 1999 base cost expenditures per pupil were used in the	16682
calculation. For districts in the 1999 model that did not also	16683
meet the performance criteria of former division (B)(1) of this	16684
section, the actual 1999 base cost per pupil expenditures were	16685
used in the calculation of the average district per pupil costs of	16686
the model districts.	16687

(C) In July of 2000 2005, and in July of every six years 16688 thereafter, the speaker of the house of representatives and the 16689 president of the senate shall each appoint three members to a 16690 committee to reexamine the cost of an adequate education. No more 16691 than two members from any political party shall represent each 16692 house. The director of budget and management and the 16693 superintendent of public instruction shall serve as nonvoting ex 16694 officio members of the committee. 16695

The committee shall select a rational methodology for16696calculating the costs of an adequate education system for the16697ensuing six-year period, and shall report the methodology and the16698resulting costs to the general assembly. In performing its16699function, the committee is not bound by any method used by16700

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 539

previous general assemblies to examine and calculate costs and instead may utilize any rational method it deems suitable and reasonable given the educational needs and requirements of the state at that time. 16701 16702 16703

The methodology for determining the cost of an adequate 16705 education system shall take into account the basic educational 16706 costs that all districts incur in educating regular students, the 16707 unique needs of special categories of students, and significant 16708 special conditions encountered by certain classifications of 16709 school districts. 16710

The committee also shall redetermine, for purposes of16711updating the parity aid calculation under section 3317.0217 of the16712Revised Code, the average number of effective operating mills that16713school districts in the seventieth to ninetieth percentiles of16714valuations per pupil collect above the revenues required to16715finance their attributed local shares of the calculated cost of an16716adequate education.16717

Any committee appointed pursuant to this section shall make 16718 its report to the office of budget and management and the general 16719 assembly within six months <u>one year</u> of its appointment so that the 16720 information is available for use by the office and the general 16721 assembly in preparing the next biennial appropriations act. 16722

(D)(1) For purposes of this division, an "update year" is the 16723 first fiscal year for which the per pupil base cost of an adequate 16724 education is in effect after being recalculated by the general 16725 assembly. The first update year is fiscal year 2002. The second 16726 update year is fiscal year 2008. 16727

(2) The general assembly shall recalculate the per pupil base16728cost of an adequate education every six years after considering16729the recommendations of the committee appointed under division (C)16730of this section. At the time of the recalculation, for each of the16731

five fiscal years following the update year, the general assembly	16732
shall adjust the base cost recalculated for the update year using	16733
an annual rate of inflation that the general assembly determines	16734
appropriate.	16735
	16926
(3) The general assembly shall include, in the act	16736
appropriating state funds for education programs for a fiscal	16737
<u>biennium that begins with an update year, a statement of its</u>	16738
determination of the total state share percentage of base cost and	16739
parity aid funding for the update year.	16740
(4) During its biennial budget deliberations, the general	16741
assembly shall determine the total state share percentage of base	16742
cost and parity aid funding for each fiscal year of the upcoming	16743
biennium. This determination shall be based on the latest	16744
projections and data provided by the department of education under	16745
division (D)(6) of this section prior to the enactment of	16746
education appropriations for the upcoming biennium. If, based on	16747
those latest projections and data, the general assembly determines	16748
that the total state share percentage for either or both nonupdate	16749
fiscal years varies more than two and one-half percentage points	16750
more or less than the total state share percentage for the most	16751
recent update year, as previously stated by the general assembly	16752
under division (D)(3) of this section, the general assembly shall	16753
determine and enact a method that it considers appropriate to	16754
restrict the estimated variance for each year to within two and	16755
one-half percentage points. The general assembly's methods may	16756
include, but are not required to include and need not be limited	16757
to, reexamining the rate of millage charged off as the local share	16758
of base cost funding under divisions (A)(1) and (2) of section	16759
3317.022 of the Revised Code. Regardless of any changes in	16760
charge-off millage rates in years between update years, however,	16761
the charge-off millage rate for update years shall be twenty-three	16762
mills, unless the general assembly determines that a different	16763

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 541
millage rate is more appropriate to share the total calculated	16764
base cost between the state and school districts.	16765
(5) The total state share percentage of base cost and parity	16766
aid funding for any fiscal year is calculated as follows:	16767
[(Total state base cost + total state parity aid funding) -	16768
<u>statewide charge-off amount] / (Total state base cost + total</u>	1676 <b>9</b>
state parity aid funding)	16789
<u>Where:</u>	16771
(a) The total state base cost equals the sum of the base	16772
costs for all school districts for the fiscal year.	16773
(b) The base cost for each school district equals:	16774
formula amount X cost-of-doing-business factor X	16775
the greater of formula ADM or	16776
three-year average formula ADM	16777
(c) The total state parity aid funding equals the sum of the	16778
amounts paid to all school districts for the fiscal year under	16779
section 3317.0217 of the Revised Code.	16780
(d) The statewide charge-off amount equals the sum of the	16781
charge-off amounts for all school districts.	16782
(e) The charge-off amount for each school district is the	16783
amount calculated as its local share of base cost funding and	16784
deducted from the total calculated base cost to determine the	16785
amount of its state payment under divisions (A)(1) and (2) of	16786
section 3317.022 of the Revised Code. The charge-off amount for	16787
each school district in fiscal year 2002 is the product of	16788
twenty-three mills multiplied by the district's recognized	16789
valuation. If however, in any fiscal year, including fiscal year	16790
2002, a school district's calculated charge-off amount exceeds its	16791
base cost calculated as described in division (D)(2) of this	16792
section, the district's charge-off amount shall be deemed to equal	16793
its calculated base cost.	16794

(6) Whenever requested by the chairperson of the standing	16795
committee of the house or representatives or the senate having	16796
primary jurisdiction over appropriations, the legislative budget	16797
officer, or the director of budget and management, the department	16798
of education shall report its latest projections for total base	16799
cost, total parity aid funding, and the statewide charge-off	16800
amount, as those terms are defined in division (D)(5) of this	16801
section, for each year of the upcoming fiscal biennium, and all	16802
data it used to make the projections.	16803

sec. 3317.013. This section does not apply to handicapped 16804
preschool students.

Analysis of special education cost data has resulted in a 16806 finding that the average special education additional cost per 16807 pupil, including the costs of related services, can be expressed 16808 as a multiple of the base cost per pupil calculated under section 16809 3317.012 of the Revised Code. The multiples for the following 16810 categories of special education programs, as these programs are 16811 defined for purposes of Chapter 3323. of the Revised Code, are as 16812 follows: 16813

(A) A multiple of 0.22 0.21 for students identified as
specific learning disabled, other health handicapped, or
developmentally handicapped, as these terms are defined pursuant
16816
to Chapter 3323. of the Revised Code;

(B) A multiple of 3.01 2.85 for students identified as
hearing handicapped, orthopedically handicapped, vision impaired,
16819
multihandicapped, and severe behavior handicapped, as these terms
16820
are defined pursuant to Chapter 3323. of the Revised Code.
16821

Further analysis indicates that approximately one-eighth of16822the total costs of serving special education students consists of16823the furnishing of the related services specified in division16824(B)(3) of section 3317.022 of the Revised Code.16825

The general assembly has adjusted the multiples specified in	16826
this section for calculating payments beginning in fiscal year	16827
2002 in recognition that its policy change regarding the	16828
application of the cost-of-doing-business factor produces a higher	16829
base cost amount than would exist if no change were made to its	16830
application. The adjustment maintains the same weighted costs as	16831
would exist if no change were made to the application of the	16832
cost-of-doing-business factor.	16833

sec. 3317.014. The average vocational education additional 16834
cost per pupil can be expressed as a multiple of the base cost per 16835
pupil calculated under section 3317.012 of the Revised Code. the 16836
multiples for the following categories of vocational education 16837
programs are as follows: 16838

(A) A multiple of 0.60 0.57 for students enrolled in
 vocational education job-training and workforce development
 programs approved by the department of education in accordance
 with rules adopted under section 3313.90 of the Revised Code.

The rules adopted under this division may provide for 16843 programs that include instructional time beyond the normal periods 16844 of instruction, including summers, for areas of study such as 16845 agriculture. For any such program, the multiple of 0.57 may be 16846 apportioned so that the multiple for the normal school year is 16847 less than the multiple for the additional instructional time but 16848 that a school district may receive the entire value of the weight 16849 for the program if the program extends beyond the normal periods 16850 of instruction. 16851

(B) A multiple of 0.30 0.28 for students enrolled in
 vocational education classes other than job-training and workforce
 development programs.
 16854

Vocational education associated services costs can be16855expressed as a multiple of 0.05 of the base cost per pupil16856

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

calculated under section 3317.012 of the Revised Code. 16857

The general assembly has adjusted the multiples specified in 16858 this section for calculating payments beginning in fiscal year 16859 2002 in recognition that its policy change regarding the 16860 application of the cost-of-doing-business factor produces a higher 16861 base cost amount than would exist if no change were made to its 16862 application. The adjustment maintains the same weighted costs as 16863 would exist if no change were made to the application of the 16864 <u>cost-of-doing-business factor.</u> 16865

**Sec. 3317.02.** As used in this chapter: 16866

(A) Unless otherwise specified, "school district" means city, 16867local, and exempted village school districts. 16868

(B) "Formula amount" means the base cost for the fiscal year 16869
specified in section 3317.012 of the Revised Code, except that to 16870
allow for the orderly phase-in of the increased funding specified 16871
in that section, the formula amount for fiscal year 1999 shall be 16872
\$3,851, and the formula amount for fiscal year 2000 shall be 16873
\$4,052. Thereafter, the formula amount shall be as specified in 16874
that section. 16875

(C) "FTE basis" means a count of students based on full-time 16876 equivalency, in accordance with rules adopted by the department of 16877 education pursuant to section 3317.03 of the Revised Code. In 16878 16879 adopting its rules under this division, the department shall provide for counting any student in category one, two, or three 16880 special education ADM or in category one or two vocational 16881 education ADM in the same proportion the student is counted in 16882 formula ADM. 16883

(D)(1) "Formula ADM" means, for a city, local, or exempted 16884
village school district, the number reported pursuant to division 16885
(A) of section 3317.03 of the Revised Code, and for a joint 16886

Page 544

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 545

vocational school district, the number reported pursuant to 16887 division (D) of that section. 16888

(2) "Three-year average formula ADM" means the average of 16889 formula ADMs for the current and preceding two fiscal years. 16890 However, as applicable in fiscal years 1999 and 2000, the 16891 three-year average for city, local, and exempted village school 16892 districts shall be determined utilizing the FY 1997 ADM or FY 1998 16893 ADM in lieu of formula ADM for fiscal year 1997 or 1998. In fiscal 16894 years 2000 and 2001, the three-year average for joint vocational 16895 school districts shall be determined utilizing the average daily 16896 membership reported in fiscal years 1998 and 1999 under division 16897 (D) of section 3317.03 of the Revised Code in lieu of formula ADM 16898 for fiscal years 1998 and 1999. 16899

(E) "FY 1997 ADM" or "FY 1998 ADM" means the school 16900 district's average daily membership reported for the applicable 16901 fiscal year under the version of division (A) of section 3317.03 16902 of the Revised Code in effect during that fiscal year, adjusted as 16903 follows: 16904

```
(1) Minus the average daily membership of handicapped 16905preschool children; 16906
```

(2) Minus one-half of the average daily membership attending 16907
kindergarten; 16908

(3) Minus three-fourths of the average daily membershipattending a joint vocational school district;16910

(4) Plus the average daily membership entitled under section 16911 3313.64 or 3313.65 of the Revised Code to attend school in the 16912 district but receiving educational services in approved units from 16913 an educational service center or another school district under a 16914 compact or a cooperative education agreement, as determined by the 16915 department; 16916

(5) Minus the average daily membership receiving educational 16917

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 546

services from the district in approved units but entitled under section 3313.64 or 3313.65 of the Revised Code to attend school in another school district, as determined by the department. 16918 16919 16920

(F)(1) "Category one special education ADM" means the average 16921 daily membership of handicapped children receiving special 16922 education services for those handicaps specified in division (A) 16923 of section 3317.013 of the Revised Code and reported under 16924 division (B)(5) or (D)(2)(b) of section 3317.03 of the Revised 16925 Code. 16926

(2) "Category two special education ADM" means the average 16927
daily membership of handicapped children receiving special 16928
education services for those handicaps specified in division (B) 16929
of section 3317.013 of the Revised Code and reported under 16930
division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised 16931
Code. 16932

(3) "Category three special education ADM" means the average 16933 daily membership of students receiving special education services 16934 for students identified as autistic, having traumatic brain 16935 injuries, or as both visually and hearing disabled as these terms 16936 are defined pursuant to Chapter 3323. of the Revised Code, and 16937 reported under division (B)(7) or (D)(2)(d) of section 3317.03 of 16938 the Revised Code. 16939

(4) "Category one vocational education ADM" means the average 16940
daily membership of students receiving vocational education 16941
services described in division (A) of section 3317.014 of the 16942
Revised Code and reported under division (B)(8) or (D)(2)(e) of 16943
section 3317.03 of the Revised Code. 16944

(5) "Category two vocational education ADM" means the average 16945
daily membership of students receiving vocational education 16946
services described in division (B) of section 3317.014 of the 16947
Revised Code and reported under division (B)(9) or (D)(2)(f) of 16948

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

section 3317.03 of the Revised Code.

(G) "Handicapped preschool child" means a handicapped child, 16950 as defined in section 3323.01 of the Revised Code, who is at least 16951 age three but is not of compulsory school age, as defined in 16952 section 3321.01 of the Revised Code, and who is not currently 16953 enrolled in kindergarten. 16954

(H) "County MR/DD board" means a county board of mentalretardation and developmental disabilities.16956

(I) "Recognized valuation" means the amount calculated for a 16957 school district pursuant to section 3317.015 of the Revised Code. 16958

(J) "Transportation ADM" means the number of children 16959reported under division (B)(10) of section 3317.03 of the Revised 16960Code. 16961

(K) "Average efficient transportation use cost per student"
 16962
 means a statistical representation of transportation costs as
 16963
 calculated under division (D)(2) of section 3317.022 of the
 16964
 Revised Code.

(L) "Taxes charged and payable" means the taxes charged and 16966
 payable against real and public utility property after making the 16967
 reduction required by section 319.301 of the Revised Code, plus 16968
 the taxes levied against tangible personal property. 16969

(M) "Total taxable value" means the sum of the amounts
16970
certified for a city, local, exempted village, or joint vocational
l6971
school district under divisions (A)(1) and (2) of section 3317.021
l6972
of the Revised Code.

(N)(1) "Cost-of-doing-business factor" means the amount 16974 indicated in this division for the county in which a city, local, 16975 exempted village, or joint vocational school district is located, 16976 adjusted in accordance with division (N)(2) of this section. If a 16977 city, local, or exempted village school district is located in 16978

16949

more than one county, the factor is the amount indicated for the county to which the district is assigned by the state department of education. If a joint vocational school district is located in more than one county, the factor is the amount indicated for the county in which the joint vocational school with the greatest formula ADM operated by the district is located.

	COST-OF-DOING-BUSINESS	16985
COUNTY	FACTOR AMOUNT	16986
Adams	<del>1.0074</del> <u>1.0061</u>	16987
Allen	<del>1.0217</del> <u>1.0236</u>	16988
Ashland	$\frac{1.0322}{1.0331}$	16989
	1 0400 1 0401	1

Ashtabula	<del>1.0480</del> <u>1.0431</u>	16990
Athens	<del>1.0046</del> <u>1.0038</u>	16991
Auglaize	<del>1.0255</del> <u>1.0272</u>	16992
Belmont	<del>1.0078</del> <u>1.0043</u>	16993
Brown	<del>1.0194</del> <u>1.0207</u>	16994
Butler	<del>1.0650</del> <u>1.0663</u>	16995
Carroll	<del>1.0166</del> <u>1.0148</u>	16996
Champaign	<del>1.0292</del> <u>1.0413</u>	16997
Clark	<del>1.0462</del> <u>1.0443</u>	16998
Clermont	<del>1.0510</del> <u>1.0532</u>	16999
Clinton	<del>1.0293</del> <u>1.0296</u>	17000
Columbiana	<del>1.0300</del> <u>1.0262</u>	17001
Coshocton	<del>1.0205</del> <u>1.0200</u>	17002
Crawford	<del>1.0152</del> <u>1.0140</u>	17003
Cuyahoga	<del>1.0697</del> <u>1.0672</u>	17004
Darke	<del>1.0340</del> <u>1.0343</u>	17005

$1.0540 \frac{1.0545}{1.0545}$
<del>1.0177</del> <u>1.0165</u>
<del>1.0339</del> <u>1.0479</u>
<del>1.0391</del> <u>1.0372</u>
<del>1.0358</del> <u>1.0354</u>
<del>1.0266</del> <u>1.0258</u>

1.0389 <u>1.0519</u>

Franklin

### Page 548

Page 549

Fulton	<del>1.0355</del> <u>1.0361</u>	17012
Gallia	1.0000	17013
Geauga	<del>1.0568</del> <u>1.0528</u>	17014
Greene	<del>1.0406</del> <u>1.0407</u>	17015
Guernsey	$\frac{1.0072}{1.0064}$	17016
Hamilton	1.0750	17017
Hancock	<del>1.0224</del> <u>1.0215</u>	17018
Hardin	<del>1.0219</del> <u>1.0348</u>	17019
Harrison	<del>1.0098</del> <u>1.0081</u>	17020
Henry	<del>1.0347</del> <u>1.0338</u>	17021
Highland	<del>1.0139</del> <u>1.0129</u>	17022
Hocking	<del>1.0149</del> <u>1.0151</u>	17023
Holmes	<del>1.0237</del> <u>1.0238</u>	17024
Huron	<del>1.0317</del> <u>1.0305</u>	17025
Jackson	<del>1.0132</del> <u>1.0118</u>	17026
Jefferson	<del>1.0084</del> <u>1.0067</u>	17027
Knox	<del>1.0251</del> <u>1.0258</u>	17028
Lake	<del>1.0596</del> <u>1.0556</u>	17029
Lawrence	<del>1.0128</del> <u>1.0122</u>	17030
Licking	<del>1.0381</del> <u>1.0375</u>	17031
Logan	<del>1.0188</del> <u>1.0362</u>	17032
Lorain	<del>1.0535</del> <u>1.0521</u>	17033
Lucas	<del>1.0413</del> <u>1.0406</u>	17034
Madison	<del>1.0342</del> <u>1.0437</u>	17035
Mahoning	<del>1.0426</del> <u>1.0384</u>	17036
Marion	<del>1.0121</del> <u>1.0263</u>	17037
Medina	<del>1.0608</del> <u>1.0595</u>	17038
Meigs	<del>1.0031</del> <u>1.0018</u>	17039
Mercer	<del>1.0177</del> <u>1.0199</u>	17040
Miami	<del>1.0425</del> <u>1.0415</u>	17041
Monroe	<del>1.0118</del> <u>1.0097</u>	17042
Montgomery	<del>1.0482</del> <u>1.0476</u>	17043
Morgan	<del>1.0140</del> <u>1.0128</u>	17044

Page 550

Morrow	<del>1.0268</del> <u>1.0276</u>	1704
Muskingum	$\frac{1.0167}{1.0145}$	1704
Noble	$\frac{1.0129}{1.0103}$	1704
Ottawa	<del>1.0510</del> <u>1.0468</u>	1704
Paulding	$\frac{1.0156}{1.0140}$	1704
Perry	$\frac{1.0130}{1.0175}$ $\frac{1.0154}{1.0154}$	170
Pickaway	$\frac{1.0338}{1.0326}$	170
Pike	$\frac{1.0103}{1.0094}$	170
Portage	$\frac{1.0100}{1.0556}$ $\frac{1.0516}{1.0516}$	170
Preble	$\frac{1.0330}{1.0486}$ $\frac{1.0476}{1.0476}$	170
Putnam	$\frac{1.0100}{1.0253}$ $\frac{1.0243}{1.0243}$	170
Richland	$\frac{1.0205}{1.0213}$	170
Ross	$\frac{1.0203}{1.0089}$ $\frac{1.0085}{1.0085}$	170
Sandusky	$\frac{1.0009}{1.0336}$ $\frac{1.0307}{1.0307}$	170
Scioto	$\frac{1.0330}{1.0044}$ $\frac{1.0029}{1.0029}$	170
Seneca	$\frac{1.0044}{1.0223}$	170
		170
Shelby	$\frac{1.0257}{1.0263}$	
Stark	$\frac{1.0313}{1.0300}$	170
Summit	$\frac{1.0616}{1.0598}$	170
Trumbull	$\frac{1.0425}{1.0381}$	170
Tuscarawas	<del>1.0099</del> <u>1.0097</u>	170
Union	<del>1.0330</del> <u>1.0446</u>	170
Van Wert	$\frac{1.0126}{1.0133}$	170
Vinton	<del>1.0068</del> <u>1.0070</u>	170
Warren	<del>1.0651</del> <u>1.0659</u>	170
Washington	<del>1.0110</del> <u>1.0075</u>	170
Wayne	<del>1.0406</del> <u>1.0404</u>	170
Williams	<del>1.0268</del> <u>1.0284</u>	170
Wood	<del>1.0405</del> <u>1.0382</u>	170
Wyandot	<del>1.0191</del> <u>1.0188</u>	170
As used in this divisio	on, "multiplier" means the number	170

for the corresponding fiscal year as follows:

FISCAL YEAR OF THE

COMPUTATION	MULTIPLIER	17078
<del>1998</del>	<del>9.6/7.5</del>	17079
<del>1999</del>	<del>11.0/7.5</del>	17080
<del>2000</del>	$\frac{12.4}{7.5}$	17081
<del>2001</del>	13.8/7.5	17082
<del>2002</del>	$\frac{15.2}{7.5}$	17083
<del>2003</del>	<del>16.6/7.5</del>	17084
04 and thereafter	<del>18.0/7.5</del>	17085

2004 and thereafter

Beginning in fiscal year 1998, the department shall annually	17086
adjust the cost-of-doing-business factor for each county in	17087
accordance with the following formula:	17088

[(The cost-of-doing-business factor specified under 17089 division (N)(1) of this section - 1) X (the multiplier 17090 for the fiscal year of the calculation)] + 1 17091

The result of such formula shall be the adjusted 17092 cost-of-doing-business factor for that fiscal year. 17093

(O) "Tax exempt value" of a school district means the amount 17094 certified for a school district under division (A)(4) of section 17095 3317.021 of the Revised Code. 17096

(P) "Potential value" of a school district means the adjusted 17097 total taxable value recognized valuation of a school district plus 17098 the tax exempt value of the district. 17099

(Q) "District median income" means the median Ohio adjusted 17100 gross income certified for a school district. On or before the 17101 first day of July of each year, the tax commissioner shall certify 17102 to the department of education for each city, exempted village, 17103 17104 and local school district the median Ohio adjusted gross income of the residents of the school district determined on the basis of 17105 tax returns filed for the second preceding tax year by the 17106 residents of the district. 17107

(R) "Statewide median income" means the median district 17108

Page 551

Page 552

17137

median income of all city, exempted village, and local school 17109 districts in the state. 17110

(S) "Income factor" for a city, exempted village, or local 17111
school district means the quotient obtained by dividing that 17112
district's median income by the statewide median income. 17113

(T) Except as provided in division (B)(3) of section 3317.012 17114 of the Revised Code, "valuation per pupil" for a city, exempted 17115 village, or local school district means the district's recognized 17116 valuation divided by the greater of the district's formula ADM or 17117 three-year average formula ADM. 17118

(U) Except as provided in section 3317.0213 of the Revised17119Code, "adjusted valuation per pupil" means the amount calculated17120in accordance with the following formula:17121

District valuation per pupil - [\$60,000 X 17122

(1 - district income factor)] 17123

If the result of such formula is negative, the adjusted17124valuation per pupil shall be zero.17125

(V) "Income adjusted valuation" means the product obtained by17126multiplying the school district's adjusted valuation per pupil by17127the greater of the district's formula ADM or three-year average17128formula ADM.17129

(W) Except as provided in division (A)(2) of section 3317.022 17130
of the Revised Code, "adjusted total taxable value" means one of 17131
the following: 17132

(1) In any fiscal year that a school district's income factor17133is less than or equal to one, the amount calculated under the17134following formula:17135

(Income adjusted valuation X multiple) + 17136

[recognized valuation X (1-multiple)]

Where "multiple" means the number for the corresponding 17138

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance	ce and Financial Institutions	Page 553
<del>fiscal year as follows:</del>		17139
FISCAL YEAR OF THE		17140
COMPUTATION	MULTIPLE	17141
2000	<del>1/5</del>	17142
2001 and thereafter	4/15	17143
<del>(2) In fiscal year 1999, if a sch</del>	ool district's income factor	17144
is greater than one, the amount calcul	ated under the following	17145
formula:		17146
(Income adjusted value	ation X 1/15)	17147
+ (recognized valuat:	ion <u>X 14/15)</u>	17148
Thereafter, the adjusted total ta	xable value of a district	17149
with an income factor greater than one	shall be its recognized	17150
valuation.		17151

Sec. 3317.021. (A) On or before the first day of June of each 17152 year, the tax commissioner shall certify to the department of 17153 education the following information for each city, exempted 17154 village, and local school district, and the information required 17155 by divisions (A)(1) and (2) of this section for each joint 17156 vocational school district, and it shall be used, along with the 17157 information certified under division (B) of this section, in 17158 making the computations for the district under section sections 17159 3317.022 and 3317.0217 or section 3317.16 of the Revised Code: 17160

(1) The taxable value of real and public utility real
property in the school district subject to taxation in the
preceding tax year, by class and by county of location;
17163

(2) The taxable value of tangible personal property, 17164
including public utility personal property, subject to taxation by 17165
the district for the preceding tax year; 17166

(3)(a) The total property tax rate and total taxes charged 17167and payable for the current expenses for the preceding tax year 17168

### Substitute Version as Presented to the Senate Finance and Financial Institutions

and the total property tax rate and the total taxes charged and 17169 payable to a joint vocational district for the preceding tax year 17170 that are limited to or to the extent apportioned to current 17171 expenses;

(b) The portion of the amount of taxes charged and payable 17173
reported for each city, local, and exempted village school 17174
district under division (A)(3)(a) of this section attributable to 17175
a joint vocational school district. 17176

(4) The value of all real and public utility real property in 17177the school district exempted from taxation minus both of the 17178following: 17179

(a) The value of real and public utility real property in the 17180
district owned by the United States government and used 17181
exclusively for a public purpose; 17182

(b) The value of real and public utility real property in the 17183
district exempted from taxation under Chapter 725. or 1728. or 17184
section 3735.67, 5709.40, 5709.41, 5709.62, 5709.63, 5709.632, 17185
5709.73, or 5709.78 of the Revised Code. 17186

(5) The total effective operating tax rate for the district
in the tax year for which the most recent data are available
federal adjusted gross income of the residents of the school
district, based on tax returns filed by the residents of the
district, for the most recent year for which this information is
available.

(B) On or before the first day of May each year, the tax
(B) On or before the first day of May each year, the tax
(B) On or before the first day of May each year, the tax
(B) On or before the first day of May each year, the tax
(B) On or before the first day of May each year, the tax
(B) On or before the first day of May each year, by school district and by
(B) On or before the first day of May each year, by school district and by
(B) On or before the first day of May each year, by
(B) On or before tax
(B) On or before the first day of May each year, by
(B) On or before tax
(B) On

(C) If a public utility has properly and timely filed a 17199

17200 petition for reassessment under section 5727.47 of the Revised 17201 Code with respect to an assessment issued under section 5727.23 of 17202 the Revised Code affecting taxable property apportioned by the tax 17203 commissioner to a school district, the taxable value of public 17204 utility tangible personal property included in the certification 17205 under divisions (A)(2) and (B) of this section for the school 17206 district shall include only the amount of taxable value on the 17207 basis of which the public utility paid tax for the preceding year 17208 as provided in division (B)(1) or (2) of section 5727.47 of the 17209 Revised Code.

(D) If on the basis of the information certified under 17210 division (A) of this section, the department determines that any 17211 district fails in any year to meet the qualification requirement 17212 specified in division (A) of section 3317.01 of the Revised Code, 17213 the department shall immediately request the tax commissioner to 17214 determine the extent to which any school district income tax 17215 levied by the district under Chapter 5748. of the Revised Code 17216 shall be included in meeting that requirement. Within five days of 17217 receiving such a request from the department, the tax commissioner 17218 shall make the determination required by this division and report 17219 the quotient obtained under division (D)(3) of this section to the 17220 department. This quotient represents the number of mills that the 17221 department shall include in determining whether the district meets 17222 the qualification requirement of division (A) of section 3317.01 17223 of the Revised Code. 17224

The tax commissioner shall make the determination required by 17225 this division as follows: 17226

(1) Multiply one mill times the total taxable value of the 17227 district as determined in divisions (A)(1) and (2) of this 17228 section; 17229

(2) Estimate the total amount of tax liability for the 17230 current tax year under taxes levied by Chapter 5748. of the 17231

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 556

17237

Revised Code that are apportioned to current operating expenses of 17232 the district; 17233

(3) Divide the amount estimated under division (D)(2) of this 17234section by the product obtained under division (D)(1) of this 17235section. 17236

(E) As used in this section:

(1) "Class I taxes charged and payable for current expenses"17238means taxes charged and payable for current expenses on land and17239improvements classified as residential/agricultural real property17240under section 5713.041 of the Revised Code.17241

(2) "Class I taxable value" means the taxable value of land17242and improvements classified as residential/agricultural real17243property under section 5713.041 of the Revised Code.17244

(3) "Class I effective operating tax rate" of a school17245district means the quotient obtained by dividing the school17246district's Class I taxes charged and payable for current expenses17247by the district's Class I taxable value.17248

(4) "Income tax equivalent tax rate" of a school district17249means the quotient obtained by dividing the income tax revenue17250disbursed during the current fiscal year under any tax levied17251pursuant to Chapter 5748. of the Revised Code by total taxable17252value of the district to the extent the revenue from the tax is17253allocated or apportioned to current expenses.17254

(5) "Total effective operating tax rate" means the sum of the17255Class I effective operating tax rate and the income tax equivalent17256tax rate.17257

sec. 3317.022. (A)(1) The department of education shall 17258
compute and distribute state base cost funding to each school 17259
district for the fiscal year in accordance with the following 17260
formula, using adjusted total taxable value as defined in section 17261

#### Page 557

3317.02 of the Revised Code or making any adjustment required by17262division (A)(2) of this section and using the information obtained17263under section 3317.021 of the Revised Code in the calendar year in17264which the fiscal year begins.17265

Compute the following for each eligible district:17266[cost-of-doing-business factor X17267the formula amount X (the greater of formula ADM17268or three-year average formula ADM)] -17269

(.023 X adjusted total taxable value recognized valuation) 17270

If the difference obtained is a negative number, the17271district's computation shall be zero.17272

(2)(a) For each school district for which the tax exempt 17273 value of the district equals or exceeds twenty-five per cent of 17274 the potential value of the district, the department of education 17275 shall calculate the difference between the district's tax exempt 17276 value and twenty-five per cent of the district's potential value. 17277

(b) For each school district to which division (A)(2)(a) of 17278
this section applies, the adjusted total taxable value department 17279
<u>shall adjust the recognized valuation</u> used in the calculation 17280
under division (A)(1) of this section shall be the adjusted total 17281
taxable value modified by subtracting <u>from it</u> the amount 17282
calculated under division (A)(2)(a) of this section. 17283

(B) As used in this section:

17284

(1) The "total special education weight" for a district means 17285the sum of the following amounts: 17286

(a) The district's category one special education ADM 17287
 multiplied by the multiple specified <u>under in</u> division (A) of 17288
 section 3317.013 of the Revised Code; 17289

(b) The sum of the district's category two and category three 17290
 special education ADMs multiplied by the multiple specified under 17291
 in division (B) of section 3317.013 of the Revised Code. 17292

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 558

17308

(2) "State share percentage" means the percentage calculated 17293for a district as follows: 17294

(a) Calculate the state base cost funding amount for the 17295
district for the fiscal year under division (A) of this section. 17296
If the district would not receive any state base cost funding for 17297
that year under that division, the district's state share 17298
percentage is zero. 17299

(b) If the district would receive state base cost funding 17300under that division, divide that amount by an amount equal to the 17301following: 17302

Cost-of-doing-business factor X 17303

the formula amount X (the greater of formula17304ADM or three-year average formula ADM)17305

The resultant number is the district's state share 17306 percentage. 17307

(3) "Related services" includes:

(a) Child study, special education supervisors and 17309 coordinators, speech and hearing services, adaptive physical 17310 development services, occupational or physical therapy, teacher 17311 assistants for handicapped children whose handicaps are described 17312 in division (B) of section 3317.013 or division (F)(3) of section 17313 3317.02 of the Revised Code, behavioral intervention, interpreter 17314 services, work study, nursing services, and specialized 17315 integrative services as those terms are defined by the department; 17316

(b) Speech and language services provided to any student with 17317
 a handicap, including any student whose primary or only handicap 17318
 is a speech and language handicap; 17319

(c) Any related service not specifically covered by other 17320
state funds but specified in federal law, including but not 17321
limited to, audiology and school psychological services; 17322

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(d) Any service included in units funded under former 17323division (0)(1) of section 3317.023 of the Revised Code; 17324

(e) Any other related service needed by handicapped children 17325in accordance with their individualized education plans. 17326

(4) The "total vocational education weight" for a district 17327means the sum of the following amounts: 17328

(a) The district's category one vocational education ADM 17329
 multiplied by the multiple specified in division (A) of section 17330
 3317.014 of the Revised Code; 17331

(b) The district's category two vocational education ADM 17332
multiplied by the multiple specified in division (B) of section 17333
3317.014 of the Revised Code. 17334

(C)(1) The department shall compute and distribute state 17335 special education and related services additional weighted costs 17336 funds to each school district in accordance with the following 17337 formula: 17338

The district's state share percentage17339X the formula amount for the year17340for which the aid is calculated17341X the district's total special education weight17342

(2) In any fiscal year, a school district receiving funds
 under division (C)(1) of this section shall spend on related
 17343
 services the lesser of the following:
 17345

(a) The amount the district spent on related services in the 17346preceding fiscal year; 17347

(b) 1/8 X {[cost-of-doing-business factor X the formula 17348
amount X (the category one special education ADM + category two 17349
special education ADM + category three special education ADM)] + 17350
the amount calculated for the fiscal year under division (C)(1) of 17351
this section + the local share of special education and related 17352

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 560
services additional weighted costs}.	17353
(3) The attributed local share of special education and	17354
related services additional weighted costs equals:	17355
(1 - the district's state share percentage) X	17356
the district's total special education weight X	17357
the formula amount	17358
(4)(a) The department shall compute and pay in accordance	17359
with this division additional state aid to school districts for	17360
students in <del>category three</del> <u>categories one and two</u> special	17361
education ADM. If a district's costs for the fiscal year for a	17362
student in its <del>category three</del> <u>categories one and two</u> special	17363
education ADM are twenty-five thousand dollars or more, the	17364
district may submit to the superintendent of public instruction	17365
documentation, as prescribed by the superintendent, of all its	17366
costs for that student. Upon submission of documentation for a	17367
student of the type and in the manner prescribed, the department	17368
shall pay to the district an amount equal to the <u>sum of the</u>	17369
following:	17370
(i) One-half of the district's costs for the student in	17371
excess of twenty-five thousand dollars;	17372
(ii) The product of one-half of the district's costs for the	17373
student in excess of twenty-five thousand dollars multiplied by	17374
the district's state share percentage.	17375
(b) In fiscal year 2002, if a district's costs for a student	17376
in its category three special education ADM are twenty-five	17377
thousand dollars or more, the district may submit to the	17378
superintendent of public instruction documentation, as prescribed	17379
by the superintendent, of all its costs for that student. Upon	17380
submission of documentation for a student of the type and in the	17381
manner prescribed, the department shall pay to the district an	17382
amount equal to the sum of the following:	17383

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 561

(i) One-half of the district's costs for the student in	17384
excess of twenty-five thousand dollars;	17385
(ii) The product of one-half of the district's costs for the	17386
student in excess of twenty-five thousand dollars multiplied by	17387
the district's state share percentage.	17388
<u>(c) In any fiscal year after fiscal year 2002, if a</u>	17389
district's costs for a student in its category three special	17390
	17391
education ADM are twenty thousand dollars or more, the district	
may submit to the superintendent of public instruction	17392
documentation, as prescribed by the superintendent, of all its	17393
costs for that student. Upon submission of documentation for a	17394
student of the type and in the manner prescribed, the department	17395
shall pay to the district an amount equal to the sum of the	17396
following:	17397
(i) One-half of the district's costs for the student in	17398
(i) One-half of the district's costs for the student in excess of twenty thousand dollars;	17398 17399
excess of twenty thousand dollars;	17399
<u>excess of twenty thousand dollars;</u> (ii) The product of one-half of the district's costs for the	17399 17400
excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the	17399 17400 17401
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage.</pre>	17399 17400 17401 17402
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report <u>under divisions (C)(4)(a)</u></pre>	17399 17400 17401 17402 17403
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report <u>under divisions (C)(4)(a)</u> to (c) of this section, and the department shall only pay for, the</pre>	17399 17400 17401 17402 17403 17404
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report <u>under divisions (C)(4)(a)</u> to (c) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to</pre>	17399 17400 17401 17402 17403 17404 17405
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report under divisions (C)(4)(a) to (c) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized</pre>	17399 17400 17401 17402 17403 17404 17405 17406
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report under divisions (C)(4)(a) to (c) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs</pre>	17399 17400 17401 17402 17403 17404 17405 17406 17407
<pre>excess of twenty thousand dollars; (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report <u>under divisions (C)(4)(a)</u> to (c) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may</pre>	17399 17400 17401 17402 17403 17404 17405 17406 17407 17408
<pre>excess of twenty thousand dollars: (ii) The product of one-half of the district's costs for the student in excess of twenty thousand dollars multiplied by the district's state share percentage. (d) The district shall only report <u>under divisions (C)(4)(a)</u> to (c) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may not be included in the amount.</pre>	17399 17400 17401 17402 17403 17404 17405 17406 17407 17408 17409

thousand dollars in fiscal year 20012002 and fifty-five thousand17412six hundred fifty-two dollars in fiscal year 2003.17413

(b) For the provision of speech services to students and for 17414

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

17443

17415 no other purpose, the department of education shall pay each 17416 school district an amount calculated under the following formula: (formula ADM divided by 2000) X 17417 the personnel allowance X the state share percentage 17418 (6) In any fiscal year, a school district receiving funds 17419 under division (C)(1) of this section shall spend those funds only 17420 for the purposes that the department designates as approved for 17421 special education expenses. 17422

(D)(1) As used in this division: 17423

(a) "Daily bus miles per student" equals the number of bus 17424miles traveled per day, divided by transportation base. 17425

(b) "Transportation base" equals total student count as 17426
defined in section 3301.011 of the Revised Code, minus the number 17427
of students enrolled in preschool handicapped units, plus the 17428
number of nonpublic school students included in transportation 17429
ADM. 17430

(c) "Transported student percentage" equals transportation 17431ADM divided by transportation base. 17432

(d) "Transportation cost per student" equals total operating 17433
 costs for board-owned or contractor-operated school buses divided 17434
 by transportation base. 17435

(2) Analysis of student transportation cost data has resulted 17436 in a finding that an average efficient transportation use cost per 17437 student can be calculated by means of a regression formula that 17438 has as its two independent variables the number of daily bus miles 17439 per student and the transported student percentage. For fiscal 17440 year 1998 transportation cost data, the average efficient 17441 transportation use cost per student is expressed as follows: 17442

51.79027 + (139.62626 X daily bus miles per student) + 17444 (116.25573 X transported student percentage) 17445

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

The department of education shall annually determine the 17446 average efficient transportation use cost per student in 17447 accordance with the principles stated in division (D)(2) of this 17448 section, updating the intercept and regression coefficients of the 17449 regression formula modeled in this division, based on an annual 17450 statewide analysis of each school district's daily bus miles per 17451 student, transported student percentage, and transportation cost 17452 per student data. The department shall conduct the annual update 17453 using data, including daily bus miles per student, transported 17454 student percentage, and transportation cost per student data, from 17455 the prior fiscal year. The department shall notify the office of 17456 budget and management of such update by the fifteenth day of 17457 February of each year. 17458

(3) In addition to funds paid under divisions (A), (C), and 17459 (E) of this section, each district with a transported student 17460 percentage greater than zero shall receive a payment equal to a 17461 percentage of the product of the district's transportation base 17462 from the prior fiscal year times the annually updated average 17463 efficient transportation use cost per student, times an inflation 17464 factor of two and eight tenths per cent to account for the 17465 one-year difference between the data used in updating the formula 17466 and calculating the payment and the year in which the payment is 17467 made. The percentage shall be the following percentage of that 17468 product specified for the corresponding fiscal year: 17469

FISCAL YEAR	PERCENTAGE	17470
2000	52.5%	17471
2001	55%	17472
2002	57.5%	17473
2003 and thereafter	<u>The greater</u>	17474
	<u>of</u> 60% <u>or</u>	
	the	

<u>district's</u>

# <u>state share</u>

#### <u>percentage</u>

The payments made under division (D)(3) of this section each	17475
year shall be calculated based on all of the same prior year's	17476
data used to update the formula.	17477
(4) In addition to funds paid under divisions $(D)(2)$ and $(3)$	17478
of this section, a school district shall receive a rough road	17479
subsidy if both of the following apply:	17480
(a) Its county rough road percentage is higher than the	17481
statewide rough road percentage, as those terms are defined in	17482
division (D)(5) of this section;	17483
(b) Its district student density is lower than the statewide	17484
student density, as those terms are defined in that division.	17485
(5) The rough road subsidy paid to each district meeting the	17486
qualifications of division (D)(4) of this section shall be	17487
calculated in accordance with the following formula:	17488
(per rough mile subsidy X total rough road miles) X	17489
(per rough mile subsidy X total rough road miles) X density multiplier	17489 17490
density multiplier	17490
density multiplier where:	17490 17491
density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in	17490 17491 17492
density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula:	17490 17491 17492 17493
density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula:	17490 17491 17492 17493 17494
density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula: 0.75 - {0.75 X [(maximum rough road percentage -	17490 17491 17492 17493 17494 17495
<pre>density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula:       0.75 - {0.75 X [(maximum rough road percentage -       county rough road percentage)/(maximum rough road percentage -</pre>	17490 17491 17492 17493 17494 17495 17496
<pre>density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula:         0.75 - {0.75 X [(maximum rough road percentage -</pre>	17490 17491 17492 17493 17494 17495 17496 17497
<pre>density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula:       0.75 - {0.75 X [(maximum rough road percentage -</pre>	17490 17491 17492 17493 17494 17495 17496 17497 17498
<pre>density multiplier where: (a) "Per rough mile subsidy" equals the amount calculated in accordance with the following formula:             0.75 - {0.75 X [(maximum rough road percentage -</pre>	17490 17491 17492 17493 17494 17495 17496 17497 17498 17499

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

or F in the county in which the school district is located or, if the district is located in more than one county, the county to which it is assigned for purposes of determining its cost-of-doing-business factor.

(iii) "Statewide rough road percentage" means the percentage 17507
of the statewide total mileage of state, municipal, county, and 17508
township roads that is rated as type A, B, C, E2, or F by the 17509
department of transportation. 17510

(b) "Total rough road miles" means a school district's total
 bus miles traveled in one year times its county rough road
 percentage.
 17513

(c) "Density multiplier" means a figure calculated in 17514accordance with the following formula: 17515

1 - [(minimum student density - district student 17516

- density)/(minimum student density 17517
  - statewide student density)] 17518

(i) "Minimum student density" means the lowest district 17519student density in the state. 17520

(ii) "District student density" means a school district's 17521transportation base divided by the number of square miles in the 17522district. 17523

(iii) "Statewide student density" means the sum of the
 transportation bases for all school districts divided by the sum
 of the square miles in all school districts.
 17526

(6) In addition to funds paid under divisions (D)(2) to (5) 17527 of this section, each district shall receive in accordance with 17528 rules adopted by the state board of education a payment for 17529 students transported by means other than board-owned or 17530 contractor-operated buses and whose transportation is not funded 17531 under division (J) of section 3317.024 of the Revised Code. The 17532 rules shall include provisions for school district reporting of 17533

Page 566

17534

such students.

(7) Notwithstanding divisions (D)(1) to (6) of this section, 17535 in fiscal year 2000 only, each school district shall receive the 17536 greater of the total amount calculated for it under those 17537 divisions and division (J) of section 3317.024 of the Revised Code 17538 or the total amount calculated for it for types one through six 17539 student transportation operating funds in fiscal year 1999. For 17540 purposes of division (D)(7) of this section, the fiscal year 1999 17541 quaranteed total amount does not include subsidies for school bus 17542 purchases. 17543

(E)(1) The department shall compute and distribute state 17544 vocational education additional weighted costs funds to each 17545 school district in accordance with the following formula: 17546 state share percentage X 17547 the formula amount X 17548 total vocational education weight 17549

In any fiscal year, a school district receiving funds under 17550 division (E)(1) of this section shall spend those funds only for 17551 the purposes that the department designates as approved for 17552 vocational education expenses. 17553

(2) The department shall compute for each school district 17554
 state funds for vocational education associated services in 17555
 accordance with the following formula: 17556
 state share percentage X .05 X 17557
 the formula amount X the sum of categories one and two 17558

vocational education ADM 17559

In any fiscal year, a school district receiving funds under 17560 division (E)(2) of this section, or through a transfer of funds 17561 pursuant to division (L) of section 3317.023 of the Revised Code, 17562 shall spend those funds only for the purposes that the department 17563 designates as approved for vocational education associated 17564

17565 services expenses, which may include such purposes as 17566 apprenticeship coordinators, coordinators for other vocational 17567 education services, vocational evaluation, and other purposes 17568 designated by the department. The department may deny payment 17569 under division (E)(2) of this section to any district that the 17570 department determines is not operating those services or is using 17571 funds paid under division (E)(2) of this section, or through a 17572 transfer of funds pursuant to division (L) of section 3317.023 of 17573 the Revised Code, for other purposes.

In fiscal years 2000 and 2001, each school district shall 17574 continue to offer the same number of the vocational education 17575 programs that the district offered in fiscal year 1999, unless the 17576 department of education expressly agrees that the district may 17577 offer fewer programs in either fiscal year 2000 or 2001 or both. 17578

(F) Beginning in fiscal year 2003, the actual local share in 17579 any fiscal year for the combination of special education and 17580 related services additional weighted costs funding calculated 17581 under division (C)(1) of this section, transportation funding 17582 calculated under divisions (D)(2) and (3) of this section, and 17583 vocational education and associated services additional weighted 17584 costs funding calculated under divisions (E)(1) and (2) of this 17585 section shall not exceed for any school district the product of 17586 three mills times the district's recognized valuation. Beginning 17587 in fiscal year 2003, the department annually shall pay each school 17588 district as an excess cost supplement any amount by which the sum 17589 of the district's attributed local shares for that funding exceeds 17590 that product. For purposes of calculating the excess cost 17591 supplement: 17592

(1) The attributed local share for special education and 17593 related services additional weighted costs funding is the amount 17594 specified in division (C)(3) of this section. 17595

(2) The attributed local share of transportation funding 17596

Page 568

equals the difference of the total amount calculated for the	17597				
district using the formula developed under division (D)(2) of this					
section minus the actual amount paid to the district after	17599				
applying the percentage specified in division (D)(3) of this	17600				
section.	17601				
(3) The attributed local share of vocational education and	17602				
associated services additional weighted costs funding is the	17603				
amount determined as follows:	17604				
	17605				
(1 - state share percentage) X					
[(total vocational education weight X the formula amount) +	17606				
the payment under division (E)(2) of this section]	17607				
Sec. 3317.023. (A) Notwithstanding section 3317.022 of the	17608				
Revised Code, the amounts required to be paid to a district under	17609				
this chapter shall be adjusted by the amount of the computations	17610				
made under divisions (B) to $\frac{(K)(L)}{(L)}$ of this section.	17611				
As used in this section:	17612				
(1) "Classroom teacher" means a licensed employee who	17613				
provides direct instruction to pupils, excluding teachers funded	17614				
from money paid to the district from federal sources; educational	17615				
service personnel; and vocational and special education teachers.	17616				
(2) "Educational service personnel" shall not include such	17617				
specialists funded from money paid to the district from federal	17618				
sources or assigned full-time to vocational or special education	17619				
students and classes and may only include those persons employed	17620				
in the eight specialist areas in a pattern approved by the	17621				
department of education under guidelines established by the state	17622				
board of education.	17623				
(3) "Annual salary" means the annual base salary stated in	17624				
	1 0 0 0 0				

the state minimum salary schedule for the performance of the 17624 teacher's regular teaching duties that the teacher earns for 17626

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

services rendered for the first full week of October of the fiscal year for which the adjustment is made under division (C) of this section. It shall not include any salary payments for supplemental teachers contracts. 17627 17628 17629 17630

(4) "Regular student population" means the formula ADM plus 17631 the number of students reported as enrolled in the district 17632 pursuant to division (A)(1) of section 3313.981 of the Revised 17633 Code; minus the number of students reported under division (A)(2)17634 of section 3317.03 of the Revised Code; minus the FTE of students 17635 reported under division (B)(5), (6), (7), (8), or (9) of that 17636 section who are enrolled in a vocational education class or 17637 receiving special education; and minus one-fourth of the students 17638 enrolled concurrently in a joint vocational school district. 17639

(5) "State share percentage" has the same meaning as in17640section 3317.022 of the Revised Code.17641

(6) "VEPD" means a school district or group of school
districts designated by the department of education as being
responsible for the planning for and provision of vocational
17644
education services to students within the district or group.

(7) "Lead district" means a school district, including a 17646
joint vocational school district, designated by the department as 17647
a VEPD, or designated to provide primary vocational education 17648
leadership within a VEPD composed of a group of districts. 17649

(B) If the district employs less than one full-time 17650
equivalent classroom teacher for each twenty-five pupils in the 17651
regular student population in any school district, deduct the sum 17652
of the amounts obtained from the following computations: 17653

(1) Divide the number of the district's full-time equivalent 17654classroom teachers employed by one twenty-fifth; 17655

(2) Subtract the quotient in (1) from the district's regular 17656student population; 17657

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 570

(3) Multiply the difference in (2) by seven hundred fifty-two 17658dollars. 17659

(C) If a positive amount, add one-half of the amount obtained 17660by multiplying the number of full-time equivalent classroom 17661teachers by: 17662

(1) The mean annual salary of all full-time equivalent
 17663
 classroom teachers employed by the district at their respective
 17664
 training and experience levels minus;
 17665

(2) The mean annual salary of all such teachers at their17666respective levels in all school districts receiving payments under17667this section.

The number of full-time equivalent classroom teachers used in 17669 this computation shall not exceed one twenty-fifth of the 17670 district's regular student population. In calculating the 17671 district's mean salary under this division, those full-time 17672 equivalent classroom teachers with the highest training level 17673 shall be counted first, those with the next highest training level 17674 second, and so on, in descending order. Within the respective 17675 training levels, teachers with the highest years of service shall 17676 be counted first, the next highest years of service second, and so 17677 on, in descending order. 17678

(D) This division does not apply to a school district that 17679 has entered into an agreement under division (A) of section 17680 3313.42 of the Revised Code. Deduct the amount obtained from the 17681 following computations if the district employs fewer than five 17682 full-time equivalent educational service personnel, including 17683 elementary school art, music, and physical education teachers, 17684 counselors, librarians, visiting teachers, school social workers, 17685 and school nurses for each one thousand pupils in the regular 17686 17687 student population:

(1) Divide the number of full-time equivalent educational 17688

Page 571

service personnel employed by the district by five 17689 one-thousandths; 17690

(2) Subtract the quotient in (1) from the district's regular 17691
student population; 17692

(3) Multiply the difference in (2) by ninety-four dollars. 17693

(E) If a local school district, or a city or exempted village 17694
 school district to which a governing board of an educational 17695
 service center provides services pursuant to section 3313.843 of 17696
 the Revised Code, deduct the amount of the payment required for 17697
 the reimbursement of the governing board under section 3317.11 of 17698
 the Revised Code. 17699

(F)(1) If the district is required to pay to or entitled to 17700 receive tuition from another school district under division (C)(2)17701 or (3) of section 3313.64 or section 3313.65 of the Revised Code, 17702 or if the superintendent of public instruction is required to 17703 determine the correct amount of tuition and make a deduction or 17704 credit under section 3317.08 of the Revised Code, deduct and 17705 credit such amounts as provided in division (I) of section 3313.64 17706 or section 3317.08 of the Revised Code. 17707

(2) For each child for whom the district is responsible for 17708
tuition or payment under division (A)(1) of section 3317.082 or 17709
section 3323.091 of the Revised Code, deduct the amount of tuition 17710
or payment for which the district is responsible. 17711

(G) If the district has been certified by the superintendent 17712 of public instruction under section 3313.90 of the Revised Code as 17713 not in compliance with the requirements of that section, deduct an 17714 amount equal to ten per cent of the amount computed for the 17715 district under section 3317.022 of the Revised Code. 17716

(H) If the district has received a loan from a commercial 17717
lending institution for which payments are made by the 17718
superintendent of public instruction pursuant to division (E)(3) 17719

stitutions

of section 3313.483 of the Revised Code, deduct an amount equal to 17720 such payments.

(I)(1) If the district is a party to an agreement entered 17722 into under division (D), (E), or (F) of section 3311.06 or 17723 division (B) of section 3311.24 of the Revised Code and is 17724 obligated to make payments to another district under such an 17725 agreement, deduct an amount equal to such payments if the district 17726 school board notifies the department in writing that it wishes to 17727 have such payments deducted. 17728

(2) If the district is entitled to receive payments from 17729
 another district that has notified the department to deduct such 17730
 payments under division (I)(1) of this section, add the amount of 17731
 such payments. 17732

(J) If the district is required to pay an amount of funds to 17733
a cooperative education district pursuant to a provision described 17734
by division (B)(4) of section 3311.52 or division (B)(8) of 17735
section 3311.521 of the Revised Code, deduct such amounts as 17736
provided under that provision and credit those amounts to the 17737
cooperative education district for payment to the district under 17738
division (B)(1) of section 3317.19 of the Revised Code. 17739

(K)(1) If a district is educating a student entitled to 17740 attend school in another district pursuant to a shared education 17741 contract, compact, or cooperative education agreement other than 17742 an agreement entered into pursuant to section 3313.842 of the 17743 Revised Code, credit to that educating district on an FTE basis 17744 both of the following: 17745

(a) An amount equal to the formula amount times the cost of 17746
 doing business factor of the school district where the student is 17747
 entitled to attend school pursuant to section 3313.64 or 3313.65 17748
 of the Revised Code; 17749

(b) An amount equal to the formula amount times the state 17750

share percentage times any multiple applicable to the student 17751 pursuant to section 3317.013 or 3317.014 of the Revised Code. 17752

(2) Deduct any amount credited pursuant to division (K)(1) of 17753 this section from amounts paid to the school district in which the 17754 student is entitled to attend school pursuant to section 3313.64 17755 or 3313.65 of the Revised Code. 17756

(3) If the district is required by a shared education
(3) If the district is required by a shared education
(3) If the district is required by a shared education
(3) If the district, is required by a shared education
(3) If the district of the education agreement to make
(3) If the district and add them to the amounts paid to the
(3) If the Revised Code.
(3) If the district of the revised Code.

(L)(1) If a district, including a joint vocational school 17762 district, is a lead district of a VEPD, credit to that district 17763 the amounts calculated for all the school districts within that 17764 VEPD pursuant to division (E)(2) of section 3317.022 of the 17765 Revised Code. 17766

(2) Deduct from each appropriate district that is not a lead
 17767
 district, the amount attributable to that district that is
 17768
 credited to a lead district under division (L)(1) of this section.
 17769

Sec. 3317.024. In addition to the moneys paid to eligible 17770 school districts pursuant to section 3317.022 of the Revised Code, 17771 moneys appropriated for the education programs in divisions (A) to 17772 (H), (J) to (L), (O), (P), and (R) of this section shall be 17773 distributed to school districts meeting the requirements of 17774 section 3317.01 of the Revised Code; in the case of divisions (J) 17775 and (P) of this section, to educational service centers as 17776 provided in section 3317.11 of the Revised Code; in the case of 17777 divisions (E), (M), and (N) of this section, to county MR/DD 17778 boards; in the case of division (R) of this section, to joint 17779 vocational school districts; in the case of division (K) of this 17780 section, to cooperative education school districts; and in the 17781

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

case of division (Q) of this section, to the institutions defined 17782 under section 3317.082 of the Revised Code providing elementary or 17783 secondary education programs to children other than children 17784 receiving special education under section 3323.091 of the Revised 17785 Code. The following shall be distributed monthly, quarterly, or 17786 annually as may be determined by the state board of education: 17787

(A) A per pupil amount to each school district that
 establishes a summer school remediation program that complies with
 17789
 rules of the state board of education.
 17790

(B) An amount for each island school district and each joint 17791
 state school district for the operation of each high school and 17792
 each elementary school maintained within such district and for 17793
 capital improvements for such schools. Such amounts shall be 17794
 determined on the basis of standards adopted by the state board of 17795
 education. 17796

(C) An amount for each school district operating classes for 17797 children of migrant workers who are unable to be in attendance in 17798 an Ohio school during the entire regular school year. The amounts 17799 shall be determined on the basis of standards adopted by the state 17800 board of education, except that payment shall be made only for 17801 subjects regularly offered by the school district providing the 17802 classes. 17803

(D) An amount for each school district with guidance, 17804
testing, and counseling programs approved by the state board of 17805
education. The amount shall be determined on the basis of 17806
standards adopted by the state board of education. 17807

(E) An amount for the emergency purchase of school buses as 17808 provided for in section 3317.07 of the Revised Code; 17809

(F) An amount for each school district required to pay
tuition for a child in an institution maintained by the department
of youth services pursuant to section 3317.082 of the Revised
17812

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Code, provided the child was not included in the calculation of17813the district's average daily membership for the preceding school17814year.17815

(G) In fiscal year 2000 only, an amount to each school
district for supplemental salary allowances for each licensed
17817
employee except those licensees serving as superintendents,
assistant superintendents, principals, or assistant principals,
17819
whose term of service in any year is extended beyond the term of
17820
service of regular classroom teachers, as described in section
17821
3301.0725 of the Revised Code;

(H) An amount for adult basic literacy education for each
district participating in programs approved by the state board of
education. The amount shall be determined on the basis of
standards adopted by the state board of education.
17825

(I) Notwithstanding section 3317.01 of the Revised Code, but 17827 only until June 30, 1999, to each city, local, and exempted 17828 village school district, an amount for conducting driver education 17829 courses at high schools for which the state board of education 17830 prescribes minimum standards and to joint vocational and 17831 cooperative education school districts and educational service 17832 centers, an amount for conducting driver education courses to 17833 17834 pupils enrolled in a high school for which the state board prescribes minimum standards. No payments shall be made under this 17835 division after June 30, 1999. 17836

(J) An amount for the approved cost of transporting 17837 developmentally handicapped pupils whom it is impossible or 17838 impractical to transport by regular school bus in the course of 17839 regular route transportation provided by the district or service 17840 center. No district or service center is eligible to receive a 17841 payment under this division for the cost of transporting any pupil 17842 whom it transports by regular school bus and who is included in 17843 the district's transportation ADM. The state board of education 17844

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

shall establish standards and guidelines for use by the department17845of education in determining the approved cost of such17846transportation for each district or service center.17847

(K) An amount to each school district, including each 17848 cooperative education school district, pursuant to section 3313.81 17849 of the Revised Code to assist in providing free lunches to needy 17850 children and an amount to assist needy school districts in 17851 purchasing necessary equipment for food preparation. The amounts 17852 shall be determined on the basis of rules adopted by the state 17853 board of education. 17854

(L) An amount to each school district, for each pupil 17855 attending a chartered nonpublic elementary or high school within 17856 the district. The amount shall equal the amount appropriated for 17857 the implementation of section 3317.06 of the Revised Code divided 17858 by the average daily membership in grades kindergarten through 17859 twelve in nonpublic elementary and high schools within the state 17860 as determined during the first full week in October of each school 17861 year. 17862

(M) An amount for each county MR/DD board, distributed on the 17863
basis of standards adopted by the state board of education, for 17864
the approved cost of transportation required for children 17865
attending special education programs operated by the county MR/DD 17866
board under section 3323.09 of the Revised Code; 17867

(N) An amount for each county MR/DD board, distributed on the 17868
 basis of standards adopted by the state board of education, for 17869
 supportive home services for preschool children; 17870

(0) An amount for each school district that establishes a 17871 mentor teacher program that complies with rules of the state board 17872 of education. No school district shall be required to establish or 17873 maintain such a program in any year unless sufficient funds are 17874 appropriated to cover the district's total costs for the program. 17875

170--

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(P) An amount to each school district or educational service 17876 center for the total number of gifted units approved pursuant to 17877 section 3317.05 of the Revised Code. The amount for each such unit 17878 shall be the sum of the minimum salary for the teacher of the 17879 unit, calculated on the basis of the teacher's training level and 17880 years of experience pursuant to the salary schedule prescribed in 17881 the version of section 3317.13 of the Revised Code in effect prior 17882 to the effective date of this amendment, plus fifteen per cent of 17883 that minimum salary amount, plus two thousand six hundred 17884 seventy-eight dollars. 17885

(Q) An amount to each institution defined under section 17886 3317.082 of the Revised Code providing elementary or secondary 17887 education to children other than children receiving special 17888 education under section 3323.091 of the Revised Code. This amount 17889 for any institution in any fiscal year shall equal the total of 17890 all tuition amounts required to be paid to the institution under 17891 division (A)(1) of section 3317.082 of the Revised Code. 17892

(R) A grant to each school district and joint vocational 17893 school district that operates a "graduation, reality, and 17894 dual-role skills" (GRADS) program for pregnant and parenting 17895 students that is approved by the department. The amount of the 17896 payment shall be the district's state share percentage, as defined 17897 in section 3317.022 or 3317.16 of the Revised Code, times the 17898 GRADS personnel allowance times the full-time-equivalent number of 17899 GRADS teachers approved by the department. The GRADS personnel 17900 allowance is \$45,000 in fiscal year 2000 and \$46,260 in fiscal 17901 year 2001 years 2002 and 2003. 17902

The state board of education or any other board of education 17903 or governing board may provide for any resident of a district or 17904 educational service center territory any educational service for 17905 which funds are made available to the board by the United States 17906 under the authority of public law, whether such funds come 17907

17908 directly or indirectly from the United States or any agency or 17909 department thereof or through the state or any agency, department, 17910 or political subdivision thereof.

Sec. 3317.029. (A) As used in this section: 17911

(1) "DPIA percentage" means the quotient obtained by dividing 17912 the five-year average number of children ages five to seventeen 17913 residing in the school district and living in a family receiving 17914 family assistance, as certified or adjusted under section 3317.10 17915 of the Revised Code, by the district's three-year average formula 17916 ADM. 17917

(2) "Family assistance" means assistance received under the 17918 Ohio works first program or, for the purpose of determining the 17919 five-year average number of recipients of family assistance in 17920 fiscal years 1999 through 2002, assistance received under an 17921 antecedent program known as TANF or ADC. 17922

(3) "Statewide DPIA percentage" means the five-year average 17923 of the total number of children ages five to seventeen years 17924 residing in the state and receiving family assistance, divided by 17925 the sum of the three-year average formula ADMs for all school 17926 districts in the state. 17927

(4) "DPIA index" means the quotient obtained by dividing the 17928 school district's DPIA percentage by the statewide DPIA 17929 17930 percentage.

(5) "Kindergarten ADM" means the number of students reported 17931 under section 3317.03 of the Revised Code as enrolled in 17932 kindergarten. 17933

(6) "Kindergarten through third grade ADM" means the amount 17934 calculated as follows: 17935

(a) Multiply the kindergarten ADM by the sum of one plus the 17936 all-day kindergarten percentage; 17937

(b) Add the number of students in grades one through three; 17938

(c) Subtract from the sum calculated under division (A)(6)(b)17939 of this section the number of special education students in grades 17940 kindergarten through three. 17941

(7) "Statewide average teacher salary" means forty forty-two 17942 thousand one four hundred eighty-seven sixty-nine dollars in 17943 17944 fiscal year 2000 2002, and forty-one forty-three thousand three six hundred twelve fifty-eight dollars in fiscal year 2001 2003, 17945 which includes an amount for the value of fringe benefits. 17946

(8) "All-day kindergarten" means a kindergarten class that is 17947 in session five days per week for not less than the same number of 17948 clock hours each day as for pupils in grades one through six. 17949

(9) "All-day kindergarten percentage" means the percentage of 17950 a district's actual total number of students enrolled in 17951 kindergarten who are enrolled in all-day kindergarten. 17952

(10) "Buildings with the highest concentration of need" means 17953 the school buildings in a district with percentages of students 17954 receiving family assistance in grades kindergarten through three 17955 at least as high as the district-wide percentage of students 17956 receiving family assistance. If, however, the information provided 17957 by the department of job and family services under section 3317.10 17958 of the Revised Code is insufficient to determine the family 17959 assistance percentage in each building, "buildings with the 17960 highest concentration of need" has the meaning given in rules that 17961 the department of education shall adopt. The rules shall base the 17962 definition of "buildings with the highest concentration of need" 17963 on family income of students in grades kindergarten through three 17964 in a manner that, to the extent possible with available data, 17965 approximates the intent of this division and division (G) of this 17966 section to designate buildings where the family assistance 17967 percentage in those grades equals or exceeds the district-wide 17968

family assistance percentage.

(B) In addition to the amounts required to be paid to a school district under section 3317.022 of the Revised Code, a 17971 school district shall receive the greater of the amount the 17972 district received in fiscal year 1998 pursuant to division (B) of 17973 section 3317.023 of the Revised Code as it existed at that time or 17974 the sum of the computations made under divisions (C) to (E) of 17975 this section. 17976

(C) A supplemental payment that may be utilized for measures 17977 related to safety and security and for remediation or similar 17978 programs, calculated as follows: 17979

(1) If the DPIA index of the school district is greater than 17980 or equal to thirty-five-hundredths, but less than one, an amount 17981 obtained by multiplying the five-year average number of pupils in 17982 a district receiving family assistance by two hundred thirty 17983 dollars; 17984

(2) If the DPIA index of the school district is greater than 17985 or equal to one, an amount obtained by multiplying the DPIA index 17986 by two hundred thirty dollars and multiplying that product by the 17987 five-year average number of pupils in a district receiving family 17988 assistance. 17989

Except as otherwise provided in division (F) of this section, 17990 beginning with the school year that starts July 1, 2002, each 17991 school district annually shall use at least twenty per cent of the 17992 funds calculated for the district under this division for 17993 intervention services required by section 3313.608 of the Revised 17994 Code. 17995

(D) A payment for all-day kindergarten if the DPIA index of 17996 the school district is greater than or equal to one or if the 17997 district's three-year average formula ADM exceeded seventeen 17998 thousand five hundred, calculated by multiplying the all-day 17999

Page 580

17969

17970

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 581

kindergarten percentage by the kindergarten ADM and multiplying 18000 that product by the formula amount. 18001

(E) A class-size reduction payment based on calculating the 18002
 number of new teachers necessary to achieve a lower 18003
 student-teacher ratio, as follows: 18004

(1) Determine or calculate a formula number of teachers per
 18005
 one thousand students based on the DPIA index of the school
 18006
 district as follows:

(a) If the DPIA index of the school district is less than
six-tenths, the formula number of teachers is 43.478, which is the
number of teachers per one thousand students at a student-teacher
18010
ratio of twenty-three to one;

(b) If the DPIA index of the school district is greater than
or equal to six-tenths, but less than two and one-half, the
formula number of teachers is calculated as follows:
18014

43.478 + {[(DPIA index-0.6)/ 1.9] X 23.188} 18015

Where 43.478 is the number of teachers per one thousand18016students at a student-teacher ratio of twenty-three to one; 1.9 is18017the interval from a DPIA index of six-tenths to a DPIA index of18018two and one-half; and 23.188 is the difference in the number of18019teachers per one thousand students at a student-teacher ratio of18020fifteen to one and the number of teachers per one thousand18021students at a student-teacher ratio of twenty-three to one.18022

(c) If the DPIA index of the school district is greater than
or equal to two and one-half, the formula number of teachers is
66.667, which is the number of teachers per one thousand students
18025
at a student-teacher ratio of fifteen to one.
18026

(2) Multiply the formula number of teachers determined or 18027
 calculated in division (E)(1) of this section by the kindergarten 18028
 through third grade ADM for the district and divide that product 18029
 by one thousand; 18030

Page 582

(3) Calculate the number of new teachers as follows: 18031

(a) Multiply the kindergarten through third grade ADM by
43.478, which is the number of teachers per one thousand students
18033
at a student-teacher ratio of twenty-three to one, and divide that
18034
product by one thousand;

(b) Subtract the quotient obtained in division (E)(3)(a) of 18036this section from the product in division (E)(2) of this section. 18037

(4) Multiply the greater of the difference obtained under 18038division (E)(3) of this section or zero by the statewide average 18039teachers salary. 18040

(F) This division applies only to school districts whose DPIA 18041index is one or greater. 18042

(1) Each school district subject to this division shall first 18043 utilize funds received under this section so that, when combined 18044 with other funds of the district, sufficient funds exist to 18045 provide all-day kindergarten to at least the number of children in 18046 the district's all-day kindergarten percentage. 18047

(2) Up to an amount equal to the district's DPIA index
multiplied by the five-year average number of pupils in a district
18049
receiving family assistance multiplied by two hundred thirty
18050
dollars of the money distributed under this section may be
18051
utilized for one or both of the following:

(a) Programs designed to ensure that schools are free of 18053drugs and violence and have a disciplined environment conducive to 18054learning; 18055

(b) Remediation for students who have failed or are in danger 18056
 of failing any of the proficiency tests administered pursuant to 18057
 section 3301.0710 of the Revised Code. 18058

Beginning with the school year that starts on July 1, 2002,18059each school district shall use at least twenty per cent of the18060

funds set aside for the purposes of divisions (F)(2)(a) and (b) of	18061			
this section to provide intervention services required by section				
3313.608 of the Revised Code.	18063			
(3) Except as otherwise required by division (G) or permitted	18064			
under division (K) of this section, all other funds distributed	18065			
under this section to districts subject to this division shall be	18066			
utilized for the purpose of the third grade guarantee. The third	18067			
grade guarantee consists of increasing the amount of instructional	18068			
attention received per pupil in kindergarten through third grade,	18069			
either by reducing the ratio of students to instructional	18070			
personnel or by increasing the amount of instruction and	18071			
curriculum-related activities by extending the length of the	18072			
school day or the school year.	18073			
School districts may implement a reduction of the ratio of	18074			
students to instructional personnel through any or all of the	18075			
following methods:	18076			
(a) Reducing the number of students in a classroom taught by	18077			
a single teacher;	18078			
(b) Employing full-time educational aides or educational	18079			
paraprofessionals issued a permit or license under section	18080			
3319.088 of the Revised Code;	18081			
(c) Instituting a team-teaching method that will result in a	18082			
lower student-teacher ratio in a classroom.	18083			
Districts may extend the school day either by increasing the	18084			
amount of time allocated for each class, increasing the number of	18085			
classes provided per day, offering optional academic-related	18086			
after-school programs, providing curriculum-related extra	18087			
curricular activities, or establishing tutoring or remedial	18088			
services for students who have demonstrated an educational need.	18089			
In accordance with section 3319.089 of the Revised Code, a	18090			
	10001			

district extending the school day pursuant to this division may 18091

utilize a participant of the work experience program who has a18092child enrolled in a public school in that district and who is18093fulfilling the work requirements of that program by volunteering18094or working in that public school. If the work experience program18095participant is compensated, the school district may use the funds18096distributed under this section for all or part of the1809718098

Districts may extend the school year either through adding 18099 regular days of instruction to the school calendar or by providing 18100 summer programs. 18101

(G) Each district subject to division (F) of this section 18102 shall not expend any funds received under division (E) of this 18103 section in any school buildings that are not buildings with the 18104 highest concentration of need, unless there is a ratio of 18105 instructional personnel to students of no more than fifteen to one 18106 in each kindergarten and first grade class in all buildings with 18107 the highest concentration of need. This division does not require 18108 that the funds used in buildings with the highest concentration of 18109 need be spent solely to reduce the ratio of instructional 18110 personnel to students in kindergarten and first grade. A school 18111 district may spend the funds in those buildings in any manner 18112 permitted by division (F)(3) of this section, but may not spend 18113 the money in other buildings unless the fifteen-to-one ratio 18114 required by this division is attained. 18115

(H)(1) By the first day of August of each fiscal year, each 18116 school district wishing to receive any funds under division (D) of 18117 this section shall submit to the department of education an 18118 estimate of its all-day kindergarten percentage. Each district 18119 shall update its estimate throughout the fiscal year in the form 18120 and manner required by the department, and the department shall 18121 adjust payments under this section to reflect the updates. 18122

(2) Annually by the end of December, the department of 18123

Page 585

18124 education, utilizing data from the information system established 18125 under section 3301.0714 of the Revised Code and after consultation 18126 with the legislative office of education oversight, shall 18127 determine for each school district subject to division (F) of this 18128 section whether in the preceding fiscal year the district's ratio 18129 of instructional personnel to students and its number of 18130 kindergarten students receiving all-day kindergarten appear 18131 reasonable, given the amounts of money the district received for 18132 that fiscal year pursuant to divisions (D) and (E) of this 18133 section. If the department is unable to verify from the data 18134 available that students are receiving reasonable amounts of 18135 instructional attention and all-day kindergarten, given the funds 18136 the district has received under this section and that class-size 18137 reduction funds are being used in school buildings with the 18138 highest concentration of need as required by division (G) of this 18139 section, the department shall conduct a more intensive 18140 investigation to ensure that funds have been expended as required 18141 by this section. The department shall file an annual report of its 18142 findings under this division with the chairpersons of the 18143 committees in each house of the general assembly dealing with 18144 finance and education.

(I) Any school district with a DPIA index less than one and a 18145 three-year average formula ADM exceeding seventeen thousand five 18146 hundred shall first utilize funds received under this section so 18147 that, when combined with other funds of the district, sufficient 18148 funds exist to provide all-day kindergarten to at least the number 18149 of children in the district's all-day kindergarten percentage. 18150 Such a district shall expend at least seventy per cent of the 18151 remaining funds received under this section, and any other 18152 district with a DPIA index less than one shall expend at least 18153 seventy per cent of all funds received under this section, for any 18154 of the following purposes: 18155

Sub. H. B. No. 94							
Substitute Version as Presented to the Senate Finance and Financial Institutions							
(1) The purchase of technology for instructional purposes;							
(2) All-day kindergarten;	18157						
(3) Reduction of class sizes;	18158						
(4) Summer school remediation;	18159						
(5) Dropout prevention programs;	18160						
(6) Guaranteeing that all third graders are ready to progress	18161						
to more advanced work;	18162						
(7) Summer education and work programs;	18163						
(8) Adolescent pregnancy programs;	18164						
(9) Head start or preschool programs;	18165						
(10) Reading improvement programs described by the department	18166						
of education;	18167						
(11) Programs designed to ensure that schools are free of	18168						
drugs and violence and have a disciplined environment conducive to	18169						
learning;	18170						
(12) Furnishing, free of charge, materials used in courses of	18171						
instruction, except for the necessary textbooks or electronic	18172						

textbooks required to be furnished without charge pursuant to 18173 section 3329.06 of the Revised Code, to pupils living in families 18174 participating in Ohio works first in accordance with section 18175 3313.642 of the Revised Code; 18176

(13) School breakfasts provided pursuant to section 3313.813 18177
of the Revised Code. 18178

Each district shall submit to the department, in such format 18179 and at such time as the department shall specify, a report on the 18180 programs for which it expended funds under this division. 18181

(J) If at any time the superintendent of public instruction 18182 determines that a school district receiving funds under division 18183

Page 587

(D) of this section has enrolled less than the all-day
kindergarten percentage reported for that fiscal year, the
superintendent shall withhold from the funds otherwise due the
district under this section a proportional amount as determined by
the difference in the certified all-day kindergarten percentage
and the percentage actually enrolled in all-day kindergarten.

The superintendent shall also withhold an appropriate amount 18190 of funds otherwise due a district for any other misuse of funds 18191 not in accordance with this section. 18192

(K)(1) A district may use a portion of the funds calculated 18193 for it under division (D) of this section to modify or purchase 18194 classroom space to provide all-day kindergarten, if both of the 18195 following conditions are met: 18196

(a) The district certifies to the department, in a manner
 18197
 acceptable to the department, that it has a shortage of space for
 18198
 providing all-day kindergarten.
 18199

(b) The district provides all-day kindergarten to the number 18200of children in the all-day kindergarten percentage it certified 18201under this section. 18202

(2) A district may use a portion of the funds described in 18203
division (F)(3) of this section to modify or purchase classroom 18204
space to enable it to further reduce class size in grades 18205
kindergarten through two with a goal of attaining class sizes of 18206
fifteen students per licensed teacher. To do so, the district must 18207
certify its need for additional space to the department, in a 18208
manner satisfactory to the department. 18209

sec. 3317.0212. Divisions (B) and (C) of this section do not 18210
apply to a school district with a formula ADM of one hundred fifty 18211
or less.

(A) As used in this section:

18213

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

# Page 588

(1) "Fundamental FY 1997 state aid" or "fundamental FY 1998	18214
state aid" for a district means the total amount of state money	18215
received by the district for the applicable fiscal year as	18216
reported on the department of education's form "SF-12," adjusted	18217
as follows:	18218
(a) Minus the amount for transportation;	18219
(b) Minus any amounts for approved preschool handicapped	18220
units;	18221
(c) Minus any additional amount attributable to the	18222
reappraisal guarantee of division (C) of section 3317.04 of the	18223
Revised Code;	18224
(d) Plus the amount deducted for payments to an educational	18225
service center;	18226
(e) Plus an estimated portion of the state money distributed	18227
in the applicable fiscal year to other school districts or	18228
educational service centers for approved units, other than	18229
preschool handicapped or gifted education units, attributable to	18230
the costs of providing services in those units to students	18231
entitled to attend school in the district;	18232
(f) Minus an estimated portion of the state money distributed	18233

(f) Minus an estimated portion of the state money distributed 18233 to the school district in the applicable fiscal year for approved 18234 units, other than preschool handicapped units or gifted education 18235 units, attributable to the costs of providing services in those 18236 units to students entitled to attend school in another school 18237 district; 18238

(g) Plus any additional amount paid in the applicable fiscal 18239 year pursuant to the vocational education recomputation required 18240 by Section 45.12 of Amended Substitute House Bill No. 117 of the 18241 121st general assembly or former Section 50.22 of Amended 18242 Substitute House Bill No. 215 of the 122nd general assembly; 18243

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 589

(h) Plus any additional amount paid in the applicable fiscal
18244
year pursuant to the special education recomputation required by
18245
former division (I) of section 3317.023 of the Revised Code;
18246

(i) Plus any amount paid for equity aid in the applicablefiscal year under section 3317.0213 of the Revised Code;18248

(j) Plus any amount received for the applicable fiscal year18249pursuant to section 3317.027 of the Revised Code;18250

(k) Plus any amount received for the applicable fiscal year
resulting from a recomputation made under division (B) of section
3317.022 of the Revised Code, as that section existed in the
18253
applicable fiscal year.

(2) "State basic aid" for a district for any fiscal yearafter fiscal year 1999 means the sum of the following:18256

(a) The amount computed for the district for base cost 18257 funding, special education funding, and vocational education 18258 funding under divisions (A), (C)(1) and (5), and (E) of section 18259 3317.022 and sections 3317.025 and 3317.027 of the Revised Code 18260 and DPIA aid under section 3317.029 of the Revised Code in the 18261 current fiscal year before any deduction or credit required by 18262 division (B), (D), (E), (F), (G), (H), (I), (J), (K), or (L) of 18263 section 3317.023 or division (J) of section 3317.029 of the 18264 Revised Code; 18265

(b) Any amounts for which the district is eligible pursuant 18266 to division (C) of section 3317.023, divisions (G), (P), and (R) 18267 of section 3317.024, and the supplemental unit allowance paid for 18268 gifted units under division (B) of section 3317.162 3317.053 of 18269 the Revised Code; 18270

(c) Any equity aid for which the district is eligible under 18271section 3317.0213 of the Revised Code. 18272

(3) "Adjusted FY 1999 actual aid" has the same meaning as in 18273

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 590

Section 18 of Am.	Sub. H.B. 65	50 of the 122nd	general assembly, as	18274
amended.				18275

(4) "Vocational education set-aside" means the up to18276\$24,193,118 earmarked for additional school district vocational18277education grants under appropriation item 200-545, vocational18278education enhancements, in Am. Sub. H.B. 770 of the 122nd general18279assembly.18280

(B) Upon request of the department of education, the
treasurer of any school district or educational service center
shall furnish data needed to calculate the amounts specified in
divisions (A)(1)(e) and (f) of this section. The department shall
18284
compute and pay the state basic aid guarantee for each school
18285
district for the fiscal year as follows:

(1) Subtract the amount of state basic aid from the amount of 18287
fundamental FY 1998 state aid. If a negative number, this 18288
computation shall be deemed to be zero. 18289

(2) Pay the district any positive amount calculated under 18290division (B)(1) of this section. 18291

(C) In fiscal year 2000, the department shall calculate for 18292 each district the sum of the district's state basic aid for that 18293 fiscal year, plus any amount calculated under division (B)(1) of 18294 18295 this section, plus the transportation portion of state aid computed for the district for that fiscal year under division (D) 18296 of the version of section 3317.022 of the Revised Code in effect 18297 that fiscal year. If a district's adjusted FY 1999 actual aid is 18298 greater than that sum, then the department shall pay the district 18299 in that fiscal year one hundred per cent of the difference 2002, 18300 if a school district's composite state funding for that fiscal 18301 year is less than its composite state funding for fiscal year 18302 2001, the department shall pay the district the difference as 18303 transitional aid. For purposes of this division: 18304

division (C) of section 3317.04 of the Revised Code.

18316

(1) A district's composite state funding for fiscal year 2001	18305	
equals its state basic aid for that year plus the amounts	18306	
calculated for the district that year under this section, division	18307	
(D) of section 3317.022, sections 3317.0215 and 3317.0216, and	18308	
division (C) of section 3317.04 of the Revised Code, after any	18309	
adjustment made pursuant to Section 18 of Am. Sub. H.B. 650 of the	18310	
122nd General Assembly, as subsequently amended.		
(2) A district's composite state funding for fiscal year 2002	18312	
equals its state basic aid for that year plus the amounts	18313	
calculated for the district that year under this section, division	18314	
(D) of section 3317.022, sections 3317.0216 and 3317.0217, and	18315	

(D)(1) The state basic aid guarantee in any fiscal year for a 18317school district with a formula ADM of one hundred fifty or less 18318shall be the greatest of the following amounts: 18319

(a) The district's state basic aid for the fiscal year; 18320

- (b) The district's fundamental FY 1998 state aid; 18321
- (c) The district's fundamental FY 1997 state aid. 18322

(2) If in any fiscal year the state basic aid for a school
district with a formula ADM of one hundred fifty or less is less
than the guarantee amount determined for the district under
division (D)(1) of this section, the department of education shall
pay the district the amount of the difference.

Sec. 3317.0213. No money shall be distributed under this18328section after fiscal year 2002 2005.18329

(A) As used in this section: 18330

- (1) "ADM" for any school district means: 18331
- (a) In fiscal year 1999, the FY 1998 ADM; 18332
- (b) In fiscal years 2000 through 2002 2005, the formula ADM 18333

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 592
reported for the previous fiscal year.	18334
(2) "Average taxable value" means the average of the amounts	18335
certified for a district in the second, third, and fourth	18336
preceding fiscal years under divisions (A)(1) and (2) of section	18337
3317.021 of the Revised Code.	18338
(3) "Valuation per pupil" for a district means:	18339
(a) In fiscal year 1999, the district's average taxable	18340
value, divided by the district's FY 1998 ADM;	18341
(b) In a fiscal year that occurs after fiscal year 1999, the	18342
district's average taxable value, divided by the district's	18343
formula ADM for the preceding fiscal year.	18344
(4) "Threshold valuation" means:	18345
(a) In fiscal year 1999, the adjusted valuation per pupil of	18346
the school district with the two hundred twenty-ninth lowest	18347
adjusted valuation per pupil in the state, according to data	18348
available at the time of the computation under division (B) of	18349
this section;	18350
(b) In fiscal year 2000, the adjusted valuation per pupil of	18351
the district with the one hundred ninety-sixth lowest such	18352
valuation in the state;	18353
(c) In fiscal year 2001, the adjusted valuation per pupil of	18354
the district with the one hundred sixty-third lowest such	18355
valuation in the state;	18356
(d) In fiscal <del>year</del> <u>years</u> 2002 <u>through 2005</u> , the adjusted	18357
valuation per pupil of the district with the	18358
one-hundred-eighteenth lowest such valuation in the state.	18359
(5) "Adjusted valuation per pupil" for a district means an	18360
amount calculated in accordance with the following formula:	18361
The district's valuation per pupil -	18362
(\$30,000 X (one minus the	18363

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 593
district's income factor))	18364
(6) "Millage rate" means .012 in fiscal year 1999, .011 in	18365
fiscal year 2000, .010 in fiscal year 2001, and .009 in fiscal	18366
<del>year</del> <u>years</u> 2002 <u>through 2005</u> .	18367

(7) "Payment percentage" equals 100% prior to fiscal year183682003, 75% in fiscal year 2003, 50% in fiscal year 2004, 25% in18369fiscal year 2005, and zero after fiscal year 2005.18370

(B) Beginning in fiscal year 1993, during August of each 18371 fiscal year, the department of education shall distribute to each 18372 school district meeting the requirements of section 3317.01 of the 18373 Revised Code whose adjusted valuation per pupil is less than the 18374 threshold valuation, an amount calculated in accordance with the 18375 following formula: 18376

(The threshold valuation -

the district's adjusted valuation per pupil) X 18378

18377

millage rate X ADM <u>X the payment percentage</u> 18379

Sec.	3317.0216.	(A)	As	used	in	this	section:	183	38(	C
------	------------	-----	----	------	----	------	----------	-----	-----	---

(1) "Total taxes charged and payable for current expenses" 18381 means the sum of the taxes charged and payable as certified under 18382 division (A)(3)(a) of section 3317.021 of the Revised Code less 18383 any amounts reported under division (A)(3)(b) of that section, and 18384 the tax distribution for the preceding year under any school 18385 district income tax levied by the district pursuant to Chapter 18386 5748. of the Revised Code to the extent the revenue from the 18387 income tax is allocated or apportioned to current expenses. 18388

(2) "State equalization enhancement payments" means any
 payment made to a school district pursuant to section 3317.0215 of
 the Revised Code for the preceding fiscal year.

(3)"Charge-off amount" means the product obtained by18392multiplying two and three-tenths per cent by adjusted total18393

Sub. H. B. No. 94			
Substitute Version as Presented to the Senate Finance and Financial Institutions			
taxable value recognized valuation.	18394		
(4) "Total receipts available for current expenses" of a	18395		
school district means the sum of total taxes charged and payable	18396		
for current expenses and the district's state equalization	18397		
enhancement payments.	18398		
(5) "Local share of special education and related services	18399		
additional weighted costs" has the same meaning as in division	18400		
(C)(3) of section 3317.022 of the Revised Code.	18401		
(6) "Local share of vocational education and associated	18402		
services additional weighted costs" for each school district means	18403		
the amount determined as follows:	18404		
(1 - state share percentage as defined in section	18405		
3317.022 of the Revised Code) X [(total vocational	18406		
education weight as defined in that section X	18407		
the formula amount) + the district's payment under division (E)(2)	18408		
of section 3317.022 of the Revised Code]	18409		
(3) Until fiscal year 2003, the "actual local share of	18410		
special education, transportation, and vocational education	18411		
funding" for any school district means the sum of the district's	18412		
attributed local shares described in divisions (F)(1) to (3) of	18413		
section 3317.022 of the Revised Code. Beginning in fiscal year	18414		
2003, the "actual local share of special education,	18415		
transportation, and vocational education funding" means that sum	18416		
minus the amount of any excess cost supplement payment calculated	18417		
for the district under division (F) of section 3317.022 of the	18418		
Revised Code.	18419		
(B) Upon receiving the certifications under section 3317.021	18420		
of the Revised Code, the department of education shall determine	18421		
for each city, local, and exempted village school district whether	18422		
the district's charge-off amount is greater than the district's	18423		
total <del>receipts available</del> <u>taxes charged and payable</u> for current	18424		

expenses, and if it is, shall pay the district the amount of the 18425

### Substitute Version as Presented to the Senate Finance and Financial Institutions

difference. A payment shall not be made to any school district for18426which the computation under division (A) of section 3317.022 of18427the Revised Code equals zero.18428

(C)(1) If a district's charge-off amount is equal to or 18429 greater than its total receipts available taxes charged and 18430 payable for current expenses, the department shall, in addition to 18431 the payment required under division (B) of this section, pay the 18432 district the amount of the its actual local share of special 18433 education and related services additional weighted costs, 18434 transportation, and the amount of the local share of vocational 18435 education and associated services additional weighted costs 18436 funding. 18437

(2) If a district's charge-off amount is less than its total 18438 receipts available taxes charged and payable for current expenses, 18439 the department shall pay the district any amount by which the sum 18440 of its <u>actual</u> local share of special education <del>and related</del> 18441 services additional weighted costs plus its local share of, 18442 transportation, and vocational education and associated services 18443 additional weighted costs funding exceeds its total receipts 18444 available taxes charged and payable for current expenses minus its 18445 charge-off amount. 18446

Sec. 3317.0217. The department of education shall annually	18447
compute and pay state parity aid to school districts, as follows:	18448
(A) Calculate the local wealth per pupil of each school	18449
district, which equals the following sum:	18450
(1) Two-thirds times the quotient of (a) the district's	18451
recognized valuation divided by (b) its formula ADM; plus	18452
(2) One-third times the quotient of (a) the average of the	18453
total federal adjusted gross income of the school district's	18454
residents for the three years most recently reported under section	18455

<u>3317.021 of the Revised Code divided by (b) its formula ADM.</u> 18456

# Substitute Version as Presented to the Senate Finance and Financial Institutions

(B) Rank all school districts in order of local wealth per	18457
pupil, from the district with the lowest local wealth per pupil to	18458
the district with the highest local wealth per pupil.	18459
(C) Compute the per pupil state parity aid funding for each	18460
school district in accordance with the following formula:	18461
Payment percentage X (threshold local wealth	18462
per pupil - the district's local	18463
wealth per pupil) X 0.0095	18464
Where:	18465
(1) "Payment percentage," for purposes of division (C) of	18466
this section, equals 20% in fiscal year 2002, 40% in fiscal year	18467
2003, 60% in fiscal year 2004, 80% in fiscal year 2005, and 100%	18468
<u>after fiscal year 2005.</u>	18469
(2) Nine and one-half mills (0.0095) is the general	18470
assembly's determination of the average number of effective	18471
operating mills that districts in the seventieth to ninetieth	18472
percentiles of valuations per pupil collected in fiscal year 2001	18473
above the revenues required to finance their attributed local	18474
shares of the calculated cost of an adequate education. This was	18475
determined by (a) adding the district revenues from operating	18476
property tax levies and income tax levies, (b) subtracting from	18477
that total the sum of (i) twenty-three mills times adjusted	18478
recognized valuation plus (ii) the attributed local shares of	18479
special education, transportation, and vocational education	18480
funding as described in divisions (F)(1) to (3) of section	18481
3317.022 of the Revised Code, and (c) converting the result to an	18482
effective operating property tax rate.	18483
(3) The "threshold local wealth per pupil" is the local	18484
wealth per pupil of the school district with the	18485
four-hundred-ninetieth lowest local wealth per pupil.	18486
If the result of the calculation for a school district under	18487

division (C) of this section is less than zero, the district's per	18488
pupil parity aid shall be zero.	18489
(D) Compute the per pupil alternative parity aid for each	18490
school district that has a combination of an income factor of 1.0	18491
or less, a DPIA index of 1.0 or greater, and a	18492
<u>cost-of-doing-business factor of 1.0375 or greater, in accordance</u>	18493
with the following formula:	18494
<u>Payment percentage X \$60,000 X</u>	18495
<u>(1 - income factor) X 4/15 X 0.023</u>	18496
Where:	18497
(1) "DPIA index" has the same meaning as in section 3317.029	18498
of the Revised Code	18499
(2) "Payment percentage," for purposes of division (D) of	18500
this section, equals 50% in fiscal year 2002 and 100% after fiscal	18501
<u>year 2002.</u>	18502
(E) Pay each district that has a combination of an income	18503
factor 1.0 or less, a DPIA index of 1.0 or greater, and a	18504
cost-of-doing-business factor of 1.0375 or greater, the greater of	18505
the following:	18506
(1) The product of the district's per pupil parity aid	18507
calculated under division (C) of this section times its formula	18508
<u>ADM;</u>	18509
(2) The product of its per pupil alternative parity aid	18510
calculated under division (D) of this section times its formula	18511
ADM.	18512
(F) Pay every other district the product of its per pupil	18513
parity aid calculated under division (C) of this section times its	18514
formula ADM.	18515
Every six years, the general assembly shall redetermine,	18516
after considering the report of the committee appointed under	18517

Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 598

section 3317.012 of the Revised Code, the average number of	18518
effective operating mills that districts in the seventieth to	18519
ninetieth percentiles of valuations per pupil collect above the	18520
revenues required to finance their attributed local shares of the	18521
cost of an adequate education.	18522

sec. 3317.03. Notwithstanding divisions (A)(1), (B)(1), and 18523
(C) of this section, any student enrolled in kindergarten more 18524
than half time shall be reported as one-half student under this 18525
section. 18526

(A) The superintendent of each city and exempted village 18527 school district and of each educational service center shall, for 18528 the schools under the superintendent's supervision, certify to the 18529 state board of education on or before the fifteenth day of October 18530 in each year for the first full school week in October the formula 18531 ADM, which shall consist of the average daily membership during 18532 such week of the sum of the following: 18533

(1) On an FTE basis, the number of students in grades
kindergarten through twelve receiving any educational services
from the district, except that the following categories of
students shall not be included in the determination:

(a) Students enrolled in adult education classes; 18538

(b) Adjacent or other district students enrolled in the
district under an open enrollment policy pursuant to section
3313.98 of the Revised Code;
18541

(c) Students receiving services in the district pursuant to a 18542 compact, cooperative education agreement, or a contract, but who 18543 are entitled to attend school in another district pursuant to 18544 section 3313.64 or 3313.65 of the Revised Code; 18545

(d) Students for whom tuition is payable pursuant to sections 185463317.081 and 3323.141 of the Revised Code. 18547

# Substitute Version as Presented to the Senate Finance and Financial Institutions

(2) On an FTE basis, the number of students entitled to	18548
attend school in the district pursuant to section 3313.64 or	18549
3313.65 of the Revised Code, but receiving educational services in	18550
grades kindergarten through twelve from one or more of the	18551
following entities:	18552
(a) A community school pursuant to Chapter 3314. of the	18553
Revised Code, including any participation in a college pursuant to	18554
Chapter 3365. of the Revised Code while enrolled in such community	18555
school;	18556
(b) An alternative school pursuant to sections 3313.974 to	18557
3313.979 of the Revised Code as described in division (I)(2)(a) or	18558
(b) of this section;	18559
(c) A college pursuant to Chapter 3365. of the Revised Code,	18560
except when the student is enrolled in the college while also	18561
enrolled in a community school pursuant to Chapter 3314. of the	18562
Revised Code;	18563
(d) An adjacent or other school district under an open	18564
enrollment policy adopted pursuant to section 3313.98 of the	18565
Revised Code;	18566
(e) An educational service center or cooperative education	18567
district;	18568
(f) Another school district under a cooperative education	18569
agreement, compact, or contract.	18570
(3) One-fourth of the number of students enrolled in a joint	18571
vocational school district or under a vocational education	18572
compact, excluding any students entitled to attend school in the	18573
district under section 3313.64 or 3313.65 of the Revised Code who	18574
are enrolled in another school district through an open enrollment	18575
policy as reported under division (A)(2)(d) of this section and	18576
then enroll in a joint vocational school district or under a	18577
vocational education compact;	18578

(4) The number of handicapped children, other than
handicapped preschool children, entitled to attend school in the
l8580
district pursuant to section 3313.64 or 3313.65 of the Revised
Code who are placed with a county MR/DD board, minus the number of
such children placed with a county MR/DD board in fiscal year
18583
1998. If this calculation produces a negative number, the number
18584
reported under division (A)(4) of this section shall be zero.

(B) To enable the department of education to obtain the data 18586
needed to complete the calculation of payments pursuant to this 18587
chapter, in addition to the formula ADM, each superintendent shall 18588
report separately the following student counts: 18589

(1) The total average daily membership in regular day classes
18590
included in the report under division (A)(1) or (2) of this
section for kindergarten, and each of grades one through twelve in
18592
schools under the superintendent's supervision;
18593

(2) The number of all handicapped preschool children enrolled 18594 as of the first day of December in classes in the district that 18595 are eligible for approval by the state board of education under 18596 division (B) of section 3317.05 of the Revised Code and the number 18597 of those classes, which shall be reported not later than the 18598 fifteenth day of December, in accordance with rules adopted under 18599 that section; 18600

(3) The number of children entitled to attend school in the 18601 district pursuant to section 3313.64 or 3313.65 of the Revised 18602 Code who are participating in a pilot project scholarship program 18603 established under sections 3313.974 to 3313.979 of the Revised 18604 Code as described in division (I)(2)(a) or (b) of this section, 18605 are enrolled in a college under Chapter 3365. of the Revised Code, 18606 except when the student is enrolled in the college while also 18607 enrolled in a community school pursuant to Chapter 3314. of the 18608 Revised Code, are enrolled in an adjacent or other school district 18609 under section 3313.98 of the Revised Code, are enrolled in a 18610

### Substitute Version as Presented to the Senate Finance and Financial Institutions

community school established under Chapter 3314. of the Revised 18611 Code, including any participation in a college pursuant to Chapter 18612 3365. of the Revised Code while enrolled in such community school, 18613 or are participating in a program operated by a county MR/DD board 18614 or a state institution; 18615

(4) The number of pupils enrolled in joint vocational1861618617

(5) The average daily membership of handicapped children 18618 reported under division (A)(1) or (2) of this section receiving 18619 category one special education services, described in division (A) 18620 of section 3317.013 of the Revised Code; 18621

(6) The average daily membership of handicapped children 18622 reported under division (A)(1) or (2) of this section receiving 18623 category two special education services, described in division (B) 18624 of section 3317.013 of the Revised Code; 18625

(7) The average daily membership of handicapped children 18626 reported under division (A)(1) or (2) of this section identified 18627 as having any of the handicaps specified in division (F)(3) of 18628 section 3317.02 of the Revised Code; 18629

(8) The average daily membership of pupils reported under
division (A)(1) or (2) of this section enrolled in category one
vocational education programs or classes, described in division
(A) of section 3317.014 of the Revised Code, operated by the
school district or by another district, other than a joint
vocational school district, or by an educational service center;

(9) The average daily membership of pupils reported under 18636
division (A)(1) or (2) of this section enrolled in category two 18637
vocational education programs or services, described in division 18638
(B) of section 3317.014 of the Revised Code, operated by the 18639
school district or another school district, other than a joint 18640
vocational school district, or by an educational service center; 18641

### Substitute Version as Presented to the Senate Finance and Financial Institutions

### Page 602

(10) The average number of children transported by the school 18642 district on board-owned or contractor-owned and -operated buses, 18643 reported in accordance with rules adopted by the department of 18644 education; 18645

(11)(a) The number of children, other than handicapped 18646
preschool children, the district placed with a county MR/DD board 18647
in fiscal year 1998; 18648

(b) The number of handicapped children, other than
handicapped preschool children, placed with a county MR/DD board
in the current fiscal year to receive category one special
education services, described in division (A) of section 3317.013
18652
of the Revised Code;

(c) The number of handicapped children, other than 18654 handicapped preschool children, placed with a county MR/DD board 18655 in the current fiscal year to receive category two special 18656 education services, described in division (B) of section 3317.013 18657 of the Revised Code; 18658

(d) The number of handicapped children, other than
handicapped preschool children, placed with a county MR/DD board
in the current fiscal year to receive category three special
education services, described in division (F)(3) of section
3317.02 of the Revised Code.

(C) Except as otherwise provided in this section for 18664 kindergarten students, the average daily membership in divisions 18665 (B)(1) to (9) of this section shall be based upon the number of 18666 full-time equivalent students. The state board of education shall 18667 18668 adopt rules defining full-time equivalent students and for determining the average daily membership therefrom for the 18669 purposes of divisions (A), (B), and (D) of this section. No child 18670 shall be counted as more than a total of one child in the sum of 18671 the average daily memberships of a school district under division 18672

Page 603

(A), divisions (B)(1) to (9), or division (D) of this section, except as follows: 18674

(1) A child with a handicap described in section 3317.013 or 18675 division (F)(3) of section 3317.02 of the Revised Code may be 18676 counted both in formula ADM and in category one, two, or three 18677 special education ADM and, if applicable, in category one or two 18678 vocational education ADM. As provided in division (C) of section 18679 3317.02 of the Revised Code, such a child shall be counted in 18680 18681 category one, two, or three special education ADM in the same proportion that the child is counted in formula ADM. 18682

(2) A child enrolled in vocational education programs or 18683 classes described in section 3314.014 of the Revised Code may be 18684 counted both in formula ADM and category one or two vocational 18685 education ADM and, if applicable, in category one, two, or three 18686 special education ADM. Such a child shall be counted in category 18687 one or two vocational education ADM in the same proportion as the 18688 percentage of time that the child spends in the vocational 18689 education programs or classes. 18690

Based on the information reported under this section, the18691department of education shall determine the total student count,18692as defined in section 3301.011 of the Revised Code, for each18693school district.18694

(D)(1) The superintendent of each joint vocational school 18695 district shall certify to the superintendent of public instruction 18696 on or before the fifteenth day of October in each year for the 18697 first full school week in October the formula ADM, which shall 18698 consist of the average daily membership during such week, on an 18699 FTE basis, of the number of students receiving any educational 18700 services from the district, except that the following categories 18701 of students shall not be included in the determination: 18702

(a) Students enrolled in adult education classes; 18703

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(b) Adjacent or other district joint vocational students
enrolled in the district under an open enrollment policy pursuant
to section 3313.98 of the Revised Code;

(c) Students receiving services in the district pursuant to a 18707 compact, cooperative education agreement, or a contract, but who 18708 are entitled to attend school in a city, local, or exempted 18709 village school district whose territory is not part of the 18710 territory of the joint vocational district; 18711

(d) Students for whom tuition is payable pursuant to sections 187123317.081 and 3323.141 of the Revised Code. 18713

(2) To enable the department of education to obtain the data 18714 needed to complete the calculation of payments pursuant to this 18715 chapter, in addition to the formula ADM, each superintendent shall 18716 report separately the average daily membership included in the 18717 report under division (D)(1) of this section for each of the 18718 following categories of students: 18719

(a) Students enrolled in each grade included in the joint 18720vocational district schools; 18721

(b) Handicapped children receiving category one special
 education services, described in division (A) of section 3317.013
 18723
 of the Revised Code;
 18724

(c) Handicapped children receiving category two special
 18725
 education services, described in division (B) of section 3317.013
 18726
 of the Revised Code;
 18727

(d) Handicapped children identified as having any of the 18728
 handicaps specified in division (F)(3) of section 3317.02 of the 18729
 Revised Code; 18730

(e) Students receiving category one vocational education
 18731
 services, described in division (A) of section 3317.014 of the
 18732
 Revised Code;

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(f) Students receiving category two vocational education 18734 services, described in division (B) of section 3317.014 of the 18735 Revised Code. 18736

The superintendent of each joint vocational school district 18737 shall also indicate the city, local, or exempted village school 18738 district in which each joint vocational district pupil is entitled 18739 to attend school pursuant to section 3313.64 or 3313.65 of the 18740 Revised Code.

(E) In each school of each city, local, exempted village, 18742 joint vocational, and cooperative education school district there 18743 shall be maintained a record of school membership, which record 18744 shall accurately show, for each day the school is in session, the 18745 actual membership enrolled in regular day classes. For the purpose 18746 of determining average daily membership, the membership figure of 18747 any school shall not include any pupils except those pupils 18748 described by division (A) of this section. The record of 18749 membership for each school shall be maintained in such manner that 18750 no pupil shall be counted as in membership prior to the actual 18751 date of entry in the school and also in such manner that where for 18752 any cause a pupil permanently withdraws from the school that pupil 18753 shall not be counted as in membership from and after the date of 18754 such withdrawal. There shall not be included in the membership of 18755 any school any of the following: 18756

(1) Any pupil who has graduated from the twelfth grade of a 18757 public high school; 18758

(2) Any pupil who is not a resident of the state; 18759

(3) Any pupil who was enrolled in the schools of the district 18760 during the previous school year when tests were administered under 18761 section 3301.0711 of the Revised Code but did not take one or more 18762 of the tests required by that section and was not excused pursuant 18763 to division (C)(1) of that section; 18764

18741

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(4) Any pupil who has attained the age of twenty-two years, 18765 except for veterans of the armed services whose attendance was 18766 interrupted before completing the recognized twelve-year course of 18767 the public schools by reason of induction or enlistment in the 18768 armed forces and who apply for reenrollment in the public school 18769 system of their residence not later than four years after 18770 termination of war or their honorable discharge. 18771

If, however, any veteran described by division (E)(4)(b) of 18772 this section elects to enroll in special courses organized for 18773 veterans for whom tuition is paid under the provisions of federal 18774 laws, or otherwise, that veteran shall not be included in average 18775 daily membership. 18776

Notwithstanding division (E)(3) of this section, the18777membership of any school may include a pupil who did not take a18778test required by section 3301.0711 of the Revised Code if the18779superintendent of public instruction grants a waiver from the18780requirement to take the test to the specific pupil. The18781superintendent may grant such a waiver only for good cause in18782accordance with rules adopted by the state board of education.18783

Except as provided in division (B)(2) of this section, the 18784 average daily membership figure of any local, city, exempted 18785 village, or joint vocational school district shall be determined 18786 by dividing the figure representing the sum of the number of 18787 pupils enrolled during each day the school of attendance is 18788 actually open for instruction during the first full school week in 18789 October by the total number of days the school was actually open 18790 for instruction during that week. For purposes of state funding, 18791 "enrolled" persons are only those pupils who are attending school, 18792 those who have attended school during the current school year and 18793 are absent for authorized reasons, and those handicapped children 18794 currently receiving home instruction. 18795

The average daily membership figure of any cooperative 18796

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 607

education school district shall be determined in accordance with 18797 rules adopted by the state board of education. 18798

(F)(1) If the formula ADM for the first full school week in 18799 February is at least three per cent greater than that certified 18800 for the first full school week in the preceding October, the 18801 superintendent of schools of any city, exempted village, or joint 18802 vocational school district or educational service center shall 18803 certify such increase to the superintendent of public instruction. 18804 Such certification shall be submitted no later than the fifteenth 18805 day of February. For the balance of the fiscal year, beginning 18806 with the February payments, the superintendent of public 18807 instruction shall use the increased formula ADM in calculating or 18808 recalculating the amounts to be allocated in accordance with 18809 section 3317.022 or 3317.16 of the Revised Code. In no event shall 18810 the superintendent use an increased membership certified to the 18811 superintendent after the fifteenth day of February. 18812

(2) If on the first school day of April the total number of 18813 classes or units for handicapped preschool children that are 18814 eligible for approval under division (B) of section 3317.05 of the 18815 Revised Code exceeds the number of units that have been approved 18816 for the year under that division, the superintendent of schools of 18817 any city, exempted village, or cooperative education school 18818 district or educational service center shall make the 18819 certifications required by this section for that day. If the state 18820 board of education determines additional units can be approved for 18821 the fiscal year within any limitations set forth in the acts 18822 appropriating moneys for the funding of such units, the board 18823 shall approve additional units for the fiscal year on the basis of 18824 such average daily membership. For each unit so approved, the 18825 department of education shall pay an amount computed in the manner 18826 prescribed in section <del>3317.161</del> <u>3317.052</u> or 3317.19 and section 18827 3317.162 3317.053 of the Revised Code. 18828

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(G)(1)(a) The superintendent of an institution operating a 18829 special education program pursuant to section 3323.091 of the 18830 Revised Code shall, for the programs under such superintendent's 18831 supervision, certify to the state board of education the average 18832 daily membership of all handicapped children in classes or 18833 programs approved annually by the state board of education, in the 18834 manner prescribed by the superintendent of public instruction. 18835

(b) The superintendent of an institution with vocational 18836 education units approved under division (A) of section 3317.05 of 18837 the Revised Code shall, for the units under the superintendent's 18838 supervision, certify to the state board of education the average 18839 daily membership in those units, in the manner prescribed by the 18840 superintendent of public instruction. 18841

(2) The superintendent of each county MR/DD board that 18842 maintains special education classes <u>under section 3317.20 of the</u> 18843 <u>Revised Code</u> or units approved by the state board of education 18844 pursuant to section 3317.05 of the Revised Code shall do both of 18845 the following: 18846

(a) Certify to the state board, in the manner prescribed by 18847
the board, the average daily membership in classes and units 18848
approved under division (D)(1) of under section 3317.05 3317.20 of 18849
the Revised Code for each school district that has placed children 18850
in the classes or units; 18851

(b) Certify to the state board, in the manner prescribed by 18852
the board, the number of all handicapped preschool children 18853
enrolled as of the first day of December in classes eligible for 18854
approval under division (B) of section 3317.05 of the Revised 18855
Code, and the number of those classes. 18856

(3)(a) If during the first full school week in February the
 average daily membership of the classes or units maintained by the
 county MR/DD board that are eligible for approval under division
 18859

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 609

(D)(1) of section 3317.05 of the Revised Code is greater than the	18860
average daily membership for the preceding October, the	18861
superintendent of the board shall make the certifications required	18862
by this section for such week.	18863

(b) If on the first school day of April the number of classes 18864
 or units maintained for handicapped preschool children by the 18865
 county MR/DD board that are eligible for approval under division 18866
 (B) of section 3317.05 of the Revised Code is greater than the 18867
 number of units approved for the year under that division, the 18868
 superintendent shall make the certification required by this 18869
 section for that day. 18870

 $\frac{(c)}{(b)}$  If the state board determines that additional classes 18871 or units can be approved for the fiscal year within any 18872 limitations set forth in the acts appropriating moneys for the 18873 funding of the classes and units described in division (G)(3)(a)18874 or (b) of this section, the board shall approve and fund 18875 additional units for the fiscal year on the basis of such average 18876 daily membership. For each unit so approved, the department of 18877 education shall pay an amount computed in the manner prescribed in 18878 sections 3317.161 3317.052 and 3317.162 3317.053 of the Revised 18879 Code. 18880

(H) Except as provided in division (I) of this section, when 18881 any city, local, or exempted village school district provides 18882 instruction for a nonresident pupil whose attendance is 18883 unauthorized attendance as defined in section 3327.06 of the 18884 Revised Code, that pupil's membership shall not be included in 18885 that district's membership figure used in the calculation of that 18886 district's formula ADM or included in the determination of any 18887 unit approved for the district under section 3317.05 of the 18888 Revised Code. The reporting official shall report separately the 18889 average daily membership of all pupils whose attendance in the 18890 district is unauthorized attendance, and the membership of each 18891

### Substitute Version as Presented to the Senate Finance and Financial Institutions

such pupil shall be credited to the school district in which the18892pupil is entitled to attend school under division (B) of section188933313.64 or section 3313.65 of the Revised Code as determined by18894the department of education.18895

(I)(1) A city, local, exempted village, or joint vocational 18896 school district admitting a scholarship student of a pilot project 18897 district pursuant to division (C) of section 3313.976 of the 18898 Revised Code may count such student in its average daily 18899 membership. 18900

(2) In any year for which funds are appropriated for pilot 18901
project scholarship programs, a school district implementing a 18902
state-sponsored pilot project scholarship program that year 18903
pursuant to sections 3313.974 through 3313.979 of the Revised Code 18904
may count in average daily membership: 18905

(a) All children residing in the district and utilizing a 18906
scholarship to attend kindergarten in any alternative school, as 18907
defined in section 3313.974 of the Revised Code; 18908

(b) All children who were enrolled in the district in the 18909preceding year who are utilizing a scholarship to attend any such 18910alternative school. 18911

(J) The superintendent of each cooperative education school 18912 district shall certify to the superintendent of public 18913 instruction, in a manner prescribed by the state board of 18914 education, the applicable average daily memberships for all 18915 students in the cooperative education district, also indicating 18916 the city, local, or exempted village district where each pupil is 18917 entitled to attend school under section 3313.64 or 3313.65 of the 18918 Revised Code. 18919

**Sec. 3317.05.** (A) For the purpose of calculating payments 18920 under sections 3317.161 3317.052 and 3317.162 3317.053 of the 18921

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Revised Code, the state board of education shall determine for 18922 each institution, by the last day of January of each year and 18923 based on information certified under section 3317.03 of the 18924 Revised Code, the number of vocational education units or 18925 fractions of units approved by the state board on the basis of 18926 standards and rules adopted by the state board. As used in this 18927 division, "institution" means an institution operated by a 18928 department specified in section 3323.091 of the Revised Code and 18929 that provides vocational education programs under the supervision 18930 of the division of vocational education of the department of 18931 education that meet the standards and rules for these programs, 18932 including licensure of professional staff involved in the 18933 programs, as established by the state board of education. 18934

(B) For the purpose of calculating payments under sections 18935 <u>3317.052, 3317.053,</u> 3317.11, <del>3317.161, 3317.162,</del> and 3317.19 of 18936 the Revised Code, the state board shall determine, based on 18937 information certified under section 3317.03 of the Revised Code, 18938 the following by the last day of January of each year for each 18939 educational service center, for each school district, including 18940 each cooperative education school district, for each institution 18941 eligible for payment under section 3323.091 of the Revised Code, 18942 and for each county MR/DD board: the number of classes operated by 18943 the school district, service center, institution, or county MR/DD 18944 board for handicapped preschool children, or fraction thereof, 18945 including in the case of a district or service center that is a 18946 funding agent, classes taught by a licensed teacher employed by 18947 that district or service center under section 3313.841 of the 18948 Revised Code, approved annually by the state board on the basis of 18949 standards and rules adopted by the state board. 18950

(C) For the purpose of calculating payments under sections 18951
<u>3317.052, 3317.053, 3317.11, <del>3317.161, 3317.162,</del> and 3317.19 of 18952
the Revised Code, the state board shall determine, based on 18953
</u>

information certified under section 3317.03 of the Revised Code, 18954 the following by the last day of January of each year for each 18955 school district, including each cooperative education school 18956 district, for each institution eligible for payment under section 18957 3323.091 of the Revised Code, and for each county MR/DD board: the 18958 number of preschool handicapped related services units for child 18959 study, occupational, physical, or speech and hearing therapy, 18960 special education supervisors, and special education coordinators 18961 approved annually by the state board on the basis of standards and 18962 rules adopted by the state board. 18963

(D) For the purpose of calculating payments under sections 18964 3317.161 3317.052 and 3317.162 3317.053 of the Revised Code, the 18965 state board shall determine, based on information certified under 18966 section 3317.03 of the Revised Code, the following by the last day 18967 of January of each year for each institution eligible for payment 18968 under section 3323.091 of the Revised Code, and for each county 18969 MR/DD board: 18970

(1) The number of classes operated by an institution or 18971 county MR/DD board for handicapped children other than handicapped 18972 preschool children, or fraction thereof, approved annually by the 18973 state board on the basis of standards and rules adopted by the 18974 state board; 18975

(2) The number of related services units for children other
18976
than handicapped preschool children for child study, occupational,
18977
physical, or speech and hearing therapy, special education
18978
supervisors, and special education coordinators approved annually
18979
by the state board on the basis of standards and rules adopted by
18980
the state board.

(E) All of the arithmetical calculations made under this
section shall be carried to the second decimal place. The total
number of units for school districts, service centers, and
18984
institutions approved annually by the state board under this
18985

### Substitute Version as Presented to the Senate Finance and Financial Institutions

section shall not exceed the number of units included in the state 18986 board's estimate of cost for these units and appropriations made 18987 for them by the general assembly. 18988

In the case of units described in division (D)(1) of this 18989 section operated by county MR/DD boards and institutions eligible 18990 for payment under section 3323.091 of the Revised Code, the state 18991 board shall approve only units for persons who are under age 18992 twenty-two on the first day of the academic year, but not less 18993 than six years of age on the thirtieth day of September of that 18994 year, except that such a unit may include one or more children who 18995 are under six years of age on the thirtieth day of September if 18996 such children have been admitted to the unit pursuant to rules of 18997 the state board. In the case of handicapped preschool units 18998 described in division (B) of this section operated by county MR/DD 18999 boards and institutions eligible for payment under section 19000 3323.091 of the Revised Code, the state board shall approve only 19001 preschool units for children who are under age six but not less 19002 than age three on the thirtieth day of September of the academic 19003 year, except that such a unit may include one or more children who 19004 are under age three or are age six or over on the thirtieth day of 19005 September if such children have been admitted to the unit pursuant 19006 to rules of the state board of education. The number of units for 19007 county MR/DD boards and institutions eligible for payment under 19008 section 3323.091 of the Revised Code approved by the state board 19009 under this section shall not exceed the number that can be funded 19010 with appropriations made for such purposes by the general 19011 assembly. 19012

No unit shall be approved under divisions (B) to (D) of this 19013 section unless a plan has been submitted and approved under 19014 Chapter 3323. of the Revised Code. 19015

(F) The department shall approve units or fractions thereof 19016 for gifted children on the basis of standards and rules adopted by 19017

the board.

**sec. 3317.051.** (A)(1) Notwithstanding sections 3317.05 and 19019 3317.11 of the Revised Code, a unit funded pursuant to division 19020 (P) of section 3317.024 or division (A)(2) of section 3317.16119021 <u>3317.052</u> of the Revised Code shall not be approved for state 19022 funding in one school district, including any cooperative 19023 education school district or any educational service center, to 19024 the extent that such unit provides programs in or services to 19025 another district which receives payment pursuant to section 19026 3317.04 of the Revised Code. 19027

(2) Any city, local, exempted village, or cooperative
education school district or any educational service center may
19029
combine partial unit eligibility for handicapped preschool
programs pursuant to section 3317.05 of the Revised Code, and such
19031
combined partial units may be approved for state funding in one
19032
school district or service center.

(B) After units have been initially approved for any fiscal 19034 year under section 3317.05 of the Revised Code, no unit shall be 19035 subsequently transferred from a school district or educational 19036 service center to another city, exempted village, local, or 19037 cooperative education school district or educational service 19038 center or to an institution or county MR/DD board solely for the 19039 purpose of reducing the financial obligations of the school 19040 district in a fiscal year it receives payment pursuant to section 19041 3317.04 of the Revised Code. 19042

Sec. 3317.1613317.052As used in this section,19043"institution" means an institution operated by a department19044specified in section 3323.091 of the Revised Code.19045

(A)(1) The department of education shall pay each schooldistrict, educational service center, institution eligible for19047

19018

19048 payment under section 3323.091 of the Revised Code, or county 19049 MR/DD board an amount for the total of all classroom units for 19050 handicapped preschool children approved under division (B) of 19051 section 3317.05 of the Revised Code. For each unit, the amount 19052 shall be the sum of the minimum salary for the teacher of the 19053 unit, calculated on the basis of the teacher's training level and 19054 years of experience pursuant to the salary schedule prescribed in 19055 the version of section 3317.13 of the Revised Code in effect prior 19056 to the effective date of this amendment, plus fifteen per cent of 19057 that minimum salary amount, and eight thousand twenty-three 19058 dollars.

(2) The department shall pay each school district, 19059 educational service center, institution eligible for payment under 19060 section 3323.091 of the Revised Code, or county MR/DD board an 19061 amount for the total of all related services units for handicapped 19062 preschool children approved under division (C) of section 3317.05 19063 of the Revised Code. For each such unit, the amount shall be the 19064 sum of the minimum salary for the teacher of the unit calculated 19065 on the basis of the teacher's training level and years of 19066 experience pursuant to the salary schedule prescribed in the 19067 version of section 3317.13 of the Revised Code in effect prior to 19068 the effective date of this amendment, fifteen per cent of that 19069 minimum salary amount, and two thousand one hundred thirty-two 19070 dollars. 19071

(B) If a school district or, educational service center has 19072 had additional handicapped preschool units approved for the year 19073 under division (F)(2) of section 3317.03 of the Revised Code, or 19074 if a county MR/DD board has had additional handicapped preschool 19075 units approved for the year under division (F)(2) or (G)(3) of 19076 section 3317.03 of the Revised Code, the district, educational 19077 service center, or board shall receive an additional amount during 19078 the last half of the fiscal year. For each district, center, or 19079

### Substitute Version as Presented to the Senate Finance and Financial Institutions

board, the additional amount for each unit shall equal fifty per 19080 cent of the amounts computed for the unit in the manner prescribed 19081 by division (A) of this section and division (C) of section 19082 <del>3317.162</del> <u>3317.053</u> of the Revised Code. 19083

(C)(1) The department shall pay each institution eligible for 19084 payment under section 3323.091 of the Revised Code or county MR/DD 19085 board an amount for the total of all special education units 19086 approved under division (D)(1) of section 3317.05 of the Revised 19087 Code. The amount for each unit shall be the sum of the minimum 19088 salary for the teacher of the unit, calculated on the basis of the 19089 teacher's training level and years of experience pursuant to the 19090 salary schedule prescribed in the version of section 3317.13 of 19091 the Revised Code in effect prior to the effective date of this 19092 amendment, plus fifteen per cent of that minimum salary amount, 19093 and eight thousand twenty-three dollars. 19094

(2) The department shall pay each institution eligible for 19095 payment under section 3323.091 of the Revised Code or county MR/DD 19096 board an amount for the total of all related services units 19097 approved under division (D)(2) of section 3317.05 of the Revised 19098 Code. The amount for each unit shall be the sum of the minimum 19099 salary for the teacher of the unit, calculated on the basis of the 19100 teacher's training level and years of experience pursuant to the 19101 salary schedule prescribed in the version of section 3317.13 of 19102 the Revised Code in effect prior to the effective date of this 19103 amendment, plus fifteen per cent of that minimum salary amount, 19104 and two thousand one hundred thirty-two dollars. 19105

(3) If a county MR/DD board has had additional units for19106handicapped children other than handicapped preschool children19107approved under division (G)(3) of section 3317.03 of the Revised19108Code, the board shall receive an additional amount during the last19109half of the fiscal year. For each board, the additional amount for19110each unit shall equal fifty per cent of the amount computed for19111

19112 the unit in the manner prescribed by division (C)(1) of this 19113 section and division (C) of section 3317.162 of the Revised Code. (D) The department shall pay each institution approved for 19114 vocational education units under division (A) of section 3317.05 19115 of the Revised Code an amount for the total of all the units 19116 approved under that division. The amount for each unit shall be 19117 the sum of the minimum salary for the teacher of the unit, 19118 calculated on the basis of the teacher's training level and years 19119 of experience pursuant to the salary schedule prescribed in the 19120 version of section 3317.13 of the Revised Code in effect prior to 19121 the effective date of this amendment, plus fifteen per cent of 19122

that minimum salary amount, and nine thousand five hundred ten 19123 dollars. 19124

## Sec. 3317.162 3317.053. (A) As used in this section: 19125

(1) "State share percentage" has the same meaning as in19126section 3317.022 of the Revised Code.19127

(2) "Dollar amount" means the amount shown in the following 19128table for the corresponding type of unit and the appropriate 19129fiscal year: 19130

	DOLLAF	AMOUNT	19131
	<del>FY 2000</del>	<del>FY-2001</del>	19132
TYPE OF UNIT	<u>FY 2002</u>	<u>FY 2003</u>	19133
Division (B) of section 3317.05	\$8,334	\$8,334	19134
of the Revised Code			
Division (C) of that section	\$3,234	\$3,234	19135
Division (F) of that section	<del>\$4,550</del>	<del>\$5,550</del>	19136
	<u>\$6,550</u>	<u>\$7,550</u>	19137

(3) "Average unit amount" means the amount shown in the 19138following table for the corresponding type of unit: 19139

AVERAGE UNIT AMOUNT 19140

<del>FY 2000</del> <del>FY 2001</del> 19141

Page 618

TYPE OF UNIT		<u>FY 2002</u>	<u>FY 2003</u>	19142
Division (B) of section 33	17.05 of	\$7,799	\$7,799	19143
the Revised Code				
Division (C) of that secti	on	\$2,966	\$2,966	19144
Division (F) of that secti	on	<del>\$4,251</del>	<del>\$5,251</del>	19145
		<u>\$6,251</u>	<u>\$7,251</u>	19146

(B) In the case of each unit described in division (B), (C), 19147 or (F) of section 3317.05 of the Revised Code and allocated to a 19148 city, local, or exempted village school district, the department 19149 of education, in addition to the amounts specified in division (P) 19150 of section 3317.024 and sections <del>3317.161</del> <u>3317.052</u> and 3317.19 of 19151 the Revised Code, shall pay a supplemental unit allowance equal to 19152 the sum of the following amounts: 19153

(1) An amount equal to 50% of the average unit amount for the 19154unit; 19155

(2) An amount equal to the percentage of the dollar amountfor the unit that equals the district's state share percentage.19157

If, prior to the fifteenth day of May of a fiscal year, a 19158 school district's aid computed under section 3317.022 of the 19159 Revised Code is recomputed pursuant to section 3317.027 or 19160 3317.028 of the Revised Code, the department shall also recompute 19161 the district's entitlement to payment under this section utilizing 19162 a new state share percentage. Such new state share percentage 19163 shall be determined using the district's recomputed basic aid 19164 amount pursuant to section 3317.027 or 3317.028 of the Revised 19165 Code. During the last six months of the fiscal year, the 19166 department shall pay the district a sum equal to one-half of the 19167 recomputed payment in lieu of one-half the payment otherwise 19168 calculated under this section. 19169

(C)(1) In the case of each unit allocated to an institution 19170 pursuant to division (A) of section 3317.05 of the Revised Code, 19171 the department, in addition to the amount specified in section 19172

Page 619

 3317.161
 3317.052
 of the Revised Code, shall pay a supplemental
 19173

 unit allowance of \$7,227.
 19174

(2) In the case of each unit described in division (B) or 19175
(D)(1) of section 3317.05 of the Revised Code that is allocated to 19176
any entity other than a city, exempted village, or local school 19177
district, the department, in addition to the amount specified in 19178
section 3317.161 3317.052 of the Revised Code, shall pay a 19179
supplemental unit allowance of \$7,799. 19180

(3) In the case of each unit described in division (C) or 19181
(D)(2) of section 3317.05 of the Revised Code and allocated to any 19182
entity other than a city, exempted village, or local school 19183
district, the department, in addition to the amounts specified in 19184
section 3317.161 3317.052 of the Revised Code, shall pay a 19185
supplemental unit allowance of \$2,966. 19186

(4) In the case of each unit described in division (F) of19187section 3317.05 of the Revised Code and allocated to an19188educational service center, the department, in addition to the19189amounts specified in division (P) of section 3317.024 of the19190Revised Code, shall pay a supplemental unit allowance of \$4,25119191\$6,251 in fiscal year 2000 2002 and \$5,251 \$7,251 in fiscal year191922001 2003.19193

sec. 3317.06. Moneys paid to school districts under division 19194
(L) of section 3317.024 of the Revised Code shall be used for the 19195
following independent and fully severable purposes: 19196

(A) To purchase such secular textbooks or electronic
19197
textbooks as have been approved by the superintendent of public
19198
instruction for use in public schools in the state and to loan
19199
such textbooks or electronic textbooks to pupils attending
19200
nonpublic schools within the district or to their parents and to
19201
hire clerical personnel to administer such lending program. Such
19203

19204 nonpublic school pupils or parents. Such requests shall be 19205 submitted to the school district in which the nonpublic school is 19206 located. Such individual requests for the loan of textbooks or 19207 electronic textbooks shall, for administrative convenience, be 19208 submitted by the nonpublic school pupil or the pupil's parent to 19209 the nonpublic school, which shall prepare and submit collective 19210 summaries of the individual requests to the school district. As 19211 used in this section:

(1) "Textbook" means any book or book substitute that a pupil 19212 uses as a consumable or nonconsumable text, text substitute, or 19213 text supplement in a particular class or program in the school the 19214 pupil regularly attends. 19215

(2) "Electronic textbook" means computer software, 19216
interactive videodisc, magnetic media, CD-ROM, computer 19217
courseware, local and remote computer assisted instruction, 19218
on-line service, electronic medium, or other means of conveying 19219
information to the student or otherwise contributing to the 19220
learning process through electronic means. 19211

(B) To provide speech and hearing diagnostic services to
pupils attending nonpublic schools within the district. Such
service shall be provided in the nonpublic school attended by the
pupil receiving the service.

(C) To provide physician, nursing, dental, and optometric
services to pupils attending nonpublic schools within the
district. Such services shall be provided in the school attended
by the nonpublic school pupil receiving the service.

(D) To provide diagnostic psychological services to pupils 19230
 attending nonpublic schools within the district. Such services 19231
 shall be provided in the school attended by the pupil receiving 19232
 the service. 19233

(E) To provide therapeutic psychological and speech and 19234

Page 620

\_ \_ \_ \_ \_

19235 hearing services to pupils attending nonpublic schools within the 19236 district. Such services shall be provided in the public school, in 19237 nonpublic schools, in public centers, or in mobile units located 19238 on or off of the nonpublic premises. If such services are provided 19239 in the public school or in public centers, transportation to and 19240 from such facilities shall be provided by the school district in 19241 which the nonpublic school is located.

(F) To provide quidance and counseling services to pupils 19242 attending nonpublic schools within the district. Such services 19243 shall be provided in the public school, in nonpublic schools, in 19244 public centers, or in mobile units located on or off of the 19245 nonpublic premises. If such services are provided in the public 19246 school or in public centers, transportation to and from such 19247 facilities shall be provided by the school district in which the 19248 nonpublic school is located. 19249

(G) To provide remedial services to pupils attending 19250 nonpublic schools within the district. Such services shall be 19251 provided in the public school, in nonpublic schools, in public 19252 centers, or in mobile units located on or off of the nonpublic 19253 premises. If such services are provided in the public school or in 19254 public centers, transportation to and from such facilities shall 19255 be provided by the school district in which the nonpublic school 19256 is located. 19257

(H) To supply for use by pupils attending nonpublic schools 19258 within the district such standardized tests and scoring services 19259 as are in use in the public schools of the state; 19260

(I) To provide programs for children who attend nonpublic 19261 schools within the district and are handicapped children as 19262 defined in division (A) of section 3323.01 of the Revised Code or 19263 gifted children. Such programs shall be provided in the public 19264 school, in nonpublic schools, in public centers, or in mobile 19265 units located on or off of the nonpublic premises. If such 19266

programs are provided in the public school or in public centers, transportation to and from such facilities shall be provided by the school district in which the nonpublic school is located. 19267 19268 19269

(J) To hire clerical personnel to assist in the 19270
administration of programs pursuant to divisions (B), (C), (D), 19271
(E), (F), (G), and (I) of this section and to hire supervisory 19272
personnel to supervise the providing of services and textbooks 19273
pursuant to this section. 19274

(K) To purchase or lease any secular, neutral, and 19275 nonideological computer software (including site-licensing), 19276 prerecorded video laserdiscs, digital video on demand (DVD), 19277 compact discs, and video cassette cartridges, wide area 19278 19279 connectivity and related technology as it relates to internet access, mathematics or science equipment and materials, 19280 instructional materials, and school library materials that are in 19281 general use in the public schools of the state and loan such items 19282 to pupils attending nonpublic schools within the district or to 19283 their parents, and to hire clerical personnel to administer the 19284 lending program. Only such items that are incapable of diversion 19285 to religious use and that are susceptible of loan to individual 19286 pupils and are furnished for the use of individual pupils shall be 19287 purchased and loaned under this division. As used in this section, 19288 "instructional materials" means prepared learning materials that 19289 are secular, neutral, and nonideological in character and are of 19290 benefit to the instruction of school children, and may include 19291 educational resources and services developed by the Ohio schoolnet 19292 commission. 19293

(L) To purchase <u>or lease</u> instructional equipment, including 19294 computer hardware and related equipment in general use in the 19295 public schools of the state, for use by pupils attending nonpublic 19296 schools within the district and to loan such items to pupils 19297 attending nonpublic schools within the district or to their 19298

### Substitute Version as Presented to the Senate Finance and Financial Institutions

parents, and to hire clerical personnel to administer the lending 19299 program. 19300

(M) To purchase mobile units to be used for the provision of 19301
services pursuant to divisions (E), (F), (G), and (I) of this 19302
section and to pay for necessary repairs and operating costs 19303
associated with these units. 19304

Clerical and supervisory personnel hired pursuant to division 19305 (J) of this section shall perform their services in the public 19306 schools, in nonpublic schools, public centers, or mobile units 19307 where the services are provided to the nonpublic school pupil, 19308 except that such personnel may accompany pupils to and from the 19309 service sites when necessary to ensure the safety of the children 19310 receiving the services. 19311

All services provided pursuant to this section may be 19312 provided under contract with educational service centers, the 19313 department of health, city or general health districts, or private 19314 agencies whose personnel are properly licensed by an appropriate 19315 state board or agency. 19316

Transportation of pupils provided pursuant to divisions (E), 19317 (F), (G), and (I) of this section shall be provided by the school 19318 district from its general funds and not from moneys paid to it 19319 under division (L) of section 3317.024 of the Revised Code unless 19320 a special transportation request is submitted by the parent of the 19321 child receiving service pursuant to such divisions. If such an 19322 application is presented to the school district, it may pay for 19323 the transportation from moneys paid to it under division (L) of 19324 section 3317.024 of the Revised Code. 19325

No school district shall provide health or remedial services 19326 to nonpublic school pupils as authorized by this section unless 19327 such services are available to pupils attending the public schools 19328 within the district. 19329

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Materials, equipment, computer hardware or software, 19330 textbooks, electronic textbooks, and health and remedial services 19331 provided for the benefit of nonpublic school pupils pursuant to 19332 this section and the admission of pupils to such nonpublic schools 19333 shall be provided without distinction as to race, creed, color, or 19334 national origin of such pupils or of their teachers. 19335

No school district shall provide services, materials, or 19336 equipment that contain religious content for use in religious 19337 courses, devotional exercises, religious training, or any other 19338 religious activity. 19339

As used in this section, "parent" includes a person standing 19340 in loco parentis to a child. 19341

Notwithstanding section 3317.01 of the Revised Code, payments 19342 shall be made under this section to any city, local, or exempted 19343 village school district within which is located one or more 19344 nonpublic elementary or high schools and any payments made to 19345 school districts under division (L) of section 3317.024 of the 19346 Revised Code for purposes of this section may be disbursed without 19347 submission to and approval of the controlling board. 19348

The allocation of payments for materials, equipment, 19349 textbooks, electronic textbooks, health services, and remedial 19350 services to city, local, and exempted village school districts 19351 shall be on the basis of the state board of education's estimated 19352 annual average daily membership in nonpublic elementary and high 19353 schools located in the district. 19354

Payments made to city, local, and exempted village school 19355 districts under this section shall be equal to specific 19356 appropriations made for the purpose. All interest earned by a 19357 school district on such payments shall be used by the district for 19358 the same purposes and in the same manner as the payments may be 19359 used. 19360

Substitute Version as Presented to the Senate Finance and Financial Institutions

The department of education shall adopt guidelines and 19361 procedures under which such programs and services shall be 19362 provided, under which districts shall be reimbursed for 19363 administrative costs incurred in providing such programs and 19364 services, and under which any unexpended balance of the amounts 19365 appropriated by the general assembly to implement this section may 19366 be transferred to the auxiliary services personnel unemployment 19367 compensation fund established pursuant to section 4141.47 of the 19368 Revised Code. The department shall also adopt guidelines and 19369 procedures limiting the purchase and loan of the items described 19370 in division (K) of this section to items that are in general use 19371 19372 in the public schools of the state, that are incapable of diversion to religious use, and that are susceptible to individual 19373 use rather than classroom use. Within thirty days after the end of 19374 each biennium, each board of education shall remit to the 19375 department all moneys paid to it under division (L) of section 19376 3317.024 of the Revised Code and any interest earned on those 19377 moneys that are not required to pay expenses incurred under this 19378 section during the biennium for which the money was appropriated 19379 and during which the interest was earned. If a board of education 19380 subsequently determines that the remittal of moneys leaves the 19381 board with insufficient money to pay all valid expenses incurred 19382 under this section during the biennium for which the remitted 19383 money was appropriated, the board may apply to the department of 19384 education for a refund of money, not to exceed the amount of the 19385 insufficiency. If the department determines the expenses were 19386 lawfully incurred and would have been lawful expenditures of the 19387 refunded money, it shall certify its determination and the amount 19388 of the refund to be made to the director of job and family 19389 services who shall make a refund as provided in section 4141.47 of 19390 the Revised Code. 19391

Sec. 3317.064. (A) There is hereby established in the state 19392

treasury the auxiliary services mobile unit replacement and repair 19393 fund. By the thirtieth day of January of each odd-numbered year, 19394 the director of job and family services and the superintendent of 19395 public instruction shall determine the amount of any excess moneys 19396 in the auxiliary services personnel unemployment compensation fund 19397 not reasonably necessary for the purposes of section 4141.47 of 19398 the Revised Code, and shall certify such amount to the director of 19399 budget and management for transfer to the auxiliary services 19400 mobile unit replacement and repair fund. If the director of jobs 19401 job and family services and the superintendent disagree on such 19402 amount, the director of budget and management shall determine the 19403 amount to be transferred. 19404

(B) Moneys in the auxiliary services mobile unit replacement 19405 and repair fund shall be used for the relocation or for the 19406 replacement and repair of mobile units used to provide the 19407 services specified in division (E), (F), (G), or (I) of section 19408 3317.06 of the Revised Code and for no other purposes. The state 19409 board of education shall adopt guidelines and procedures for 19410 replacement, repair, and relocation of mobile units and the 19411 procedures under which a school district may apply to receive 19412 moneys with which to repair or replace or relocate such units. 19413

(C) School districts may apply to the department for moneys 19414 from the auxiliary services mobile unit replacement and repair 19415 fund for payment of incentives for early retirement and severance 19416 for school district personnel assigned to provide services 19417 authorized by section 3317.06 of the Revised Code at chartered 19418 nonpublic schools. The portion of the cost of any early retirement 19419 or severance incentive for any employee that is paid using money 19420 from the auxiliary services mobile unit replacement and repair 19421 fund shall not exceed the percentage of such employee's total 19422 service credit that the employee spent providing services to 19423 chartered nonpublic school students under section 3317.06 of the 19424

Revised Code.

**Sec. 3317.11.** (A) Annually, on or before a date designated by 19426 the state board of education, each educational service center 19427 governing board shall prepare a budget of operating expenses for 19428 the ensuing year for the service center on forms prepared and 19429 furnished by the state board of education and shall certify the 19430 budget to the state board of education, together with such other 19431 information as the board may require. Such budget shall consist of 19432 two parts. Part (A) shall include the cost of the salaries, 19433 employers retirement contributions, and travel expenses of 19434 supervisory teachers approved by the state board of education. The 19435 amount derived from the calculation for such units in part (A) of 19436 the governing board budget shall be the sum of: 19437

(1) The sum of the minimum salaries calculated, pursuant to 19438 19439 section 3317.13 of the Revised Code, for each approved licensed employee of the governing board; 19440

(2) An additional salary allowance proportional to the length 19441 of the extended term of service not to exceed three months for each supervisory and child study teacher whose term of service in 19443 any year is extended beyond the terms of service of regular 19444 classroom teachers; 19445

(3) An allowance equal to fifteen per cent of the amount 19446 computed under division (A)(1) of this section; 19447

(4) An allowance for necessary travel expenses, for each of 19448 the personnel approved in part (A) of the budget, limited to two 19449 hundred twenty-three dollars and sixteen cents per month, or two 19450 thousand six hundred seventy-eight dollars per year per person 19451 employed, whichever is the lesser. 19452

Part (B) shall include the cost of all other lawful 19453 expenditures of the governing board. The state board of education 19454

Page 627

19425

19442

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 628

shall review such budget and may approve, increase, or decrease 19455 such budget. 19456

The governing board shall be reimbursed by the state board of 19457 education from state funds for the cost of part (A) of the budget. 19458 The governing board shall be reimbursed by the state board of 19459 education, from state funds for the cost of part (B) of the 19460 approved budget that is in excess of six dollars and fifty cents 19461 times the service center ADM. If the governing board provides 19462 services to city or exempted village school districts pursuant to 19463 section 3313.843 of the Revised Code, the governing board shall be 19464 reimbursed from state funds for the cost of part (B) of the budget 19465 that is in excess of six dollars and fifty cents times the sum of 19466 the service center ADM and the client ADMs of the city or exempted 19467 village districts to which such services are provided. The cost of 19468 part (B) not in excess of six dollars and fifty cents times the 19469 number of such ADM shall be apportioned by the state board of 19470 education among the local school districts in the territory of the 19471 service center, or among all districts to which the governing 19472 board provides services, on the basis of the total number of 19473 pupils in each school district. 19474

If part (B) of the budget is in excess of that approved by 19475 the state board of education, the excess cost shall be apportioned 19476 by the state board of education among the local school districts 19477 in the territory of the service center on the basis of the total 19478 number of such pupils in each such school district, provided that 19479 a majority of the boards of education of such local school 19480 districts approve such apportionment. The state board of education 19481 shall initiate and supervise the procedure by which the local 19482 boards shall approve or disapprove such apportionment. 19483

The amounts so apportioned shall be certified to the 19484 treasurers of the various school districts. In the case of each 19485 district such amount shall be deducted by the state board of 19486

Page 629

education from funds allocated to the district pursuant to 19487 division (E) of section 3317.023 of the Revised Code. 19488

The state board of education shall certify to the director of 19489 budget and management for payment the total of the deductions, 19490 whereupon the amount shall be paid to the governing board of each 19491 service center, to be deposited to the credit of a separate fund, 19492 hereby created, to be known as the educational service center 19493 governing board fund. 19494

An educational service center may provide special education 19495 to students in its local districts or in client districts. A 19496 service center is eligible for funding under division (J) of 19497 section 3317.024 of the Revised Code and eligible for state 19498 subsidies for the purchase of school buses under section 3317.07 19499 of the Revised Code. Special education units for gifted children 19500 may be operated by a governing board. Vocational education may be 19501 provided by a governing board. A governing board may conduct 19502 driver education for pupils enrolled in a high school for which 19503 the state board of education prescribes minimum standards. 19504

Every local school district shall be provided supervisory 19505 services by its governing board as approved by the state board of 19506 education. A city or exempted village school district shall be 19507 considered to be provided supervisory services by a governing 19508 board if it has entered into an agreement for the governing board 19509 to provide any services under section 3313.843 of the Revised 19510 Code. Supervisory services shall not exceed one supervisory 19511 teacher for the first fifty classroom teachers employed in all 19512 districts that are provided supervisory services calculated under 19513 section 3317.023 of the Revised Code and one supervisory teacher 19514 for every additional one hundred such classroom teachers so 19515 calculated. Reimbursement for such supervisory services shall be a 19516 deduction by the state board of education from the payment to the 19517 school district pursuant to division (E) of section 3317.023 of 19518

19519 the Revised Code. Deductions for all supervisory services and 19520 extended services for supervisory and child study shall be 19521 apportioned among local school districts within the territory of 19522 the service center and any city or exempted village districts that 19523 have entered into agreements with a service center pursuant to 19524 section 3313.843 of the Revised Code by the state board of 19525 education on the basis of the total number of pupils in each 19526 school district, except that where such services are provided to 19527 districts other than local school districts within the service 19528 center territory and city or exempted village districts having 19529 agreements with the service center, such charges shall be 19530 apportioned among all participating districts on the basis of the 19531 total number of pupils in each school district. All deductions 19532 from state funding to school districts required for reimbursement 19533 of governing boards by division (E) of section 3317.023 of the 19534 Revised Code shall be made from the total of the payment computed 19535 for the district under this chapter, after making any other 19536 adjustments in that payment required by law.

(B)(1) In addition to the payments made under division (A) of 19537 this section, except as otherwise provided in division (C) of this 19538 section, the department of education shall pay each governing 19539 board the amount in the following schedule for the specified 19540 fiscal year, thirty-seven dollars times the sum of the service 19541 center ADM and the sum of the client ADMs of all its client 19542 districts÷

(a) In fiscal year 2000, thirty-six dollars; 19544

(b) In in fiscal year 2001, thirty-seven dollars years 2002 19545 and 2003. 19546

(2) In addition to other payments under this section, the
 19547
 department shall pay each educational service center the amounts
 19548
 due to it from school districts pursuant to contracts, compacts,
 19549
 or agreements under which the service center furnishes services to
 19550

19551 the districts or their students. In order to receive payment under 19552 this division, an educational service center shall furnish either 19553 a copy of the applicable contract, compact, or agreement clearly 19554 indicating the amounts of the payments, or a written statement of 19555 the payments owed signed by the superintendent or treasurer of the 19556 responsible school district.

The amounts paid to service centers under division (B)(2) of 19557 this section shall be deducted from payments to school districts 19558 pursuant to division (K)(2) of section 3317.023 of the Revised 19559 Code. 19560

(C) Each multicounty service center shall receive a payment 19561 each fiscal year equal to forty dollars and fifty-two cents times 19562 the sum of the service center ADM and the client ADMs of all its 19563 client districts. 19564

(D) Each city, exempted village, local, joint vocational, or 19565 cooperative education school district shall pay to the governing 19566 board of an educational service center any amounts agreed to for 19567 each child enrolled in the district who receives special education 19568 and related services or vocational education from the educational 19569 service center. 19570

(E) As used in this section:

(1) "Service center ADM" means the total of each of the 19572 following for all local school districts within the limits of an 19573 educational service center's territory: 19574

(a) The formula ADM;

(b) The kindergarten average daily membership included in the 19576 formula ADM; 19577

(c) Three-quarters of the number of students reported under 19578 division (B)(4) of section 3317.03 of the Revised Code; 19579

(d) The average daily membership of handicapped preschool 19580

19571

19575

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 632

19600

children reported under division (B)(2) of section 3317.03 of the 19581 Revised Code; 19582

(e) The number of preschool students certified under division 19583(B) of section 3317.032 of the Revised Code. 19584

(2) "Client ADM" means the total of each number described
 under divisions (E)(1)(a) to (e) of this section for a client
 district.

(3) "Client district" means a city or exempted village school 19588
district that has entered into an agreement to receive services 19589
from a service center pursuant to section 3313.843 of the Revised 19590
Code. 19591

(4) "Multicounty service center" means a service center that 19592 includes territory that formerly was included in the territory of 19593 at least three former service centers or county school districts, 19594 which former centers or districts engaged in one or more mergers 19595 pursuant to section 3311.053 of the Revised Code to form the 19596 present center. 19597

sec. 3317.13. (A) As used in this section and section 3317.14 19598
of the Revised Code:
19599

(1) "Years of service" includes the following:

(a) All years of teaching service in the same school district 19601
 or educational service center, regardless of training level, with 19602
 each year consisting of at least one hundred twenty days under a 19603
 teacher's contract; 19604

(b) All years of teaching service in a chartered, nonpublic
19605
school located in Ohio as a teacher licensed pursuant to section
3319.22 of the Revised Code or in another public school,
regardless of training level, with each year consisting of at
least one hundred twenty days under a teacher's contract;

### Substitute Version as Presented to the Senate Finance and Financial Institutions

(c) All years of teaching service in a chartered school or 19610 institution or a school or institution that subsequently became 19611 chartered or a chartered special education program or a special 19612 education program that subsequently became chartered operated by 19613 the state or by a subdivision or other local governmental unit of 19614 this state as a teacher licensed pursuant to section 3319.22 of 19615 the Revised Code, regardless of training level, with each year 19616 consisting of at least one hundred twenty days; and 19617

(d) All years of active military service in the armed forces 19618
of the United States, as defined in section 3307.75 of the Revised 19619
Code, to a maximum of five years. For purposes of this 19620
calculation, a partial year of active military service of eight 19621
continuous months or more in the armed forces shall be counted as 19622
a full year. 19623

(2) "Teacher" means all teachers employed by the board of 19624
education of any school district, including any cooperative 19625
education or joint vocational school district and all teachers 19626
employed by any educational service center governing board. 19627

(B) No teacher shall be paid a salary less than that provided 19628 in the schedule set forth in division (C) of this section. In 19629 calculating the minimum salary any teacher shall be paid pursuant 19630 to this section, years of service shall include the sum of all 19631 years of the teacher's teaching service included in divisions 19632 (A)(1)(a), (b), (c), and (d) of this section; except that any 19633 school district or educational service center employing a teacher 19634 new to the district or educational service center shall grant such 19635 teacher a total of not more than ten years of service pursuant to 19636 divisions (A)(1)(b), (c), and (d) of this section. 19637

Upon written complaint to the superintendent of public 19638 instruction that the board of education of a district or the 19639 governing board of an educational service center governing board 19640 has failed or refused to annually adopt a salary schedule or to 19641

19642 pay salaries in accordance with the salary schedule set forth in 19643 division (C) of this section, the superintendent of public 19644 instruction shall cause to be made an immediate investigation of 19645 such complaint. If the superintendent finds that the conditions 19646 complained of exist, the superintendent shall order the board to 19647 correct such conditions within ten days from the date of the 19648 finding. No moneys shall be distributed to the district or 19649 educational service center under this chapter until the 19650 superintendent has satisfactory evidence of the board of 19651 education's full compliance with such order.

Each teacher shall be fully credited with placement in the 19652 appropriate academic training level column in the district's or 19653 educational service center's salary schedule with years of service 19654 properly credited pursuant to this section or section 3317.14 of 19655 the Revised Code. No rule shall be adopted or exercised by any 19656 board of education or educational service center governing board 19657 which restricts the placement or the crediting of annual salary 19658 increments for any teacher according to the appropriate academic 19659 training level column. 19660

(C) Minimum salaries exclusive of retirement and sick leave 19661for teachers shall be as follows: 19662

		Teachers	3			Теа	chers wit	h Te	eac	hers	19663
Years		with Less 7		Teachers with		Five Years of		f wi	with		19664
of		than a Bachelo		Bachelor':	S	Training, but		t a	a Master's		19665
Se	rvice	Bachelor	's De	egree		no Master's		De	Degree or		19666
		Degree				Deg	ree	Hi	lgh	er	19667
	Per	Dollar	Per	Dollar	Per	2	Dollar	Per		Dollar	19668
	Cent*	Amount	Cent*	Amount	Cer	ıt*	Amount	Cent	*	Amount	19669
0	86.5	\$ <del>14,705</del>	100.0	\$ <del>17,000</del>	103	3.8	\$ <del>17,646</del>	109.	5	\$ <del>18,615</del>	19670
		<u>17,300</u>		<u>20,000</u>			<u>20,760</u>			<u>21,900</u>	19671
1	90.0	<del>15,300</del>	103.8	<del>17,646</del>	108	3.1	<del>18,377</del>	114.	3	<del>19,431</del>	19672
		<u>18,000</u>		20,760			<u>21,620</u>			<u>22,860</u>	19673

# Page 635

2	93.5	<del>15,895</del>	107.6	<del>18,292</del>	112.4	<del>19,108</del>	119.1	<del>20,247</del>	19674
		<u>18,700</u>		<u>21,520</u>		<u>22,480</u>		<u>23,820</u>	19675
3	97.0	<del>16,490</del>	111.4	<del>18,938</del>	116.7	<del>19,839</del>	123.9	<del>21,063</del>	19676
		<u>19,400</u>		<u>22,280</u>		<u>23,340</u>		24,780	19677
4	100.5	<del>17,085</del>	115.2	<del>19,584</del>	121.0	<del>20,570</del>	128.7	<del>21,879</del>	19678
		20,100		23,040		24,200		25,740	19679
5	104.0	<del>17,680</del>	119.0	<del>20,230</del>	125.3	<del>21,301</del>	133.5	<del>22,695</del>	19680
		20,800		<u>23,800</u>		<u>25,060</u>		<u>26,700</u>	19681
6	104.0	<del>17,680</del>	122.8	<del>20,876</del>	129.6	<del>22,032</del>	138.3	<del>23,511</del>	19682
		<u>20,800</u>		<u>24,560</u>		<u>25,920</u>		<u>27,660</u>	19683
7	104.0	<del>17,680</del>	126.6	<del>21,522</del>	133.9	<del>22,763</del>	143.1	<del>24,327</del>	19684
		<u>20,800</u>		<u>25,320</u>		<u>26,780</u>		<u>28,620</u>	19685
8	104.0	<del>17,680</del>	130.4	<del>22,168</del>	138.2	<del>23,494</del>	147.9	<del>25,143</del>	19686
		<u>20,800</u>		<u>26,080</u>		<u>27,640</u>		<u>29,580</u>	19687
9	104.0	<del>17,680</del>	134.2	<del>22,814</del>	142.5	<del>24,225</del>	152.7	<del>25,959</del>	19688
		<u>20,800</u>		<u>26,840</u>		<u>28,500</u>		<u>30,540</u>	19689
10	104.0	<del>17,680</del>	138.0	<del>23,460</del>	146.8	<del>24,956</del>	157.5	<del>26,775</del>	19690
		20,800		<u>27,600</u>		<u>29,360</u>		<u>31,500</u>	19691
11	104.0	<del>17,680</del>	141.8	<del>24,106</del>	151.1	<del>25,687</del>	162.3	<del>27,591</del>	19692
		<u>20,800</u>		<u>28,360</u>		<u>30,220</u>		<u>32,460</u>	19693

\* Percentages represent the percentage which each salary is 19694 of the base amount. 19695

For purposes of determining the minimum salary at any level 19696 of training and service, the base of one hundred per cent shall be 19697 the base amount. The percentages used in this section show the 19698 relationships between the minimum salaries required by this 19699 section and the base amount and shall not be construed as 19700 requiring any school district or educational service center to 19701 adopt a schedule containing salaries in excess of the amounts set 19702 forth in this section for corresponding levels of training and 19703 experience. 19704

As used in this division:

(1) "Base amount" means seventeen twenty thousand dollars. 19706 (2) "Five years of training" means at least one hundred fifty 19707 semester hours, or the equivalent, and a bachelor's degree from a 19708 recognized college or university. 19709 (D) For purposes of this section, all credited training shall 19710 be from a recognized college or university. 19711 Sec. 3317.16. (A) As used in this section: 19712 (1) "State share percentage" means the percentage calculated 19713 for a joint vocational school district as follows: 19714 (a) Calculate the state base cost funding amount for the 19715 district under division (B) of this section. If the district would 19716 not receive any base cost funding for that year under that 19717 division, the district's state share percentage is zero. 19718 (b) If the district would receive base cost funding under 19719 that division, divide that base cost amount by an amount equal to 19720 the following: 19721 cost-of-doing-business factor X 19722 the formula amount X 19723 the greater of formula ADM or 19724 three-year average formula ADM 19725 The resultant number is the district's state share 19726 19727 percentage. (2) The "total special education weight" for a joint 19728 vocational school district shall be calculated in the same manner 19729 as prescribed in division (B)(1) of section 3317.022 of the 19730 Revised Code. 19731 (3) The "total vocational education weight" for a joint 19732 vocational school district shall be calculated in the same manner 19733 as prescribed in division  $(B)\frac{(4)}{(3)}$  of section 3317.022 of the 19734

# Sub. H. B. No. 94Page 637Substitute Version as Presented to the Senate Finance and Financial Institutions19735Revised Code.19735

(4) The "adjusted total taxable value recognized valuation" 19736
 of a joint vocational school district shall be determined by 19737
 adding the adjusted total taxable values recognized valuations of 19738
 all its constituent school districts for the applicable fiscal 19739
 year. 19740

(B) The department of education shall compute and distribute 19741
 state base cost funding to each joint vocational school district 19742
 for the fiscal year in accordance with the following formula: 19743

(cost-of-doing-business factor X 19744
formula amount X the greater of formula 19745
ADM or three-year average formula ADM) - 19746

(.0005 X adjusted total taxable value recognized valuation) 19747

If the difference obtained under this division is a negative 19748 number, the district's computation shall be zero. 19749

(C)(1) The department shall compute and distribute state 19750 vocational education additional weighted costs funds to each joint 19751 vocational school district in accordance with the following 19752 formula: 19753

state share percentage X formula amount X19754total vocational education weight19755

(2) The department shall compute for each joint vocational
 19756
 school district state funds for vocational education associated
 19757
 services costs in accordance with the following formula:
 19758

state share percentage X .05 X19759the formula amount X the sum of19760categories one and two vocational19761education ADM19762

In any fiscal year, a joint vocational school district 19763 receiving funds under division (C)(2) of this section, or through 19764 a transfer of funds pursuant to division (L) of section 3317.023 19765

19766 of the Revised Code, shall spend those funds only for the purposes 19767 that the department designates as approved for vocational 19768 education associated services expenses, which may include such 19769 purposes as apprenticeship coordinators, coordinators for other 19770 vocational education services, vocational evaluation, and other 19771 purposes designated by the department. The department may deny 19772 payment under division (C)(2) of this section to any district that 19773 the department determines is not operating those services or is 19774 using funds paid under division (C)(2) of this section, or through 19775 a transfer of funds pursuant to division (L) of section 3317.023 19776 of the Revised Code, for other purposes.

(D)(1) The department shall compute and distribute state
 19777
 special education and related services additional weighted costs
 19778
 funds to each joint vocational school district in accordance with
 19779
 the following formula:

state share percentage X formula amount X19781total special education weight19782

(2)(a) As used in this division, the "personnel allowance"
 19783
 means twenty-five thousand dollars in fiscal year 2000 and thirty
 19784
 thousand dollars in fiscal year 2001 2002 and fifty-five thousand
 19785
 six hundred fifty-two dollars in fiscal year 2003.

(b) For the provision of speech services to students and for 19787
 no other purpose, the department shall pay each joint vocational 19788
 school district an amount calculated under the following formula: 19789
 (formula ADM divided by 2000) X the personnel 19790

allowance X state share percentage

(E)(1) If a joint vocational school district's costs for a 19792 fiscal year for a student in its category three categories one and 19793 two special education ADM are twenty-five thousand dollars or 19794 more, the district may submit to the superintendent of public 19795 instruction documentation, as prescribed by the superintendent, of 19796 all of its costs for that student. Upon submission of 19797

Page 639

documentation for a student of the type and in the manner19798prescribed, the department shall pay to the district an amount19799equal to the sum of the following:19800

(a) One-half of the district's costs for the student in 19801 excess of twenty-five thousand dollars; 19802

(b) The product of one-half of the district's costs for the 19803 student in excess of twenty-five thousand dollars multiplied by 19804 the district's state share percentage. 19805

(2) In fiscal year 2002, if a joint vocational school 19806 district's costs for a student in its category three special 19807 education ADM are twenty-five thousand dollars or more, the 19808 district may submit to the superintendent of public instruction 19809 documentation, as prescribed by the superintendent, of all its 19810 costs for that student. Upon submission of documentation for a 19811 student of the type and in the manner prescribed, the department 19812 shall pay to the district an amount equal to the sum of the 19813 following: 19814

(a) One-half of the district's costs for the student in 19815 excess of twenty-five thousand dollars; 19816

(b) The product of one-half of the district's costs for the19817student in excess of twenty-five thousand dollars multiplied by19818the district's state share percentage.19819

(3) In fiscal years after fiscal year 2002, if a joint 19820 vocational school district's costs for the fiscal year for a 19821 student in its category three special education ADM are twenty 19822 thousand dollars or more, the district may submit to the 19823 superintendent of public instruction documentation, as prescribed 19824 by the superintendent, of all its costs for that student. Upon 19825 submission of documentation for a student of the type and in the 19826 manner prescribed, the department shall pay to the district an 19827 amount equal to the sum of the following: 19828

Page 640

19833

19848

(a) One-half of the district's costs for the student in19829excess of twenty thousand dollars;19830(b) The product of one-half of the district's costs for the19831student in excess of twenty thousand dollars multiplied by the19832

district's state share percentage.

(4) The district shall only report under divisions (E)(1) to19834(3) of this section, and the department shall only pay for, the19835costs of educational expenses and the related services provided to19836the student in accordance with the student's individualized19837education program. Any legal fees, court costs, or other costs19838associated with any cause of action relating to the student may19839not be included in the amount.19840

(F) Each fiscal year, the department shall pay each joint 19841
 vocational school district an amount for adult technical and 19842
 vocational education and specialized consultants. 19843

(G)(1) In any fiscal year, a joint vocational school district 19844 receiving funds under division (D) of this section shall spend on 19845 the related services specified in division (B)(3) of section 19846 3317.022 of the Revised Code at least the lesser of the following: 19847

(a) The amount the district spent on those related services 19849in the preceding fiscal year; 19850

(b) 1/8 X {[cost-of-doing-business factor X the formula 19851 amount X (the category one special education ADM + category two 19852 special education ADM + category three special education ADM)] + 19853 the amount calculated for the fiscal year under division (D)(1) of 19854 this section + the local share of special education and related 19855 services additional weighted costs}. 19856

(2) A joint vocational school district's local share of 19857
 special education and related services additional weighted costs 19858
 equals: 19859

(1 - state share percentage) X	19860
Total special education weight X	19861
the formula amount	19862

(H) In any fiscal year, if the total of all payments made to 19863 a joint vocational school district under divisions (B) to (D) of 19864 this section and division (R) of section 3317.024 of the Revised 19865 Code is less than the amount that district received in fiscal year 19866 1999 under the version of this section in effect that year, plus 19867 the amount that district received under the version of section 19868 3317.162 of the Revised Code in effect that year and minus the 19869 amounts received that year for driver education and adult 19870 education, the department shall pay the district an additional 19871 amount equal to the difference between those two amounts. 19872

(I) In fiscal years 2000 and 2001, each joint vocational19873school district shall continue to offer the same number of the19874vocational education programs that the district offered in fiscal19875year 1999, unless the department of education expressly agrees19876that the district may offer fewer programs in either or both19877fiscal year 2000 or 2001.19878

**Sec. 3317.19.** (A) As used in this section, "total unit 19879 allowance" means an amount equal to the sum of the following: 19880

(1) The total of the salary allowances for the teachers 19881 employed in the cooperative education school district for all 19882 units approved under division (B) or (C) of section 3317.05 of the 19883 Revised Code. The salary allowance for each unit shall equal the 19884 minimum salary for the teacher of the unit calculated on the basis 19885 of the teacher's training level and years of experience pursuant 19886 to the salary schedule prescribed in the version of section 19887 3317.13 of the Revised Code in effect prior to the effective date 19888 of this amendment. 19889

(2) Fifteen per cent of the total computed under division 19890

Sub. H. B. No. 94	Page 642
Substitute Version as Presented to the Senate Finance and Financial Institutions	
(A)(1) of this section;	19891
(3) The total of the unit operating allowances for all	19892
approved units. The amount of each allowance shall equal one of	19893
the following:	19894
(a) Eight thousand twenty-three dollars times the number of	19895
preschool handicapped units or fraction thereof approved for the	19896
year under division (B) of section 3317.05 of the Revised Code;	19897
(b) Two thousand one hundred thirty-two dollars times the	19898
number of units or fraction thereof approved for the year under	19899
division (C) of section 3317.05 of the Revised Code.	19900
(B) The state board of education shall compute and distribute	19901
to each cooperative education school district for each fiscal year	19902
an amount equal to the sum of the following:	19903
(1) An amount equal to the total of the amounts credited to	19904
the cooperative education school district pursuant to division (K)	19905
of section 3317.023 of the Revised Code;	19906
(2) The total unit allowance;	19907
(3) An amount for assisting in providing free lunches to	19908
needy children and an amount for assisting needy school districts	19909
in purchasing necessary equipment for food preparation pursuant to	19910
division (K) of section 3317.024 of the Revised Code.	19911
(C) If a cooperative education school district has had	19912
additional special education units approved for the year under	19913
division (F)(2) of section 3317.03 of the Revised Code, the	19914
district shall receive an additional amount during the last half	19915
of the fiscal year. For each unit, the additional amount shall	19916
equal fifty per cent of the amount computed under division (A) of	19917
this section for a unit approved under division (B) of section	19918

3317.05 of the Revised Code.

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 643

19922

19923

sec. 3317.20. This section does not apply to handicapped 19920
preschool children. 19921

(A) As used in this section:

(1) "Applicable weight" means:

(a) For a handicapped child receiving special education 19924
services for a handicap specified in division (A) of section 19925
3317.013 of the Revised Code, the multiple specified in that 19926
division; 19927

(b) For a handicapped child receiving special education
services for a handicap specified in division (B) of section
3317.013 or division (F)(3) of section 3317.02 of the Revised
Code, the multiple specified in division (B) of section 3317.013
of the Revised Code.

(2) "Child's school district" means the school district in 19933
which a child is entitled to attend school pursuant to section 19934
3313.64 or 3313.65 of the Revised Code. 19935

(3) "State share percentage" means the state share percentage 19936of the child's school district as defined in section 3317.022 of 19937the Revised Code. 19938

(B) Notwithstanding sections 3317.03, 3317.05, 3317.161, and 19939 3317.162 of the Revised Code, the department of education shall 19940 not approve special education and related services units, other 19941 than for handicapped preschool children, in county MR/DD boards in 19942 fiscal years 1999, 2000, and 2001. During those fiscal years, 19943 state funding for special education and related services provided 19944 to school-age children by county MR/DD boards shall be provided 19945 under divisions (C) to (E) of this section. 19946

(C) Except as provided in division (D)(C) of this section, 19947 the department shall annually pay each county MR/DD board an 19948 amount calculated under the following formula for each handicapped 19949

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 644

child, other than a handicapped preschool child, for whom the	19950
county MR/DD board provides special education and related	19951
services:	19952
(formula amount X the cost-of-doing-business factor	19953
for the child's school district) +	19954

(state share percentage X formula amount X	19955
the applicable weight)	19956

(D)(C) If any school district places with a county MR/DD 19957 board more handicapped children than it had placed with a county 19958 MR/DD board in fiscal year 1998, the department shall not make a 19959 payment under division  $\frac{(C)(B)}{(B)}$  of this section for the number of 19960 children exceeding the number placed in fiscal year 1998. The 19961 department instead shall deduct from the district's payments under 19962 this chapter, and pay to the county MR/DD board, an amount 19963 calculated in accordance with the formula prescribed in division 19964 (C)(B) of this section for each child over the number of children 19965 placed in fiscal year 1998. 19966

(E)(D) The department shall calculate for each county MR/DD 19967 board receiving payments under divisions (C)(B) and (D)(C) of this 19968 section the following amounts: 19969

(1) The amount received by the county MR/DD board for
 approved special education and related services units, other than
 preschool handicapped units, in fiscal year 1998, divided by the
 19972
 total number of children served in the units that year;

(2) The product of the quotient calculated under division 19974 (E)(D)(1) of this section times the number of children for whom 19975 payments are made under divisions (C)(B) and (D)(C) of this 19976 section. 19977

If the amount calculated under division (E)(D)(2) of this19978section is greater than the total amount calculated under19979divisions (C)(B) and (D)(C) of this section, the department shall19980pay the county MR/DD board one hundred per cent of the difference19981

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 645

in addition to the payments under divisions (C)(B) and (D)(C) of 19982 this section. 19983

**Sec. 3318.01.** As used in sections 3318.01 to 3318.20 of the 19984 Revised Code: 19985

(A) "Ohio school facilities commission" means the commission 19986created pursuant to section 3318.30 of the Revised Code. 19987

(B) "Classroom facilities" means rooms in which pupils 19988 regularly assemble in public school buildings to receive 19989 instruction and education and such facilities and building 19990 improvements for the operation and use of such rooms as may be 19991 needed in order to provide a complete educational program, and may 19992 include space within which a child day-care facility or a 19993 community resource center is housed. "Classroom facilities" 19994 includes any space necessary for the operation of a vocational 19995 education program in any school district that operates such a 19996 19997 program.

(C) "Project" means a project to construct or acquire 19998
 classroom facilities, or to reconstruct or make additions to 19999
 existing classroom facilities, to be used for housing the 20000
 applicable school district and its functions. 20001

(D) "School district" means a local, exempted village, or 20002
city school district as such districts are defined in Chapter 20003
3311. of the Revised Code, acting as an agency of state 20004
government, performing essential governmental functions of state 20005
government pursuant to sections 3318.01 and 3318.20 of the Revised 20006
Code. 20007

(E) "School district board" means the board of education of a 20008 school district. 20009

(F) "Net bonded indebtedness" means the difference between 20010 the sum of the par value of all outstanding and unpaid bonds and 20011

20012 notes which a school district board is obligated to pay, any 20013 amounts the school district is obligated to pay under 20014 lease-purchase agreements entered into under section 3313.375 of 20015 the Revised Code, and the par value of bonds authorized by the 20016 electors but not yet issued, the proceeds of which can lawfully be 20017 used for the project, and the amount held in the sinking fund and 20018 other indebtedness retirement funds for their redemption. Notes 20019 issued for school buses in accordance with section 3327.08 of the 20020 Revised Code, notes issued in anticipation of the collection of 20021 current revenues, and bonds issued to pay final judgments shall 20022 not be considered in calculating the net bonded indebtedness.

"Net bonded indebtedness" does not include indebtedness 20023 arising from the acquisition of land to provide a site for 20024 classroom facilities constructed, acquired, or added to pursuant 20025 to sections 3318.01 to 3318.20 of the Revised Code. 20026

(G) "Board of elections" means the board of elections of the 20027county containing the most populous portion of the school 20028district. 20029

(H) "County auditor" means the auditor of the county in which 20030the greatest value of taxable property of such school district is 20031located. 20032

(I) "Tax duplicates" means the general tax lists and 20033duplicates prescribed by sections 319.28 and 319.29 of the Revised 20034Code. 20035

(J) "Required level of indebtedness" means:

(1) In the case of districts in the first percentile, five
20037
per cent of the district's valuation for the year preceding the
20038
year in which the controlling board approved the project under
20039
section 3318.04 of the Revised Code.

(2) In the case of districts ranked in a subsequent20041percentile, five per cent of the district's valuation for the year20042

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

preceding the year in which the controlling board approved the20043project under section 3318.04 of the Revised Code, plus [two20044one-hundredths of one per cent multiplied by (the percentile in20045which the district ranks minus one)].20046

(K) "Required percentage of the basic project costs" means 20047one per cent of the basic project costs times the percentile in 20048which the district ranks. 20049

(L) "Basic project cost" means a cost amount determined in 20050 accordance with rules adopted under section 111.15 of the Revised 20051 Code by the Ohio school facilities commission. The basic project 20052 cost calculation shall take into consideration the square footage 20053 and cost per square foot necessary for the grade levels to be 20054 housed in the classroom facilities, the variation across the state 20055 in construction and related costs, the cost of the installation of 20056 site utilities and site preparation, the cost of insuring the 20057 project until it is completed, any contingency reserve amount 20058 prescribed by the commission under section 3318.086 of the Revised 20059 <u>Code</u>, and the professional planning, administration, and design 20060 fees that a district may have to pay to undertake a classroom 20061 facilities project. 20062

"Basic project cost" also includes the value of classroom 20063 facilities authorized in a pre-existing bond issue as described in 20064 section 3318.033 of the Revised Code. 20065

(M) A "school district's portion of the basic project cost" 20066means the amount determined under section 3318.032 of the Revised 20067Code. 20068

(N) "Child day-care facility" means space within a classroom 20069
facility in which the needs of infants, toddlers, preschool 20070
children, and school children are provided for by persons other 20071
than the parent or guardian of such children for any part of the 20072
day, including persons not employed by the school district 20073

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

operating such classroom facility.

(0) "Community resource center" means space within a 20075
 classroom facility in which comprehensive services that support 20076
 the needs of families and children are provided by community-based 20077
 social service providers. 20078

(P) "Valuation" means the total value of all property in the 20079district as listed and assessed for taxation on the tax 20080duplicates. 20081

(Q) "Percentile" means the percentile in which the district 20082is ranked pursuant to division (D) of section 3318.011 of the 20083Revised Code. 20084

(R) "Installation of site utilities" means the installation 20085
of a site domestic water system, site fire protection system, site 20086
gas distribution system, site sanitary system, site storm drainage 20087
system, and site telephone and data system. 20088

(S) "Site preparation" means the earthwork necessary for 20089
preparation of the building foundation system, the paved 20090
pedestrian and vehicular circulation system, playgrounds on the 20091
project site, and lawn and planting on the project site. 20092

Sec. 3318.04. (A) If the Ohio school facilities commission 20093 makes a determination under section 3318.03 of the Revised Code in 20094 favor of constructing, acquiring, reconstructing, or making 20095 additions to a classroom facility, the project shall be 20096 conditionally approved. Such conditional approval shall be 20097 submitted to the controlling board for approval thereof. The 20098 controlling board shall forthwith approve or reject the 20099 commission's determination, conditional approval, the amount of 20100 the state's portion of the basic project cost, and, if the state's 20101 portion exceeds twenty-five million dollars, the amount of the 20102 state's portion to be encumbered in the current fiscal biennium. 20103

Page 648

In the event of approval thereof by the controlling board, the 20104 commission shall certify such conditional approval to the school 20105 district board and shall encumber from the total funds 20106 appropriated for the purpose of sections 3318.01 to 3318.20 of the 20107 Revised Code the amount of the state's portion of the basic 20108 project cost or, if the state's portion exceeds twenty-five 20109 million dollars, the amount approved under this section to be 20110 encumbered in the current fiscal biennium. 20111

The basic project cost for a project approved under this 20112 section shall not exceed the cost that would otherwise have to be 20113 incurred if the classroom facilities to be constructed, acquired, 20114 or reconstructed, or the additions to be made to classroom 20115 facilities, under such project meet, but do not exceed, the 20116 specifications for plans and materials for classroom facilities 20117 adopted by the commission. 20118

(B)(1) No school district shall have a project conditionally 20119 approved pursuant to this section if the school district has 20120 already received any assistance for a project funded under any 20121 version of sections 3318.01 to 3318.20 of the Revised Code, and 20122 the prior project was one for which the electors of such district 20123 approved a levy within the last twenty years pursuant to any 20124 version of section 3318.06 of the Revised Code for purposes of 20125 qualifying for the funding of that project, unless the district 20126 demonstrates to the satisfaction of the commission that the 20127 district has experienced since approval of its prior project an 20128 exceptional increase in enrollment significantly above the 20129 district's design capacity under that prior project as determined 20130 by rule of the commission. 20131

(2) Notwithstanding division (B)(1) of this section, any
20132
school district that received assistance under sections 3318.01 to
20133
3318.20 of the Revised Code, as those sections existed prior to
20134
May 20, 1997, may receive additional assistance under those
20135

#### Page 649

20136 sections, as they exist on and after May 20, 1997, prior to the 20137 expiration of the period of time required under division (B)(1) of 20138 this section, if the percentile in which the school district is 20139 located, as determined under section 3318.011 of the Revised Code, 20140 is eligible for assistance as prescribed in section 3318.02 of the 20141 Revised Code.

The commission may provide assistance under sections 3318.01 20142 to 3318.20 of the Revised Code pursuant to this division to no 20143 more than five school districts per fiscal year until all eligible 20144 school districts have received the additional assistance 20145 authorized under this division. The commission shall establish 20146 application procedures, deadlines, and priorities for funding 20147 projects under this division. 20148

The commission at its discretion may waive current design 20149 specifications it has adopted for projects under sections 3318.01 20150 to 3318.20 of the Revised Code when assessing an application for 20151 additional assistance under this division for the renovation of 20152 classroom facilities constructed or renovated under a school 20153 district's previous project. If the commission finds that a school 20154 district's existing classroom facilities are adequate to meet all 20155 of the school district's needs, the commission may determine that 20156 no additional state assistance be awarded to a school district 20157 under this division. 20158

In order for a school district to be eligible to receive any 20159 additional assistance under this division, the school district 20160 electors shall extend the school district's existing levy 20161 dedicated for maintenance of classroom facilities under Chapter 20162 3318. of the Revised Code, pursuant to section 3318.061 of the 20163 Revised Code or shall provide equivalent alternative maintenance 20164 funds as specified in division (B) of section 3318.06 of the 20165 Revised Code. 20166

(3) Notwithstanding division (B)(1) of this section, any 20167

#### Page 650

Page 651

school district that has received assistance under sections	20168
<u>3318.01 to 3318.20 of the Revised Code after May 20, 1997, may</u>	20169
receive additional assistance if the commission decides in favor	20170
of providing such assistance pursuant to section 3318.042 of the	20171
Revised Code.	20172

Sec. 3318.042. (A) The board of education of any school 20173 district that is receiving assistance under sections 3318.01 to 20174 3318.20 of the Revised Code after May 20, 1997, and whose project 20175 is still under construction, may request that the Ohio school 20176 facilities commission examine whether the circumstances prescribed 20177 in either division (B)(1) or (2) of this section exist in the 20178 school district. If the commission so finds, the commission shall 20179 review the school district's original assessment and approved 20180 project under sections 3318.01 to 3318.20 of the Revised Code, and 20181 consider providing additional assistance to the school district to 20182 correct the prescribed conditions found to exist in the district. 20183 Additional assistance under this section shall be limited to 20184 additions to one or more buildings, remodeling of one or more 20185 buildings, or changes to the infrastructure of one or more 20186 buildings. 20187

(B) Consideration of additional assistance to a school20188district under this section is warranted in either of the20189following circumstances:20190

(1) Additional work is needed to correct an oversight or20191deficiency not identified or included in the district's initial20192assessment.20193

(2) Other conditions exist that, in the opinion of the20194comission, warrant additions or remodeling of the project20195facilities or changes to infrastructure associated with the20196district's project that were not identified in the initial20197assessment and plan.20198

(C) If the commission decides in favor of providing	20199
additional assistance to any school district under this section,	20200
the school district shall be responsible for paying for its	20201
portion of the cost the additions, remodeling, or infrastucture	20202
changes pursuant to section 3318.083 of the Revised Code. If after	20203
making a financial evaluation of the school district, the	20204
commission determines that the school district is unable without	20205
undue hardship, according to the guidelines adopted by the	20206
commission, to fund the school district portion of the increase,	20207
then the state and the school district shall enter into an	20208
agreement whereby the state shall pay the portion of the cost	20209
increase attributable to the school district which is determined	20210
to be in excess of any local resources available to the district	20211
and the district shall thereafter reimburse the state. The	20212
commission shall establish the district's schedule for reimbursing	20213
the state, which shall not extend beyond five years. Debt incurred	20214
under this section shall not be included in the calculation of the	20215
net indebtedness of the school district under section 133.06 of	20216
the Revised Code.	20217

**sec. 3318.08.** If the requisite favorable vote on the election 20218 is obtained, or if the school district board has resolved to apply 20219 the proceeds of a property tax levy or the proceeds of an income 20220 tax, or a combination of proceeds from such taxes, as authorized 20221 in section 3318.052 of the Revised Code, the Ohio school 20222 facilities commission, upon certification to it of either the 20223 results of the election or the resolution under section 3318.052 20224 of the Revised Code, shall enter into a written agreement with the 20225 school district board for the construction and sale of the 20226 project, which agreement shall include, but need not be limited 20227 to, the following provisions: 20228

(A) The sale and issuance of bonds or notes in anticipation 20229thereof, as soon as practicable after the execution of the 20230

agreement, in an amount equal to the school district's portion of the basic project cost, including any bonds previously authorized 20232 20233

20233 by the district's electors as described in section 3318.033 of the 20234 Revised Code; provided, that if at that time the county treasurer 20235 of each county in which the school district is located has not 20236 commenced the collection of taxes on the general duplicate of real 20237 and public utility property for the year in which the controlling 20238 board approved the project, the school district board shall 20239 authorize the issuance of a first installment of bond anticipation 20240 notes in an amount specified by the agreement, which amount shall 20241 not exceed an amount necessary to raise the net bonded 20242 indebtedness of the school district as of the date of the 20243 controlling board's approval to within five thousand dollars of 20244 the required level of indebtedness for the preceding year. In the 20245 event that a first installment of bond anticipation notes is 20246 issued, the school district board shall, as soon as practicable 20247 after the county treasurer of each county in which the school 20248 district is located has commenced the collection of taxes on the 20249 general duplicate of real and public utility property for the year 20250 in which the controlling board approved the project, authorize the 20251 issuance of a second and final installment of bond anticipation 20252 notes or a first and final issue of bonds.

The combined value of the first and second installment of 20253 bond anticipation notes or the value of the first and final issue 20254 of bonds shall be equal to the school district's portion of the 20255 basic project cost. The proceeds of any such bonds shall be used 20256 first to retire any bond anticipation notes. Otherwise, the 20257 proceeds of such bonds and of any bond anticipation notes, except 20258 the premium and accrued interest thereon, shall be deposited in 20259 the school district's project construction fund. In determining 20260 the amount of net bonded indebtedness for the purpose of fixing 20261 the amount of an issue of either bonds or bond anticipation notes, 20262

#### Page 653

Page 654

20263 gross indebtedness shall be reduced by moneys in the bond 20264 retirement fund only to the extent of the moneys therein on the 20265 first day of the year preceding the year in which the controlling 20266 board approved the project. Should there be a decrease in the tax 20267 valuation of the school district so that the amount of 20268 indebtedness that can be incurred on the tax duplicates for the 20269 year in which the controlling board approved the project is less 20270 than the amount of the first installment of bond anticipation 20271 notes, there shall be paid from the school district's project 20272 construction fund to the school district's bond retirement fund to 20273 be applied against such notes an amount sufficient to cause the 20274 net bonded indebtedness of the school district, as of the first 20275 day of the year following the year in which the controlling board 20276 approved the project, to be within five thousand dollars of the 20277 required level of indebtedness for the year in which the 20278 controlling board approved the project. The maximum amount of 20279 indebtedness to be incurred by any school district board as its 20280 share of the cost of the project is either an amount that will 20281 cause its net bonded indebtedness, as of the first day of the year 20282 following the year in which the controlling board approved the 20283 project, to be within five thousand dollars of the required level 20284 of indebtedness, or an amount equal to the required percentage of 20285 the basic project costs, whichever is greater. All bonds and bond 20286 anticipation notes shall be issued in accordance with Chapter 133. 20287 of the Revised Code, and notes may be renewed as provided in 20288 section 133.22 of the Revised Code.

(B)(1) The transfer of such funds of the school district 20289 board available for the project, together with the proceeds of the 20290 sale of the bonds or notes, except premium, accrued interest, and 20291 interest included in the amount of the issue, to the school 20292 district's project construction fund; 20293

(2) If section 3318.052 of the Revised Code applies, the 20294

20295 earmarking of the proceeds of a tax levied under section 5705.21 20296 of the Revised Code for general ongoing permanent improvements or 20297 the proceeds of a school district income tax levied under Chapter 20298 5748. of the Revised Code, or the proceeds from a combination of 20299 those two taxes, in an amount to pay all or part of the service 20300 charges on bonds issued to pay the school district portion of the 20301 project and an amount equivalent to all or part of the tax 20302 required under division (B) of section 3318.05 of the Revised 20303 Code.

(C) If section 3318.052 of the Revised Code does not apply, 20304 either of the following:

(1) The levy of the tax authorized at the election for the 20306 payment of maintenance costs, as specified in division (B) of 20307 section 3318.05 of the Revised Code; 20308

(2) If the school district electors have approved a 20309 continuing tax of at least two mills for each dollar of valuation 20310 for general ongoing permanent improvements under section 5705.21 20311 of the Revised Code and that tax can be used for maintenance, the 20312 earmarking of an amount of the proceeds from such tax for 20313 maintenance of classroom facilities as specified in division (B) 20314 of section 3318.05 of the Revised Code. 20315

(D) Ownership of or interest in the project during the period 20316 of construction, which shall be divided between the commission and 20317 the school district board in proportion to their respective 20318 contributions to the school district's project construction fund; 20319

(E) Maintenance of the state's interest in the project until 20321 any obligations issued for the project under section 3318.26 of 20322 the Revised Code are no longer outstanding; 20323

(F) The insurance of the project by the school district from 20324 the time there is an insurable interest therein and so long as the 20325

20305

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

state retains any ownership or interest in the project pursuant to division (D) of this section, in such amounts and against such risks as the commission shall require; provided, that the cost of any required insurance until the project is completed shall be a part of the basic project cost; 20326 20327 20328 20329 20330

(G) The certification by the director of budget and 20331 management that funds are available and have been set aside to 20332 meet the state's share of the basic project cost as approved by 20333 the controlling board pursuant to section 3318.04 of the Revised 20334 Code; 20335

(H) Authorization of the school district board to advertise
for and receive construction bids for the project, for and on
behalf of the commission, and to award contracts in the name of
20338
the state subject to approval by the commission;
20339

(I) Provisions for the disbursement of moneys from the school 20340 district's project account upon issuance by the commission or the 20341 commission's designated representative of vouchers for work done 20342 to be certified to the commission by the treasurer of the school 20343 district board; 20344

(J) Disposal of any balance left in the school district's 20345project construction fund upon completion of the project; 20346

(K) Limitations upon use of the project or any part of it so 20347
long as any obligations issued to finance the project under 20348
section 3318.26 of the Revised Code are outstanding; 20349

(L) Provision for vesting the state's interest in the project 20350
 to the school district board when the obligations issued to 20351
 finance the project under section 3318.26 of the Revised Code are 20352
 outstanding; 20353

(M) Provision for deposit of an executed copy of the 20354agreement in the office of the commission; 20355

Page 656

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(N) Provision for termination of the contract and release of 20356 the funds encumbered at the time of the conditional approval, if 20357 the proceeds of the sale of the bonds of the school district board 20358 are not paid into the school district's project construction fund 20359 and if bids for the construction of the project have not been 20360 taken within such period after the execution of the agreement as 20361 may be fixed by the commission; 20362

(0) Provision for the school district to maintain the project 20363 in accordance with a plan approved by the commission; 20364

(P) Provision that all state funds reserved and encumbered to 20365 pay the state share of the cost of the project pursuant to section 20366 3318.03 of the Revised Code be spent on the construction or 20367 acquisition of the project prior to the expenditure of any funds 20368 provided by the school district to pay for its share of the 20369 project cost, unless the school district certifies to the 20370 commission that expenditure by the school district is necessary to 20371 maintain the tax-exempt status of notes or bonds issued by the 20372 school district to pay for its share of the project cost in which 20373 case, the school district may commit to spend, or spend, a portion 20374 of the funds it provides; 20375

(Q) A provision stipulating that the commission may prohibit 20376 the district from proceeding with any project if the commission 20377 determines that the site is not suitable for construction 20378 purposes. The commission may perform soil tests in its 20379 determination of whether a site is appropriate for construction 20380 purposes. 20381

(R) A provision stipulating that, unless otherwise authorized 20382 by the commission, any contingency reserve portion of the 20383 construction budget prescribed by the commission shall be used 20384 only to pay costs resulting from unforeseen job conditions, to 20385 comply with rulings regarding building and other codes, to pay 20386 costs related to design clarifications or corrections to contract 20387

Page 658

documents, and to pay the costs of settlements or judgments	20388
related to the project as provided under section 3318.086 of the	20389
Revised Code.	20390

sec. 3318.084. (A) Notwithstanding anything to the contrary 20391
in Chapter 3318. of the Revised Code, a school district board may 20392
apply any local donated contribution toward the either or both of 20393
the following: 20394

(1) The district's portion of the basic project cost of a 20395 project under sections 3318.01 to 3318.20 of the Revised Code and 20396 may use such local donated contribution to reduce the amount of 20397 bonds the district otherwise must issue in order to receive state 20398 assistance under those sections; 20399

(2) An offset of all or part of a district's obligation to20400levy the tax described in division (B) of section 3318.05 of the20401Revised Code, which shall be applied only in the manner prescribed20402in division (B) of this section.20403

(B) No school district board shall apply any local donated20404contribution under division (A)(2) of this section unless the Ohio20405school facilities commission first approves that application.20406

Upon the request of the school district board to apply local 20407 donated contribution under division (A)(2) of this section, the 20408 commission in consultation with the department of taxation shall 20409 determine the amount of total revenue that likely would be 20410 generated by one-half mill of the tax described in division (B) of 20411 section 3318.05 of the Revised Code over the entire 20412 twenty-three-year period required under that section and shall 20413 deduct from that amount any amount of local donated contribution 20414 that the board has committed to apply under division (A)(2) of 20415 this section. The commission then shall determine in consultation 20416 with the department of taxation the rate of tax over twenty-three 20417 years necessary to generate the amount of a one-half mill tax not 20418

offset by the local donated contribution. Notwithstanding anything	20419
to the contrary in section 3318.06, 3318.061, or 3318.361 of the	20420
Revised Code, the rate determined by the commission shall be the	20421
rate for which the district board shall seek elector approval	20422
under those sections to meet its obligation under division (B) of	20423
section 3318.05 of the Revised Code. In the case of a complete	20424
offset of the district's obligation under division (B) of section	20425
3318.05 of the Revised Code, the district shall not be required to	20426
levy the tax otherwise required under that section. At the end of	20427
the twenty-three-year period of the tax required under division	20428
(B) of section 3318.05 of the Revised Code, whether or not the tax	20429
is actually levied, the commission in consultation of the	20430
department of taxation shall recalculate the amount that would	20431
have been generated by the tax if it had been levied at one-half	20432
mill. If the total amount actually generated over that period from	20433
both the tax that was actually levied and any local donated	20434
contribution applied under division (A)(2) of this section is less	20435
than the amount that would have been raised by a one-half mill	20436
tax, the district shall pay any difference. If the total amount	20437
actually raised in such manner is greater than the amount that	20438
would have been raised by a one-half mill tax the difference shall	20439
be zero and no payments shall be made by either the district or	20440
the commission.	20441

(C) As used in this section, "local donated contribution" 20442 means either of the following: 20443

(A)(1) Any moneys irrevocably donated or granted to a school 20444 district board by a source other than the state which the board 20445 has the authority to apply to the school district's project under 20446 sections 3318.01 to 3318.20 of the Revised Code and which the 20447 board has pledged for that purpose by resolution adopted by a 20448 majority of its members; 20449

(B)(2) Any irrevocable letter of credit issued on behalf of a 20450

school district or any cash a school district has on hand, 20451 including any year-end operating fund balances, that can be spent 20452 for classroom facilities, either of which the school district 20453 board has encumbered for payment of the school district's share of 20454 its project under sections 3318.01 to 3318.20 of the Revised Code 20455 and either of which has been approved by the Ohio school 20456 facilities commission in consultation with the department of 20457 education. 20458

(D) No state moneys shall be released for a project to which 20459 this section applies until any <u>local</u> donated <del>local</del> contribution 20460 authorized under this section is first deposited into the school 20461 district's project construction fund, <u>if applied under division</u> 20462 (A)(1) of this section, or into the district's capital and 20463 <u>maintenance fund if applied under division (A)(2) of this section</u>. 20464

Sec. 3318.086. The construction budget for any project under 20465 sections 3318.01 to 3318.20 of the Revised Code shall contain a 20466 contingency reserve in an amount prescribed by the Ohio school 20467 facilities commission, which unless otherwise authorized by the 20468 commission, shall be used only to pay costs resulting from 20469 unforeseen job conditions, to comply with rulings regarding 20470 building and other codes, to pay costs related to design 20471 clarifications or corrections to contract documents, and to pay 20472 the costs of settlements or judgments related to the project. 20473

Sec. 3318.10. When such working drawings, specifications, and 20474 estimates of cost have been approved by the school district board 20475 and the Ohio school facilities commission, the treasurer of the 20476 school district board shall advertise for construction bids for 20477 the project once a week for three consecutive weeks in a newspaper 20478 published in and of general circulation in the county in which the 20479 project is located in accordance with section 3313.46 of the 20480 <u>Revised Code</u>. Such notices shall state that plans and 20481 specifications for the project are on file in the office of the 20482

#### Page 660

### Substitute Version as Presented to the Senate Finance and Financial Institutions

commission and such other place as may be designated in such 20483 notice, and the time and place when and where bids therefor will 20484 be received. 20485

The form of proposal to be submitted by bidders shall be 20486 supplied by the commission. Bidders may be permitted to bid upon 20487 all the branches of work and materials to be furnished and 20488 supplied, upon any branch thereof, or upon all or any thereof. 20489

# A proposal shall be invalid and not considered unless it 20490 meets the requirements of section 153.54 of the Revised Code. 20491

When the construction bids for all branches of work and 20492 materials have been tabulated, the commission shall cause to be 20493 prepared a revised estimate of the basic project cost based upon 20494 the lowest responsible bids received. If such revised estimate 20495 exceeds the estimated basic project cost as approved by the 20496 controlling board pursuant to section 3318.04 of the Revised Code, 20497 no contracts may be entered into pursuant to this section unless 20498 such revised estimate is approved by the commission and by the 20499 controlling board referred to in section 3318.04 of the Revised 20500 Code. When such revised estimate has been prepared, and after such 20501 approvals are given, if necessary, and if the school district 20502 board has caused to be transferred to the project construction 20503 fund the proceeds from the sale of the first or first and final 20504 installment of its bonds or bond anticipation notes pursuant to 20505 the provision of written agreement required by division (B) of 20506 section 3318.08 of the Revised Code, and when the director of 20507 budget and management has certified that there is a balance in the 20508 appropriation, not otherwise obligated to pay precedent 20509 obligations, pursuant to which the state's share of such revised 20510 estimate is required to be paid, the contract for all branches of 20511 work and materials to be furnished and supplied, or for any branch 20512 thereof as determined by the school district board, shall be 20513 awarded by the school district board to the lowest responsible 20514

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

bidder subject to the approval of the commission. Such award shall be made within sixty days after the date on which the bids are opened, and the successful bidder shall enter into a contract within ten days after the successful bidder is notified of the award of the contract. 20515 20516 20516 20517 20519

Subject to the approval of the commission, the school20520district board may reject all bids and readvertise. Any contract20521made under this section shall be made in the name of the state and20522executed on its behalf by the president and treasurer of the20523school district board.20524

The provisions of sections 153.50 to 153.99 9.312 and 3313.4620525of the Revised Code, which are applicable to construction20526contracts of boards of education and which permit bids to be made20527for two or more trades or kinds of work, shall apply to20528construction contracts for the project to the exclusion of20529sections 153.01 to 153.20 of the Revised Code applicable to state20530construction contracts.20531

The remedies afforded to any subcontractor, materials 20532 supplier, laborer, mechanic, or persons furnishing material or 20533 machinery for the project under sections 1311.26 to 1311.32 of the 20534 Revised Code, shall apply to contracts entered into under this 20535 section and the itemized statement required by section 1311.26 of 20536 the Revised Code shall be filed with the school district board. 20537

sec. 3318.31. (A) The Ohio school facilities commission may 20538
perform any act and ensure the performance of any function 20539
necessary or appropriate to carry out the purposes of, and 20540
exercise the powers granted under, Chapter 3318. of the Revised 20541
Code, including any of the following: 20542

(1) Employ and fix the compensation of such employees as will 20543
 facilitate the activities and purposes of the commission, and who 20544
 shall serve at the pleasure of the commission. 20545

#### Page 662

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(2) Adopt, amend, and rescind, pursuant to section 111.15 of 20546
 the Revised Code, rules for the administration of programs 20547
 authorized under Chapter 3318. of the Revised Code. 20548

(3)(2) Contract with, retain the services of, or designate, 20549
and fix the compensation of, such agents, accountants, 20550
consultants, advisers, and other independent contractors as may be 20551
necessary or desirable to carry out the programs authorized under 20552
Chapter 3318. of the Revised Code. 20553

(4)(3) Receive and accept any gifts, grants, donations, and 20554
pledges, and receipts therefrom, to be used for the programs 20555
authorized under Chapter 3318. of the Revised Code. 20556

(5)(4) Make and enter into all contracts, commitments, and 20557
agreements, and execute all instruments, necessary or incidental 20558
to the performance of its duties and the execution of its rights 20559
and powers under Chapter 3318. of the Revised Code. 20560

(B) The commission shall appoint and fix the compensation of 20561
 an executive director who shall serve at the pleasure of the 20562
 commission. The executive director shall supervise the operations 20563
 of the commission. The executive director also shall employ and 20564
 fix the compensation of such employees as will facilitate the 20565
 activities and purposes of the commission, who shall serve at the 20566
 pleasure of the executive director. 20567

(C) The attorney general shall serve as the legal 20568 representative for the commission and may appoint other counsel as 20569 necessary for that purpose in accordance with section 109.07 of 20570 the Revised Code. 20571

**Sec. 3318.36.** (A) As used in this section: 20572

(1) "Ohio school facilities commission," "classroom 20573
facilities," "school district," "school district board," "net 20574
bonded indebtedness," "required percentage of the basic project 20575

costs," "basic project cost," "valuation," and "percentile" have 20576 the same meanings as in section 3318.01 of the Revised Code. 20577

(2) "Required level of indebtedness" means five per cent of 20578 the school district's valuation for the year preceding the year in 20579 which the commission and school district enter into an agreement 20580 under division (B) of this section, plus [two one-hundredths of 20581 one per cent multiplied by (the percentile in which the district 20582 ranks in the fiscal year the commission and the school district 20583 enter into such agreement minus one)].

(3) "Local resources" means any moneys generated in any 20585
manner permitted for a school district board to raise the school 20586
district portion of a project undertaken with assistance under 20587
sections 3318.01 to 3318.20 of the Revised Code. 20588

(B)(1) There is hereby established the school building 20589 assistance expedited local partnership program. Under the program, 20590 the Ohio school facilities commission may enter into an agreement 20591 with the school district board of any school district under which 20592 the school district board may proceed with the new construction or 20593 major repairs of a part of the school district's classroom 20594 facilities needs, as determined under sections 3318.01 to 3318.20 20595 of the Revised Code, through the expenditure of local resources 20596 prior to the school district's eligibility for state assistance 20597 under sections 3318.01 to 3318.20 of the Revised Code and may 20598 apply that expenditure toward meeting the school district's 20599 portion of the basic project cost of the total of the school 20600 district's classroom facilities needs, as determined under 20601 sections 3318.01 to 3318.20 of the Revised Code and as 20602 recalculated under division (E) of this section, that are eligible 20603 for state assistance under sections 3318.01 to 3318.20 of the 20604 Revised Code when the school district becomes eligible for such 20605 state assistance. Any school district that is reasonably expected 20606 to receive assistance under sections 3318.01 to 3318.20 of the 20607

Page 664

# Substitute Version as Presented to the Senate Finance and Financial Institutions

20608 Revised Code within two fiscal years from the date the school 20609 district adopts its resolution under division (B) of this section 20610 shall not be eligible to participate in the program.

(2) To participate in the program, a school district board 20611 shall first adopt a resolution certifying to the commission the 20612 board's intent to participate in the program. 20613

20614 The resolution shall specify the approximate date that the board intends to seek elector approval of any bond or tax measures 20615 or to apply other local resources to use to pay the cost of 20616 classroom facilities to be constructed under this section. The 20617 resolution shall not specify an election sooner than twelve months 20618 after the date the resolution is adopted by the board The resolution may specify the application of local resources or elector-approved bond or tax measures after the resolution is 20621 adopted by the board, and in such case the board may proceed with 20622 a discrete portion of its project under this section as soon as 20623 the commission and the controlling board have approved the basic 20624 project cost of the district's classroom facilities needs as 20625 specified in division (D) of this section. The board shall submit 20626 its resolution to the commission not later than ten days after the 20627 date the resolution is adopted by the board. 20628

The commission shall not consider any resolution that is 20629 submitted pursuant to division (B)(2) of this section, as amended 20630 by this amendment, sooner than the effective date of this 20631 amendment September 14, 2000. 20632

(3) Any project under this section shall comply with section 20633 3318.03 of the Revised Code and with any specifications for plans 20634 and materials for classroom facilities adopted by the commission 20635 under section 3318.04 of the Revised Code. 20636

(4) If a school district that enters into an agreement under 20637 this section has not begun a project applying local resources as 20638

provided for under that agreement at the time the district is	20639
notified by the commission that it is eligible to receive state	20640
assistance under sections 3318.01 to 3318.20 of the Revised Code,	20641
all assessment and agreement documents entered into under this	20642
section are void.	20643

(5) Only construction of or repairs to classroom facilities20644that have been approved by the commission and have been therefore20645included as part of a district's basic project cost qualify for20646application of local resources under this section.20647

(C) Based on the results of the on-site visits and assessment 20648 conducted under division (B)(2) of this section, the commission 20649 shall determine the basic project cost of the school district's 20650 classroom facilities needs. The commission shall determine the 20651 school district's portion of such basic project cost, which shall 20652 be the greater of: 20653

(1) The required percentage of the basic project costs,
20654
determined based on the school district's percentile ranking in
20655
the fiscal year the commission and the school district enter into
20656
the agreement under division (B) of this section;
20657

(2) An amount necessary to raise the school district's net 20658 bonded indebtedness, as of the fiscal year the commission and the 20659 school district enter into the agreement under division (B) of 20660 this section, to within five thousand dollars of the required 20661 level of indebtedness. 20662

(D)(1) When the commission determines the basic project cost 20663 of the classroom facilities needs of a school district and the 20664 school district's portion of that basic project cost under 20665 division (C) of this section, the project shall be conditionally 20666 approved. Such conditional approval shall be submitted to the 20667 controlling board for approval thereof. The controlling board shall forthwith approve or reject the commission's determination, 20669

20670 conditional approval, and the amount of the state's portion of the 20671 basic project cost; however, no state funds shall be encumbered 20672 under this section. Upon approval by the controlling board, the 20673 school district board may identify a discrete part of its 20674 classroom facilities needs, which shall include only new 20675 construction of or additions or major repairs to a particular 20676 building, to address with local resources. Upon identifying a part 20677 of the school district's basic project cost to address with local 20678 resources, the school district board may allocate any available 20679 school district moneys to pay the cost of that identified part, 20680 including the proceeds of an issuance of bonds if approved by the 20681 electors of the school district.

All local resources utilized under this division shall first 20682 be deposited in the project construction account required under 20683 section 3318.08 of the Revised Code. 20684

(2) Unless the school district board exercises its option 20685 under division (D)(3) of this section, for a school district to 20686 qualify for participation in the program authorized under this 20687 section, either: 20688

(a) The electors of the school district by a majority vote 20689 shall approve the levy of taxes outside the ten-mill limitation 20690 for a period of twenty-three years at the rate of not less than 20691 one-half mill for each dollar of valuation to be used to pay the 20692 cost of maintaining the classroom facilities included in the basic 20693 project cost as determined by the commission. The form of the 20694 ballot to be used to submit the question whether to approve the 20695 tax required under this division to the electors of the school 20696 district shall be the form for an additional levy of taxes 20697 prescribed in section 3318.361 of the Revised Code. 20698

(b) As authorized under division (C) of section 3318.05 of 20699the Revised Code, the school district board shall earmark from the 20700proceeds of a permanent improvement tax levied under section 20701

20702 5705.21 of the Revised Code, an amount equivalent to the 20703 additional tax otherwise required under division (D)(2)(a) of this 20704 section for the maintenance of the classroom facilities included 20705 in the basic project cost as determined by the commission.

(3) A school district board may opt to delay levying the 20706 additional tax required under division (D)(2)(a) of this section 20707 or earmarking of the proceeds of a permanent improvement tax 20708 alternatively required under division (D)(2)(b) of this section 20709 20710 until such time as the school district becomes eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code. 20711 In order to exercise its option under this division, the board 20712 shall certify to the commission a resolution indicating the 20713 board's intent to do so prior to entering into an agreement under 20714 division (B) of this section. 20715

(4) If pursuant to division (D)(3) of this section a district 20716 board opts to delay levying an additional tax until the district 20717 becomes eligible for state assistance, it shall submit the 20718 question of levying that tax to the district electors as follows: 20719

(a) In accordance with section 3318.06 of the Revised Code if 20721 it will also be necessary pursuant to division (E) of this section 20722 to submit a proposal for approval of a bond issue;

(b) In accordance with section 3318.361 of the Revised Code 20724 if it is not necessary to also submit a proposal for approval of a 20725 bond issue pursuant to division (E) of this section. 20726

(5) No state assistance under sections 3318.01 to 3318.20 of 20727 the Revised Code shall be released until a school district board 20728 that adopts and certifies a resolution under this division either 20729 has levied the additional tax or has earmarked the proceeds of a 20730 tax as specified in division (D) of this section. 20731

Any amount required for maintenance under division (D)(2) of 20732

#### Page 668

20723

Page 669

this section shall be deposited into a separate fund as specified 20733 in division (B) of section 3318.05 of the Revised Code. 20734

(E)(1) If the school district becomes eligible for state 20735 assistance under sections 3318.01 to 3318.20 of the Revised Code 20736 based on its percentile ranking as determined under division (B) 20737 of this section, the commission shall conduct a new assessment of 20738 the school district's classroom facilities needs and shall 20739 recalculate the basic project cost based on this new assessment. 20740 The basic project cost recalculated under this division shall 20741 include the amount of expenditures made by the school district 20742 board under division (D)(1) of this section. The commission shall 20743 then recalculate the school district's portion of the new basic 20744 project cost, which shall be the percentage of the original basic 20745 project cost assigned to the school district as its portion under 20746 division (C) of this section. The commission shall deduct the 20747 expenditure of school district moneys made under division (D)(1) 20748 of this section from the school district's portion of the basic 20749 project cost as recalculated under this division. If the amount of 20750 school district resources applied by the school district board to 20751 the school district's portion of the basic project cost under this 20752 section is less than the total amount of such portion as 20753 recalculated under this division, the school district board by a 20754 majority vote of all of its members shall, if it desires to seek 20755 state assistance under sections 3318.01 to 3318.20 of the Revised 20756 Code, adopt a resolution as specified in section 3318.06 of the 20757 Revised Code to submit to the electors of the school district the 20758 question of approval of a bond issue in order to pay any 20759 additional amount of school district portion required for state 20760 assistance. Any tax levy approved under division (D) of this 20761 section satisfies the requirements to levy the additional tax 20762 under section 3318.06 of the Revised Code. 20763

(2) If the amount of school district resources applied by the 20764

20765 school district board to the school district's portion of the 20766 basic project cost under this section is more than the total 20767 amount of such portion as recalculated under this division, within 20768 one year after the school district's portion is recalculated under 20769 division (E)(1) of this section the commission may grant to the 20770 school district the difference between the two calculated 20771 portions, but at no time shall the commission expend any state 20772 funds on a project in an amount greater than the state's portion 20773 of the basic project cost as recalculated under this division.

Any reimbursement under this division shall be only for local 20774 resources the school district has applied toward construction cost 20775 expenditures for the classroom facilities approved by the 20776 commission, which shall not include any financing costs associated 20777 with that construction. 20778

The school district board shall use any moneys reimbursed to 20779 the district under this division to pay off any debt service the 20780 district owes for classroom facilities constructed under its 20781 project under this section before such moneys are applied to any 20782 other purpose. 20783

Sec. 3318.363. (A) This section applies only to a school20784district participating in the school building assistance expedited20785local partnership program under section 3318.36 of the Revised20786Code.20787

(B) If there is a decrease in the tax valuation of a school 20788 district to which this section applies by ten per cent or greater 20789 from one tax year to the next due to a decrease in the assessment 20790 rate of the taxable property of an electric company that owns 20791 property in the district, as provided for in section 5727.111 of 20792 the Revised Code as amended by Am. Sub. S.B. 3 of the 123rd 20793 General Assembly, the Ohio school facilities commission shall 20794 calculate or recalculate the state and school district portions of 20795

20819

20820

20821

the basic project cost of the school district's project by	20796
determining the percentile rank in which the district would be	20797
located if such ranking were made using the current year adjusted	20798
valuation per pupil, as calculated and reported to the commission	20799
by the department of education under division (A) of section	20800
3318.011 of the Revised Code, rather than the three-year average	20801
adjusted valuation per pupil, calculated under division (B) of	20802
that section. For such district, the required percentage of the	20803
basic project cost used to determine the state and school district	20804
shares of that cost under division (C) of section 3318.36 of the	20805
Revised Code shall be based on the percentile rank as calculated	20806
under this section rather than as otherwise provided in division	20807
(C)(1) of section 3318.36 of the Revised Code. If the commission	20808
has determined the state and school district portion of the basic	20809
project cost of such a district's project under section 3318.36 of	20810
the Revised Code prior to that decrease in tax valuation, the	20811
commission shall adjust the state and school district shares of	20812
the basic project cost of such project in accordance with this	20813
section.	20814
<b>Cod</b> 2219 EQ $(\Lambda)$ has used in this section and in section	20015

Sec. 3318.50. (A) As used in this section and in section208153318.52 of the Revised Code:20816(1) "Start-up community school" means a "new start-up school"20817as that term is defined in division (A) of section 3314.02 of the20818

<u>Revised Code.</u> (2) "Classroom facilities" has the same meaning as in section

3318.01 of the Revised Code.

(B) There is hereby established the community school20822classroom facilities loan guarantee program. Under the program,20823the Ohio school facilities commission may guarantee for up to20824fifteen years any loan made to the governing authority of a20825start-up community school established under Chapter 3314. of the20826

Revised Code for the sole purpose of assisting the governing board	20827
in acquiring classroom facilities for the community school by	20828
lease, purchase, remodeling of existing facilities, or any other	20829
means except by new construction.	20830
<u>The commission shall not make any loan guarantee under this</u>	20831
section unless the commission has determined that the classroom	20831
facilities meet specifications established by the commission under	20832
	20833
section 3318.51 of the Revised Code.	20034
The agreement between the commission and the governing	20835
authority of a community school for a loan guarantee under this	20836
section shall contain a stipulation holding all members of the	20837
governing authority at the time the agreement is executed jointly	20838
and severally liable in their personal capacity to the state for	20839
the amount of any payment made by the state to pay any default on	20840
a loan guaranteed by that agreement regardless of whether such	20841
members are still members of the governing authority at the time	20842
<u>of the default.</u>	20843
(C) Any payment made to a lending institution as a result of	20844
default on a loan guaranteed under this section shall be made from	20845
moneys in the community school classroom facilities loan guarantee	20846
fund established under section 3318.52 of the Revised Code.	20847
	20848
(D) The commission may assess a fee of up to five hundred	20849
<u>dollars for each loan quaranteed under this section.</u>	
	20850
	20850
Sec. 3318.51. Not later than nine months after the effective	20850 20851
<b>Sec. 3318.51.</b> Not later than nine months after the effective date of this section, the Ohio school facilities commission in	
	20851
date of this section, the Ohio school facilities commission in	20851 20852
date of this section, the Ohio school facilities commission in consultation with the office of community school options	20851 20852 20853
date of this section, the Ohio school facilities commission in consultation with the office of community school options established under section 3314.11 of the Revised Code shall	20851 20852 20853 20854
date of this section, the Ohio school facilities commission in consultation with the office of community school options established under section 3314.11 of the Revised Code shall develop specifications for classroom facilities for start-up	20851 20852 20853 20854 20855

Sec. 3318.52. There is hereby established the community	20858
school classroom facilities loan guarantee fund. The fund shall	20859
consist of such moneys as the general assembly appropriates for	20860
the purpose of guaranteeing loans to community schools under	20861
section 3318.50 of the Revised Code. Investment earnings on moneys	20862
in the fund shall be credited to the fund.	20863

sec. 3319.19. (A) Upon Except as provided in division (D) of 20864 this section or division (A)(2) of section 3313.37 of the Revised 20865 <u>Code</u>, upon request, the board of county commissioners shall 20866 provide and equip offices in the county for the use of the 20867 superintendent of an educational service center, and shall provide 20868 heat, light, water, and janitorial services for such offices. Such 20869 offices shall be the permanent headquarters of the superintendent 20870 and shall be used by the governing board of the service center 20871 when it is in session. Except as provided in division (B) of this 20872 section, such offices shall be located in the county seat or, upon 20873 the approval of the governing board, may be located outside of the 20874 county seat. 20875

(B) In the case of a service center formed under section 20876 3311.053 of the Revised Code, the governing board shall designate 20877 the site of its offices. The Except as provided in division (D) of 20878 this section or division (A)(2) of section 3313.37 of the Revised 20879 Code, the board of county commissioners of the county in which the 20880 designated site is located shall provide and equip the offices as 20881 under division (A) of this section, but the costs of such offices 20882 and equipment not covered by funds received under section 307.031 20883 of the Revised Code shall be apportioned among the boards of 20884 county commissioners of all counties having any territory in the 20885 area under the control of the governing board, according to the 20886 proportion of <u>local school district</u> pupils under the supervision 20887 of such board residing in the respective counties. Where there is 20888

a dispute as to the amount any board of county commissioners is 20889 required to pay, the probate judge of the county in which the 20890 greatest number of pupils under the supervision of the governing 20891 board reside shall apportion such costs among the boards of county 20892 commissioners and notify each such board of its share of the 20893 costs. 20894

(C) By the first day of March of each year, the 20895 superintendent of public instruction shall certify to the tax 20896 commissioner the ADM and the number of full-time licensed 20897 employees of each educational service center for the purposes of 20898 the distribution of funds to boards of county commissioners 20899 20900 required under division (B) of section 307.031 of the Revised Code. As used in this section, "ADM" means the formula ADMs of all 20901 the local districts having territory in the service center, as 20902 certified in October of the previous year by the service center 20903 superintendent to the state board of education under section 20904 3317.03 of the Revised Code. As used in this division, "licensed 20905 employee" has the same meaning as in section 307.031 of the 20906 Revised Code. 20907

(D) The superintendent of a service center may annually 20908 submit a proposal approved by the board of county commissioners to 20909 the state superintendent of public instruction, in such manner and 20910 by such date as specified by the state board of education, for a 20911 grant for the board of county commissioners to do one of the 20912 following: 20913

(1) To improve or enhance the offices and equipment provided20914under division (A) or (B) of this section or section 3301.0712 of20915the Revised Code;20916

(2) If funds received under division (B) of section 307.03120917of the Revised Code are insufficient to provide for the actual20918cost of meeting the requirements of division (A) or (B) of section209193319.19 and division (A)(2) of section 3301.0712 of the Revised20920

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

20921

Code, to provide funds to meet such costs.

Any service center superintendent intending to submit a 20922 proposal shall submit it to the board of county commissioners that 20923 provides and equips the office of the superintendent for approval 20924 at least twenty days before the date of submission to the 20925 20926 superintendent of public instruction. The superintendent of public 20927 instruction shall evaluate the proposals and select those that will most benefit the local districts supervised by the governing 20928 boards under standards adopted by the state board. For each 20929 proposal selected for a grant, the superintendent of public 20930 instruction shall determine the grant amount and, with the 20931 approval of the superintendent and the board of county 20932 commissioners, may modify a grant proposal to reflect the amount 20933 of money available for the grant. The superintendent of public 20934 instruction shall notify the board of county commissioners and the 20935 tax commissioner of the selection of the proposal as submitted or 20936 modified and the amount of the grant. If, pursuant to division (C) 20937 of section 307.031 of the Revised Code, the board of county 20938 commissioners accepts the proposal and grant, it shall expend the 20939 funds as specified in the grant proposal. If the board of county 20940 commissioners rejects the proposal and grant, the superintendent 20941 of public instruction may select another proposal from among the 20942 district proposals that initially failed to be selected for a 20943 20944 grant.

The state board of education shall adopt rules to implement 20945 the requirements of this section Not later than the thirty-first 20946 day of March of 2002, 2003, 2004, and 2005 a board of county 20947 commissioners required to provide or equip offices pursuant to 20948 division (A) or (B) of this section shall make a written estimate 20949 of the total cost it will incur for the ensuing fiscal year to 20950 provide and equip the offices and to provide heat, light, water, 20951 and janitorial services for such offices. The total estimate of 20952

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 676
cost shall include:	20953
(1) The total square feet of space to be utilized by the	20954
educational service center;	20955
(2) The total square feet of any common areas that should be	20956
reasonably allocated to the center and the methodology for making	20957
this allocation;	20958
(3) The actual cost per square foot for both the space	20959
utilized by and the common area allocated to the center;	20960
(4) An explanation of the methodology used to determine the	20961
<u>per square foot cost;</u>	20962
(5) The estimated cost of providing heat, light, and water,	20963
including an explanation of how these costs were determined;	20964
	20965
(6) The estimated cost of providing janitorial services	20966
including an explanation of the methodology used to determine this	20967
<u>cost;</u>	20968
(7) Any other estimated costs that the board anticipates it	20969
will occur and a detailed explanation of the costs and the	20970
rationale used to determine such costs.	20971
A copy of the total estimate of costs under this division	20972
shall be sent to the superintendent of the educational service	20973
center not later than the fifth day of April. The superintendent	20974
shall review the total estimate and shall notify the board of	20975
county commissioners not later than twenty days after receipt of	20976
the estimate of either agreement with the estimate or any specific	20977
objections to the estimates and the reasons for the objections. If	20978
the superintendent agrees with the estimate, it shall become the	20979
final total estimate of cost. Failure of the superintendent to	20980
make objections to the estimate by the twentieth day after receipt	20981
of it shall be deemed to mean that the superintendent is in	20982
agreement with the estimate.	20983

If the superintendent provides specific objections to the	20984
board of county commissioners, the board shall review the	20985
objections and may modify the original estimate and shall send a	20986
revised total estimate to the superintendent within ten days after	20987
the receipt of the superintendent's objections. The superintendent	20988
shall respond to the revised estimate within ten days after its	20989
receipt. If the superintendent agrees with it, it shall become the	20990
final total estimated cost. If the superintendent fails to respond	20991
within the required time, the superintendent shall be deemed to	20992
have agreed with the revised estimate. If the superintendent	20993
disagrees with the revised estimate, the superintendent shall send	20994
specific objections to the county commissioners.	20995

20996

If a superintendent has sent specific objections to the 20997 revised estimate within the required time, the probate judge of 20998 the county which has the greatest number of resident local school 20999 district pupils under the supervision of the educational service 21000 center shall determine the final estimated cost and certify this 21001 amount to the superintendent and the board of county commissioners 21002 prior to the first day of July. 21003

(D)(1) A board of county commissioners shall be responsible 21004 for the following percentages of the final total estimated cost 21005 established by division (C) of this section: 21006

(a) Eighty per cent for fiscal year 2003; 21007

(b) Sixty per cent for fiscal year 2004; 21008 21009

(c) Forty per cent for fiscal year 2005;

(d) Twenty per cent for fiscal year 2006. 21010

In fiscal years 2003, 2004, 2005, and 2006 the educational 21011 service center shall be responsible for the remainder of any costs 21012 in excess of the amounts specified in division (D)(1)(a), (b), or 21013 (c) of this section, as applicable, associated with the provision 21014

and equipment of offices for the educational service center and	21015
for provision of heat, light, water, and janitorial services for	21016
such offices, including any unanticipated or unexpected increases	21017
in the costs beyond the final estimated cost amount.	21018
Beginning in fiscal year 2007, no board of county	21019
commissioners shall have any obligation to provide and equip	21020
offices for an educational service center or to provide heat,	21021
light, water, or janitorial services for such offices.	21022
(2) Nothing in this section shall prohibit the board of	21023
county commissioners and the governing board of an educational	21024
service center from entering into a contract for providing and	21025
equipping offices for the use of an educational service center and	21026
for providing heat, light, water, and janitorial services for such	21027
offices. The term of any such contract shall not exceed a period	21028
of four years and may be renewed for additional periods not to	21029
exceed four years. Any such contract shall supersede the	21030
provisions of division (D)(1) of this section and no educational	21031
service center may be charged, at any time, any additional amount	21032
for the county's provision of an office and equipment, heat,	21033
light, water, and janitorial services beyond the amount specified	21034
in such contract.	21035
(3) No contract entered into under division (D)(2) of this	21036
section in any year prior to fiscal year 2007 between an	21037
educational service center formed under section 3311.053 of the	21038
Revised Code and the board of county commissioners required to	21039
provide and equip its office pursuant to division (B) of this	21040
section shall take effect unless the boards of county	21041

commissioners of all other counties required to participate in the 21042 funding for such offices pursuant to division (B) of this section 21043 adopt resolutions approving the contract. 21044

Sec. 3321.01. (A)(1) As used in this chapter, "parent," 21045

21046 "guardian," or "other person having charge or care of a child" means either parent unless the parents are separated or divorced 21047 or their marriage has been dissolved or annulled, in which case 21048 "parent" means the parent who is the residential parent and legal 21049 custodian of the child. If the child is in the legal or permanent 21050 custody of a person or government agency, "parent" means that 21051 person or government agency. When a child is a resident of a home, 21052 as defined in section 3313.64 of the Revised Code, and the child's 21053 parent is not a resident of this state, "parent," "guardian," or 21054 "other person having charge or care of a child" means the head of 21055 the home. 21056

A child between six and eighteen years of age is "of 21057 compulsory school age" for the purpose of sections 3321.01 to 21058 3321.13 of the Revised Code. A child under six years of age who 21059 has been enrolled in kindergarten also shall be considered "of 21060 compulsory school age" for the purpose of sections 3321.01 to 21061 3321.13 of the Revised Code unless at any time the child's parent 21062 or guardian, at the parent's or guardian's discretion and in 21063 consultation with the child's teacher and principal, formally 21064 withdraws the child from kindergarten. The compulsory school age 21065 of a child shall not commence until the beginning of the term of 21066 such schools, or other time in the school year fixed by the rules 21067 of the board of the district in which the child resides. 21068

(2) No child shall be admitted to a kindergarten or a first 21069 grade of a public school in a district in which all children are 21070 admitted to kindergarten and the first grade in August or 21071 September unless the child is five or six years of age, 21072 respectively, by the thirtieth day of September of the year of 21073 21074 admittance, or by the first day of a term or semester other than one beginning in August or September in school districts granting 21075 admittance at the beginning of such term or semester, except that 21076 in those school districts using or obtaining educationally 21077

21078 accepted standardized testing programs for determining entrance, 21079 as approved by the board of education of such districts, the board 21080 shall admit a child to kindergarten or the first grade who fails 21081 to meet the age requirement, provided the child meets necessary 21082 standards as determined by such standardized testing programs. If 21083 the board of education has not established a standardized testing 21084 program, the board shall designate the necessary standards and a 21085 testing program it will accept for the purpose of admitting a 21086 child to kindergarten or first grade who fails to meet the age 21087 requirement. Each child who will be the proper age for entrance to 21088 kindergarten or first grade by the first day of January of the 21089 school year for which admission is requested shall be so tested 21090 upon the request of the child's parent.

(3) Notwithstanding divisions (A)(2) and (D) of this section, 21091 beginning with the school year that starts in 2001 and continuing 21092 thereafter the board of education of any district may adopt a 21093 resolution establishing the first day of August in lieu of the 21094 thirtieth day of September as the required date by which students 21095 must have attained the age specified in those divisions. 21096

(B) As used in divisions (C) and (D) of this section, 21097
"successfully completed kindergarten" and "successful completion 21098
of kindergarten" mean that the child has completed the 21099
kindergarten requirements at one of the following: 21100

(1) A public or chartered nonpublic school; 21101

(2) A kindergarten class that is both of the following: 21102

(a) Offered by a day-care provider licensed under Chapter 211035104. of the Revised Code; 21104

(b) If offered after July 1, 1991, is directly taught by a 21105 teacher who holds one of the following: 21106

(i) A valid educator license issued under section 3319.22 of 21107the Revised Code; 21108

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 681

(ii) A Montessori preprimary credential or age-appropriate
 21109
 diploma granted by the American Montessori society or the
 21110
 association Montessori internationale;
 21111

(iii) Certification determined under division (G) of this 21112 section to be equivalent to that described in division 21113 (B)(2)(b)(ii) of this section; 21114

(iv) Certification for teachers in nontax-supported schools 21115pursuant to section 3301.071 of the Revised Code. 21116

(C) Except as provided in division (D) of this section, no21117school district shall admit to the first grade any child who has21118not successfully completed kindergarten.21119

(D) Upon request of a parent, the requirement of division (C) 21120
of this section may be waived by the district's pupil personnel 21121
services committee in the case of a child who is at least six 21122
years of age by the thirtieth day of September of the year of 21123
admittance and who demonstrates to the satisfaction of the 21124
committee the possession of the social, emotional, and cognitive 21125
skills necessary for first grade. 21126

The board of education of each city, local, and exempted 21127 village school district shall establish a pupil personnel services 21128 committee. The committee shall be composed of all of the following 21129 to the extent such personnel are either employed by the district 21130 or employed by the governing board of the educational service 21131 center within whose territory the district is located and the 21132 educational service center generally furnishes the services of 21133 such personnel to the district: 21134

(1) The director of pupil personnel services; 21135

(2) An elementary school counselor; 21136

- (3) An elementary school principal; 21137
  - (4) A school psychologist; 21138

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

(5) A teacher assigned to teach first grade: 21139 (6) A gifted coordinator. 21140

The responsibilities of the pupil personnel services 21141 committee shall be limited to the issuing of waivers allowing 21142 admittance to the first grade without the successful completion of 21143 21144 kindergarten. The committee shall have no other authority except as specified in this section. 21145

(E) The scheduling of times for kindergarten classes and 21146 length of the school day for kindergarten shall be determined by 21147 the board of education of a city, exempted village, or local 21148 school district. 21149

(F) Any kindergarten class offered by a day-care provider or 21150 school described by division (B)(1) or (B)(2)(a) of this section 21151 shall be developmentally appropriate. 21152

(G) Upon written request of a day-care provider described by 21153 division (B)(2)(a) of this section, the department of education 21154 shall determine whether certification held by a teacher employed 21155 by the provider meets the requirement of division (B)(2)(b)(iii) 21156 of this section and, if so, shall furnish the provider a statement 21157 to that effect. 21158

Sec. 3323.09. (A) As used in this section: 21159

(1) "Home" has the meaning given in section 3313.64 of the 21160 Revised Code; 21161

(2) "Preschool child" means a child who is at least age three 21162 but under age six on the thirtieth day of September of an academic 21163 21164 year.

(B) Each county MR/DD board shall establish special education 21165 programs for all handicapped children who in accordance with 21166 section 3323.04 of the Revised Code have been placed in special 21167

21168 education programs operated by the county board and for preschool 21169 children who are developmentally delayed or at risk of being 21170 developmentally delayed. The board annually shall submit to the 21171 department of education a plan for the provision of these programs 21172 and, if applicable, a request for approval of units under section 21173 3317.05 of the Revised Code. The superintendent of public 21174 instruction shall review the plan and approve or modify it in 21175 accordance with rules adopted by the state board of education 21176 under section 3301.07 of the Revised Code. The superintendent of 21177 public instruction shall compile the plans submitted by county 21178 boards and shall submit a comprehensive plan to the state board of 21179 education.

A county MR/DD board may combine transportation for children 21180 enrolled in <u>classes funded under section 3317.20 or</u> units approved 21181 under section 3317.05 with transportation for children and adults 21182 enrolled in programs and services offered by the board under 21183 section 5126.12 of the Revised Code. 21184

(C) A county MR/DD board that during the school year provided 21185
special education pursuant to this section for any mentally 21186
handicapped child under twenty-two years of age shall prepare and 21187
submit the following reports and statements: 21188

(1) The board shall prepare a statement for each child who at 21189 the time of receiving such special education was a resident of a 21190 home and was not in the legal or permanent custody of an Ohio 21191 resident or a government agency in this state, and whose parents 21192 are not known to have been residents of this state subsequent to 21193 the child's birth. The statement shall contain the child's name, 21194 the name of his the child's school district of residence, the name 21195 of the county board providing the special education, and the 21196 number of months, including any fraction of a month, it was 21197 provided. Not later than the thirtieth day of June, the board 21198 shall forward a certified copy of such statement to both the 21199

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 684

director of mental retardation and developmental disabilities and 21200 to the home. 21201

Within thirty days after its receipt of a statement, the home21202shall pay tuition to the county board computed in the manner21203prescribed by section 3323.141 of the Revised Code.21204

(2) The board shall prepare a report for each school district 21205 that is the school district of residence of one or more of such 21206 children for whom statements are not required by division (C)(1)21207 of this section. The report shall contain the name of the county 21208 board providing special education, the name of each child 21209 receiving special education, the number of months, including 21210 fractions of a month, that he the child received it, and the name 21211 of the child's school district of residence. Not later than the 21212 thirtieth day of June, the board shall forward certified copies of 21213 each report to the school district named in the report, the 21214 superintendent of public instruction, and the director of mental 21215 retardation and developmental disabilities. 21216

sec. 3323.091. (A) The department of mental health, the 21217 department of mental retardation and developmental disabilities, 21218 the department of youth services, and the department of 21219 rehabilitation and correction shall establish and maintain special 21220 education programs for handicapped children in institutions under 21221 their jurisdiction according to standards adopted by the state 21222 board of education. The superintendent of each institution 21223 providing special education under this chapter may apply to the 21224 state department of education for unit funding, which shall be 21225 paid in accordance with sections 3317.161 3317.052 and 3317.162 21226 3317.053 of the Revised Code. 21227

(B) On or before the thirtieth day of June of each year, the 21228superintendent of each institution that during the school year 21229provided special education pursuant to this section shall prepare 21230

a statement for each handicapped child under twenty-two years of age who has received special education. The statement shall contain the child's name and the name of the child's school district of residence. Within sixty days after receipt of such statement, the department of education shall perform one of the following:

(1) For any child except a handicapped preschool child 21237 described in division (B)(2) of this section, pay to the 21238 institution submitting the statement an amount equal to the 21239 tuition calculated under division (A) of section 3317.08 of the 21240 Revised Code for the period covered by the statement, and deduct 21241 the same from the amount of state funds, if any, payable under 21242 sections 3317.022 and 3317.023 of the Revised Code, to the child's 21243 school district of residence or, if the amount of such state funds 21244 is insufficient, require the child's school district of residence 21245 to pay the institution submitting the statement an amount equal to 21246 the amount determined under this division. 21247

(2) For any handicapped preschool child not included in a 21248unit approved under division (B) of section 3317.05 of the Revised 21249Code, perform the following: 21250

(a) Pay to the institution submitting the statement an amount 21251
equal to the tuition calculated under division (B) of section 21252
3317.08 of the Revised Code for the period covered by the 21253
statement, except that in calculating the tuition under that 21254
section the operating expenses of the institution submitting the 21255
statement under this section shall be used instead of the 21256
operating expenses of the school district of residence; 21257

(b) Deduct from the amount of state funds, if any, payable 21258
under sections 3317.022 and 3317.023 of the Revised Code to the 21259
child's school district of residence an amount equal to the amount 21260
paid under division (B)(2)(a) of this section. 21261

Sec. 3327.10. (A) No person shall be employed as driver of a 21262 school bus or motor van, owned and operated by any school district 21263 or educational service center or privately owned and operated 21264 under contract with any school district or service center in this 21265 state, who has not received a certificate from the educational 21266 service center governing board in case such person is employed by 21267 a service center or by a local school district under the 21268 supervision of the service center governing board, or by the 21269 superintendent of schools, in case such person is employed by the 21270 board of a city or exempted village school district, certifying 21271 that such person is at least eighteen years of age and is of good 21272 moral character and is qualified physically and otherwise for such 21273 21274 position. The service center governing board or the superintendent, as the case may be, shall provide for an annual 21275 physical examination that conforms with rules adopted by the state 21276 board of education of each driver to ascertain his the driver's 21277 physical fitness for such employment. Any certificate may be 21278 revoked by the authority granting the same on proof that the 21279 holder has been guilty of failing to comply with division (D)(1) 21280 of this section, or upon a conviction or a guilty plea for a 21281 violation, or any other action, that results in a loss or 21282 suspension of driving rights. Failure to comply with such division 21283 may be cause for disciplinary action or termination of employment 21284 under division (C) of section 3319.081, or section 124.34 of the 21285 Revised Code. 21286

(B) No person shall be employed as driver of a school bus or 21287 motor van not subject to the rules of the department of education 21288 pursuant to division (A) of this section who has not received a 21289 certificate from the school administrator or contractor certifying 21290 that such person is at least eighteen years of age, is of good 21291 moral character, and is qualified physically and otherwise for 21292 such position. Each driver shall have an annual physical 21293

Page 687

examination which conforms to the state highway patrol rules,21294ascertaining his the driver's physical fitness for such21295employment. Any The examination shall be performed by one of the21296following:21297

(1) A person licensed under Chapter 4731. of the Revised Code21298or by another state to practice medicine and surgery or21299osteopathic medicine and surgery;21300

(2) A registered nurse who holds a certificate of authority21301issued under Chapter 4723. of the Revised Code to practice as a21302certified nurse practitioner or clinical nurse specialist and is21303practicing pursuant to a standard care arrangement with a21304collaborating physician.21305

Any certificate may be revoked by the authority granting the 21306 same on proof that the holder has been guilty of failing to comply 21307 with division (D)(2) of this section. 21308

(C) Any person who drives a school bus or motor van must give 21309
satisfactory and sufficient bond except a driver who is an 21310
employee of a school district and who drives a bus or motor van 21311
owned by the school district. 21312

(D) No person employed as driver of a school bus or motor van 21313 under this section who is convicted of a traffic violation or who 21314 has had <u>his the person's</u> commercial driver's license suspended or 21315 revoked shall drive a school bus or motor van until such person 21316 has filed a written notice of such conviction, suspension, or 21317 revocation as follows: 21318

(1) If he the person is employed under division (A) of this 21319 section, such notice shall be filed with the superintendent, or a 21320 person designated by the superintendent, of the school district 21321 for which such person drives a school bus or motor van as an 21322 employee or drives a privately owned and operated school bus or 21323 motor van under contract. 21324

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 688

(2) If employed under division (B) of this section, such
 21325
 notice shall be filed with the employing school administrator or
 21326
 contractor, or a person designated by the administrator or
 21327
 contractor.

(E) In addition to resulting in possible revocation of a 21329
certificate as authorized by divisions (A) and (B) of this 21330
section, violation of division (D) of this section is a minor 21331
misdemeanor. 21332

Sec. 3333.02. The Ohio board of regents shall hold its first 21333 meeting at the call of the governor, within three months after all 21334 members have been appointed and qualified. Meetings thereafter 21335 shall be called in such manner and at such times as prescribed by 21336 rules adopted by the board, but the board shall meet at least four 21337 times annually. A majority of the board constitutes a quorum. At 21338 its first meeting, the board shall organize by selecting a 21339 chairman chairperson, a vice-chairman vice-chairperson, and a 21340 secretary, and such other officers as it deems necessary. The 21341 board shall adopt rules for the conduct of its business, and to 21342 provide for the term and election of officers, and shall establish 21343 an office in Columbus. The rules shall permit the formation of a 21344 guorum and the taking of votes at meetings conducted by 21345 interactive video teleconference if provisions are made for public 21346 attendance at any location involved in such a teleconference. 21347

A record shall be kept of board proceedings, which shall be 21348 open for public inspection. The board shall adopt a seal to be 21349 affixed to official documents. Each member of the board, before 21350 entering on his official duties and after qualifying for office, 21351 shall take and subscribe to an oath of office, to uphold the 21352 constitution and laws of the United States and this state, and to 21353 perform the duties of his office honestly, faithfully, and 21354 impartially. 21355

Sec. 3333.03. (A) The Ohio board of regents shall appoint a 21356 chancellor to serve at its pleasure and shall prescribe his the 21357 chancellor's duties. The board shall fix the compensation for the 21358 chancellor and for all other professional, administrative, and 21359 clerical employees necessary to assist the board and the 21360 chancellor in the performance of their duties. 21361

(B) The chancellor is the administrative officer of the 21362 board, and is responsible for appointing and fixing the 21363 compensation of all professional, administrative, and clerical 21364 employees and staff members, subject to board approval, who 21365 necessary to assist the board and the chancellor in the 21366 performance of their duties. All employees and staff shall serve 21367 under his the chancellor's direction and control. The chancellor 21368 shall be a person qualified by training and experience to 21369 understand the problems and needs of the state in the field of 21370 higher education and to devise programs, plans, and methods of 21371 solving the problems and meeting the needs. 21372

(C) Neither the chancellor nor any staff member or employee 21373
of the board shall be a trustee, officer, or employee of any 21374
public or private college or university while serving on the 21375
board. 21376

## Sec. 3333.043. (A) As used in this section: 21377

(1) "Institution of higher education" means the state 21378 universities listed in section 3345.011 of the Revised Code, 21379 municipal educational institutions established under Chapter 3349. 21380 of the Revised Code, community colleges established under Chapter 21381 3354. of the Revised Code, university branches established under 21382 Chapter 3355. of the Revised Code, technical colleges established 21383 under Chapter 3357. of the Revised Code, state community colleges 21384 established under Chapter 3358. of the Revised Code, any 21385

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

institution of higher education with a certificate of registration
from the state board of proprietary school registration, and any
institution for which the Ohio board of regents receives a notice
pursuant to division (C) of this section.

(2) "Community service" has the same meaning as in section 213903313.605 of the Revised Code. 21391

(B)(1) The board of trustees or other governing entity of 21392 each institution of higher education shall encourage and promote 21393 participation of students in community service through a program 21394 appropriate to the mission, student population, and environment of 21395 each institution. The program may include, but not be limited to, 21396 providing information about community service opportunities during 21397 student orientation or in student publications; providing awards 21398 for exemplary community service; encouraging faculty members to 21399 incorporate community service into students' academic experiences 21400 wherever appropriate to the curriculum; encouraging recognized 21401 student organizations to undertake community service projects as 21402 part of their purposes; and establishing advisory committees of 21403 students, faculty members, and community and business leaders to 21404 develop cooperative programs that benefit the community and 21405 enhance student experience. The program shall be flexible in 21406 design so as to permit participation by the greatest possible 21407 number of students, including part-time students and students for 21408 whom participation may be difficult due to financial, academic, 21409 personal, or other considerations. The program shall emphasize 21410 community service opportunities that can most effectively use the 21411 skills of students, such as tutoring or literacy programs. The 21412 programs shall encourage students to perform services that will 21413 not supplant the hiring of, result in the displacement of, or 21414 impair any existing employment contracts of any particular 21415 employee of any private or governmental entity for which services 21416 are performed. 21417

Substitute Version as Presented to the Senate Finance and Financial Institutions

(2) The Ohio board of regents shall encourage all 21418 institutions of higher education in the development of community 21419 service programs. With the assistance of the state Ohio community 21420 service advisory committee council created in section 121.40 of 21421 the Revised Code, the board of regents shall make available 21422 information about higher education community service programs to 21423 institutions of higher education and to statewide organizations 21424 involved with or promoting volunteerism, including information 21425 about model community service programs, teacher training courses, 21426 and community service curricula and teaching materials for 21427 possible use by institutions of higher education in their 21428 programs. The board shall encourage institutions of higher 21429 education to jointly coordinate higher education community service 21430 programs through consortia of institutions or other appropriate 21431 means of coordination. 21432

(C) The board of trustees of any nonprofit institution with a 21433
certificate of authorization issued by the Ohio board of regents 21434
pursuant to Chapter 1713. of the Revised Code may notify the board 21435
of regents that it is making itself subject to divisions (A) and 21436
(B) of this section. Upon receipt of such a notice, these 21437
divisions shall apply to that institution. 21438

**Sec. 3333.12.** (A) As used in this section: 21439

- (1) "Eligible student" means an undergraduate student who is: 21440
- (a) An Ohio resident; 21441
- (b) Enrolled in either of the following:

(i) An accredited institution of higher education in this
state that meets the requirements of Title VI of the Civil Rights
Act of 1964 and is state-assisted, is nonprofit and has a
certificate of authorization from the Ohio board of regents
pursuant to Chapter 1713. of the Revised Code, or has a

21442

certificate of registration from the state board of proprietary21448school registration and program authorization to award an21449associate or bachelor's degree. Students who attend an institution21450that holds a certificate of registration shall be enrolled in a21451program leading to an associate or bachelor's degree for which21452associate or bachelor's degree program the institution has program21453authorization issued under section 3332.05 of the Revised Code.21454

(ii) A technical education program of at least two years
duration sponsored by a private institution of higher education in
21457
this state that meets the requirements of Title VI of the Civil
21458
Rights Act of 1964.

(c) Enrolled as a full-time student or enrolled as a less 21460 than full-time student for the term expected to be the student's 21461 final term of enrollment and is enrolled for the number of credit 21462 hours necessary to complete the requirements of the program in 21463 which the student is enrolled. 21464

(2) "Gross income" includes all taxable and nontaxable income 21465 of the parents, the student, and the student's spouse, except 21466 income derived from an Ohio academic scholarship, income earned by 21467 the student between the last day of the spring term and the first 21468 21469 day of the fall term, and other income exclusions designated by the board. Gross income may be verified to the board by the 21470 institution in which the student is enrolled using the federal 21471 financial aid eligibility verification process or by other means 21472 satisfactory to the board. 21473

(3) "Resident," "full-time student," "dependent," 21474
"financially independent," and "accredited" shall be defined by 21475
rules adopted by the board. 21476

(B) The Ohio board of regents shall establish and administer 21477
 an instructional grant program and may adopt rules to carry out 21478
 this section. The general assembly shall support the instructional 21479

Page 692

21455

21480 grant program by such sums and in such manner as it may provide, 21481 but the board may also receive funds from other sources to support 21482 the program. If the amounts available for support of the program 21483 are inadequate to provide grants to all eligible students, 21484 preference in the payment of grants shall be given in terms of 21485 income, beginning with the lowest income category of gross income 21486 and proceeding upward by category to the highest gross income 21487 category.

An instructional grant shall be paid to an eligible student 21488 through the institution in which the student is enrolled, except 21489 that no instructional grant shall be paid to any person serving a 21490 term of imprisonment. Applications for such grants shall be made 21491 as prescribed by the board, and such applications may be made in 21492 conjunction with and upon the basis of information provided in 21493 conjunction with student assistance programs funded by agencies of 21494 the United States government or from financial resources of the 21495 institution of higher education. The institution shall certify 21496 that the student applicant meets the requirements set forth in 21497 divisions (A)(1)(b) and (c) of this section. Instructional grants 21498 shall be provided to an eligible student only as long as the 21499 student is making appropriate progress toward a nursing diploma or 21500 an associate or bachelor's degree. No student shall be eligible to 21501 receive a grant for more than ten semesters, fifteen quarters, or 21502 the equivalent of five academic years. A grant made to an eligible 21503 student on the basis of less than full-time enrollment shall be 21504 based on the number of credit hours for which the student is 21505 enrolled and shall be computed in accordance with a formula 21506 adopted by the board. No student shall receive more than one grant 21507 on the basis of less than full-time enrollment. 21508

An instructional grant shall not exceed the total21509instructional and general charges of the institution.21510

(C) The tables in this division prescribe the maximum grant 21511

### Substitute Version as Presented to the Senate Finance and Financial Institutions

amounts covering two semesters, three quarters, or a comparable 21512 portion of one academic year. Grant amounts for additional terms 21513 in the same academic year shall be determined under division (D) 21514 of this section. 21515

For a full-time student who is a dependent and enrolled in a 21516 nonprofit educational institution that is not a state-assisted 21517 institution and that has a certificate of authorization issued 21518 pursuant to Chapter 1713. of the Revised Code, the amount of the 21519 instructional grant for two semesters, three quarters, or a 21520 comparable portion of the academic year shall be determined in 21521 accordance with the following table: 21522

Table of Grants						21523	
	Maximum Grant \$4,872						
Gross Income	Number of Dependents						
	÷	£	3	<del>4</del>	<del>5 or</del>	21526	
					more		
<del>Under \$13,001</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	21527	
<del>\$13,001 - \$14,000</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	21528	
<del>\$14,001 - \$15,000</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	21529	
<del>\$15,001 - \$16,000</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	21530	
<del>\$16,001 - \$17,000</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	21531	
<del>\$17,001 - \$20,000</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	21532	
<del>\$20,001 - \$23,000</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	21533	
<del>\$23,001 - \$26,000</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	21534	
<del>\$26,001 - \$29,000</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	21535	
<del>\$29,001 - \$30,000</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	21536	
<del>\$30,001 - \$31,000</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	21537	
<del>\$31,001 - \$32,000</del>	<del>792</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	21538	
<del>\$32,001 - \$33,000</del>	<del>396</del>	<del>792</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	21539	
<del>\$33,001 - \$34,000</del>	-0-	<del>396</del>	<del>792</del>	<del>882</del>	<del>966</del>	21540	
<del>\$34,001 - \$35,000</del>	-0-	-0-	<del>396</del>	<del>792</del>	<del>882</del>	21541	
<del>\$35,001 - \$36,000</del>	-0-	-0-	-0-	<del>396</del>	<del>792</del>	21542	

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 695

<del>\$36,001 - \$37,000</del>	-0-	-0-	-0-	<del>-0-</del>	<del>396</del>	21543		
<del>Over \$37,000</del>	-0-	-0-	-0-	-0-	-0-	21544		
	Private Institution							
	<u>Tabl</u>	<u>le of Gran</u>	nts			21546		
		Maxim	um Grant S	<u> 35,466</u>		21547		
<u>Gross Income</u>		Numbe:	r of Deper	<u>ndents</u>		21548		
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	21549		
					more			
<u> \$0 - \$15,000</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	21550		
<u> \$15,001 - \$16,000</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	21551		
<u> \$16,001 - \$17,000</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	5,466	<u>5,466</u>	21552		
<u> \$17,001 - \$18,000</u>	<u>3,828</u>	<u>4,362</u>	4,920	<u>5,466</u>	<u>5,466</u>	21553		
<u> \$18,001 - \$19,000</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	21554		
<u> \$19,001 - \$22,000</u>	<u>2,736</u>	<u>3,288</u>	3,828	4,362	<u>4,920</u>	21555		
<u> \$22,001 - \$25,000</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	4,362	21556		
<u> \$25,001 - \$28,000</u>	<u>1,626</u>	<u>2,178</u>	2,736	3,288	<u>3,828</u>	21557		
<u> \$28,001 - \$31,000</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	21558		
<u> \$31,001 - \$32,000</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	21559		
<u> \$32,001 - \$33,000</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	21560		
<u> \$33,001 - \$34,000</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	21561		
<u> \$34,001 - \$35,000</u>	444	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	21562		
<u> \$35,001 - \$36,000</u>		<u>444</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	21563		
<u> \$36,001 - \$37,000</u>			<u>444</u>	<u>888</u>	<u>984</u>	21564		
<u> \$37,001 - \$38,000</u>	<u></u>			444	888	21565		
<u> \$38,001 - \$39,000</u>					444	21566		

For a full-time student who is financially independent and 21567 enrolled in a nonprofit educational institution that is not a 21568 state-assisted institution and that has a certificate of 21569 authorization issued pursuant to Chapter 1713. of the Revised 21570 Code, the amount of the instructional grant for two semesters, 21571 three quarters, or a comparable portion of the academic year shall 21572 be determined in accordance with the following table: 21573

Table of Grants

21574

Maximum Grant \$4,872							21575
Gross Inc	Number of Dependents					21576	
	θ	θ ±		2 3		<del>5 or</del>	21577
						more	
<del>Under \$4,201</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	<del>\$4,872</del>	21578
<del>\$4,201 - \$4,800</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	21579
<del>\$4,801 - \$5,300</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	21580
<del>\$5,301 - \$5,800</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	<del>4,872</del>	21581
<del>\$5,801 - \$6,300</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	<del>4,872</del>	21582
<del>\$6,301 - \$6,800</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	<del>4,872</del>	21583
<del>\$6,801 - \$7,800</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	<del>4,386</del>	21584
<del>\$7,801 - \$8,800</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	<del>3,888</del>	21585
<del>\$8,801 - \$9,800</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	<del>3,408</del>	21586
<del>\$9,801 - \$11,300</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	<del>2,928</del>	21587
<del>\$11,301 - \$12,800</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	<del>2,442</del>	21588
<del>\$12,801 - \$14,300</del>	<del>792</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	<del>1,944</del>	21589
<del>\$14,301 - \$15,800</del>	<del>396</del>	<del>792</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	<del>1,452</del>	21590
<del>\$15,801 - \$18,800</del>	<del>-0-</del>	<del>396</del>	<del>792</del>	<del>882</del>	<del>966</del>	<del>1,200</del>	21591
<del>\$18,801 - \$21,800</del>	<del>-0-</del>	-0-	<del>396</del>	<del>792</del>	<del>882</del>	<del>966</del>	21592
<del>\$21,801 - \$24,800</del>	<del>-0-</del>	<del>-0-</del>	-0-	<del>396</del>	<del>792</del>	<del>882</del>	21593
<del>\$24,801 - \$29,500</del>	<del>-0-</del>	-0-	-0-	-0-	<del>396</del>	<del>792</del>	21594
<del>\$29,501 - \$34,500</del>	<del>-0-</del>	-0-	-0-	-0-	-0-	<del>396</del>	21595
<del>Over \$34,500</del>	<del>-0-</del>	-0-	-0-	-0-	-0-	-0-	21596
	Priva	<u>ate Insti</u>	<u>tution</u>				21597
	Tal	ble of Gr	<u>ants</u>				21598
		Max	<u>imum Gra</u>	nt \$5,40	<u>56</u>		21599
<u>Gross Income</u>		Num	ber of D	ependent	ts		21600
	<u>0</u>	<u>1</u>	2	<u>3</u>	<u>4</u>	<u>5 or</u>	21601
						more	
<u> \$0 - \$4,800</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	21602
<u> \$4,801 - \$5,300</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	21603
<u> \$5,301 - \$5,800</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	21604
<u> \$5,801 - \$6,300</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	21605

Page 697
----------

<u> \$6,301 - \$6,800</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	21606
<u> \$6,801 - \$7,300</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	21607
<u> \$7,301 - \$8,300</u>	2,178	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	21608
<u> \$8,301 - \$9,300</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	21609
<u> \$9,301 - \$10,300</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	21610
<u> \$10,301 - \$11,800</u>	1,080	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	21611
<u> \$11,801 - \$13,300</u>	<u>984</u>	<u>1,080</u>	1,344	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	21612
<u> \$13,301 - \$14,800</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	21613
<u> \$14,801 - \$16,300</u>	444	888	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	21614
<u> \$16,301 - \$19,300</u>		<u>444</u>	888	<u>984</u>	<u>1,080</u>	<u>1,344</u>	21615
<u> \$19,301 - \$22,300</u>			444	<u>888</u>	<u>984</u>	<u>1,080</u>	21616
<u> \$22,301 - \$25,300</u>				<u>444</u>	888	<u>984</u>	21617
<u> \$25,301 - \$30,300</u>					444	<u>888</u>	21618
<u> \$30,301 - \$35,300</u>						<u>444</u>	21619

For a full-time student who is a dependent and enrolled in an 21620 educational institution that holds a certificate of registration 21621 from the state board of proprietary school registration, the 21622 amount of the instructional grant for two semesters, three 21623 quarters, or a comparable portion of the academic year shall be 21624 determined in accordance with the following table: 21625

Table of Grants							
Maximum Grant \$4,128							
<del>Gross Income</del>	SS Income Number of Dependents						
	÷	2	3	4	<del>5 or</del>	21629	
					more		
<del>Under \$13,001</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	21630	
<del>\$13,001 - \$14,000</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	21631	
<del>\$14,001 - \$15,000</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	21632	
<del>\$15,001 - \$16,000</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	21633	
<del>\$16,001 - \$17,000</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	21634	
<del>\$17,001 - \$20,000</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	21635	
<del>\$20,001 - \$23,000</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	21636	
<del>\$23,001 - \$26,000</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	21637	

<del>\$26,001 - \$29,000</del>	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	21638
<del>\$29,001 - \$30,000</del>	<del>810</del>	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	21639
<del>\$30,001 - \$31,000</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	21640
<del>\$31,001 - \$32,000</del>	<del>672</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	<del>1,266</del>	21641
<del>\$32,001 - \$33,000</del>	<del>336</del>	<del>672</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	21642
<del>\$33,001 - \$34,000</del>	<del>-0-</del>	<del>336</del>	<del>672</del>	<del>762</del>	<del>810</del>	21643
<del>\$34,001 - \$35,000</del>	-0-	-0-	<del>336</del>	<del>672</del>	<del>762</del>	21644
<del>\$35,001 - \$36,000</del>	<del>-0-</del>	<del>-0-</del>	<del>-0-</del>	<del>336</del>	<del>672</del>	21645
<del>\$36,001 - \$37,000</del>	-0-	-0-	<del>-0-</del>	<del>-0-</del>	<del>336</del>	21646
<del>Over \$37,000</del>	<del>-0-</del>	<del>-0-</del>	<del>-0-</del>	<del>-0-</del>	<del>-0-</del>	21647
	<u>Propriet</u>	<u>ary Instit</u>	ution			21648
	<u>Tabl</u>	<u>e of Grant</u>	<u>s</u>			21649
		Maximum	<u>n Grant \$4</u>	<u>,632</u>		21650
<u>Gross Income</u>		Number	of Depend	<u>ents</u>		21651
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	21652
					more	
<u> \$0 - \$15,000</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	21653
<u> \$15,001 - \$16,000</u>	4,182	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	4,632	21654
<u> \$16,001 - \$17,000</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	4,632	21655
<u> \$17,001 - \$18,000</u>	<u>3,222</u>	<u>3,684</u>	4,182	<u>4,632</u>	4,632	21656
<u> \$18,001 - \$19,000</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	4,182	4,632	21657
<u> \$19,001 - \$22,000</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	4,182	21658
<u> \$22,001 - \$25,000</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	21659
<u> \$25,001 - \$28,000</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	21660
<u> \$28,001 - \$31,000</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	21661
<u> \$31,001 - \$32,000</u>	<u>906</u>	<u>1,134</u>	1,416	<u>1,854</u>	<u>2,292</u>	21662
<u> \$32,001 - \$33,000</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	21663
<u> \$33,001 - \$34,000</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	1,416	21664
<u> \$34,001 - \$35,000</u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	21665
<u> \$35,001 - \$36,000</u>	<u></u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	21666
<u> \$36,001 - \$37,000</u>			<u>372</u>	<u>750</u>	<u>852</u>	21667
<u> \$37,001 - \$38,000</u>	<u></u>			<u>372</u>	750	21668
<u> \$38,001 - \$39,000</u>					<u>372</u>	21669

## Substitute Version as Presented to the Senate Finance and Financial Institutions

For a full-time student who is financially independent and 21670 enrolled in an educational institution that holds a certificate of 21671 registration from the state board of proprietary school 21672 registration, the amount of the instructional grant for two 21673 semesters, three quarters, or a comparable portion of the academic 21674 year shall be determined in accordance with the following table: 21675

Table of Grants							21676	
		Max	imum Gra	<del>nt \$4,1</del>	<del>28</del>		21677	
Gross Income		Num	<del>ber of D</del>	ependent	ts		21678	
	θ	÷	<del>2</del>	3	4	<del>5 or</del>	21679	
						more		
<del>Under \$4,201</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	<del>\$4,128</del>	21680	
<del>\$4,201 - \$4,800</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	21681	
<del>\$4,801 - \$5,300</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	21682	
<del>\$5,301 - \$5,800</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	<del>4,128</del>	21683	
<del>\$5,801 - \$6,300</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	<del>4,128</del>	21684	
<del>\$6,301 - \$6,800</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	<del>4,128</del>	21685	
<del>\$6,801 - \$7,800</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	<del>3,726</del>	21686	
<del>\$7,801 - \$8,800</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	<del>3,288</del>	21687	
<del>\$8,801 - \$9,800</del>	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	<del>2,874</del>	21688	
<del>\$9,801 - \$11,300</del>	810	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	<del>2,490</del>	21689	
<del>\$11,301 - \$12,800</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	<del>2,046</del>	21690	
<del>\$12,801 - \$14,300</del>	<del>672</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	<del>1,266</del>	<del>1,656</del>	21691	
<del>\$14,301 - \$15,800</del>	<del>336</del>	<del>672</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	<del>1,266</del>	21692	
<del>\$15,801 - \$18,800</del>	-0-	<del>336</del>	<del>672</del>	<del>762</del>	<del>810</del>	<del>1,014</del>	21693	
<del>\$18,801 - \$21,800</del>	-0-	-0-	<del>336</del>	<del>672</del>	<del>762</del>	<del>810</del>	21694	
<del>\$21,801 - \$24,800</del>	-0-	-0-	-0-	<del>336</del>	<del>672</del>	<del>762</del>	21695	
<del>\$24,801 - \$29,500</del>	<del>-0-</del>	-0-	-0-	<del>-0-</del>	<del>336</del>	<del>672</del>	21696	
<del>\$29,501 - \$34,500</del>	<del>-0-</del>	-0-	<del>-0-</del>	-0-	<del>-0-</del>	<del>336</del>	21697	
<del>Over \$34,500</del>	-0-	-0-	-0-	-0-	-0-	-0-	21698	
	Propri	<u>etary Ins</u>	stitution	<u>1</u>			21699	
	Ta	ble of Gr	<u>cants</u>				21700	
<u>Maximum Grant \$4,632</u>								

<u>Gross Income</u>	Number of Dependents						
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	21703
						more	
<u> \$0 - \$4,800</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	21704
<u> \$4,801 - \$5,300</u>	<u>4,182</u>	4,632	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	21705
<u>\$5,301 - \$5,800</u>	<u>3,684</u>	4,182	<u>4,632</u>	4,632	<u>4,632</u>	<u>4,632</u>	21706
<u> \$5,801 - \$6,300</u>	<u>3,222</u>	<u>3,684</u>	4,182	4,632	<u>4,632</u>	<u>4,632</u>	21707
<u> \$6,301 - \$6,800</u>	<u>2,790</u>	3,222	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	21708
<u> \$6,801 - \$7,300</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	4,182	<u>4,632</u>	21709
<u> \$7,301 - \$8,300</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	21710
<u> \$8,301 - \$9,300</u>	<u>1,416</u>	1,854	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	21711
<u> \$9,301 - \$10,300</u>	<u>1,134</u>	1,416	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	3,222	21712
<u> \$10,301 - \$11,800</u>	<u>906</u>	1,134	1,416	1,854	<u>2,292</u>	<u>2,790</u>	21713
<u> \$11,801 - \$13,300</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	21714
<u> \$13,301 - \$14,800</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	21715
<u> \$14,801 - \$16,300</u>	<u>372</u>	750	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	21716
<u> \$16,301 - \$19,300</u>		<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	1,134	21717
<u> \$19,301 - \$22,300</u>			<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	21718
<u> \$22,301 - \$25,300</u>				<u>372</u>	<u>750</u>	<u>852</u>	21719
<u> \$25,301 - \$30,300</u>					<u>372</u>	<u>750</u>	21720
<u>\$30,301 - \$35,300</u>						<u>372</u>	21721
For a full-time	student	who is a	depende	ent and	enrolled	l in a	21722
state-assisted educa	tional in	nstitutio	on, the a	amount c	of the		21723
instructional grant	for two a	semesters	, three	quarter	s, or a		21724
comparable portion o	of the aca	ademic ye	ar shall	l be det	ermined	in	21725
accordance with the	following	g table:					21726
		Max	imum Gra	<del>nt \$1,9</del> !	56		21727
Gross Income		Num	<del>ber of D</del>	ependent	ts		21728

 Table of Grants
 21729

 1
 2
 3
 4
 5 or
 21730

 more

 Under \$13,001
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956
 \$1,956

<del>\$14,001 - \$15,000</del>	<del>1,554</del>	<del>1,764</del>	<del>1,956</del>	<del>1,956</del>	<del>1,956</del>	21733			
<del>\$15,001 - \$16,000</del>	<del>1,380</del>	<del>1,554</del>	<del>1,764</del>	<del>1,956</del>	<del>1,956</del>	21734			
<del>\$16,001 - \$17,000</del>	<del>1,182</del>	<del>1,380</del>	<del>1,554</del>	<del>1,764</del>	<del>1,956</del>	21735			
<del>\$17,001 - \$20,000</del>	<del>966</del>	<del>1,182</del>	<del>1,380</del>	<del>1,554</del>	<del>1,764</del>	21736			
<del>\$20,001 - \$23,000</del>	774	<del>966</del>	<del>1,182</del>	<del>1,380</del>	<del>1,554</del>	21737			
<del>\$23,001 - \$26,000</del>	<del>582</del>	<del>774</del>	<del>966</del>	<del>1,182</del>	<del>1,380</del>	21738			
<del>\$26,001 - \$29,000</del>	<del>468</del>	<del>582</del>	774	<del>966</del>	<del>1,182</del>	21739			
<del>\$29,001 - \$30,000</del>	<del>378</del>	<del>468</del>	<del>582</del>	774	<del>966</del>	21740			
<del>\$30,001 - \$31,000</del>	<del>348</del>	<del>378</del>	<del>468</del>	<del>582</del>	774	21741			
<del>\$31,001 - \$32,000</del>	<del>318</del>	<del>348</del>	<del>378</del>	<del>468</del>	<del>582</del>	21742			
<del>\$32,001 - \$33,000</del>	<del>162</del>	<del>318</del>	348	<del>378</del>	<del>468</del>	21743			
<del>\$33,001 - \$34,000</del>	-0-	<del>162</del>	318	<del>348</del>	<del>378</del>	21744			
<del>\$34,001 - \$35,000</del>	<del>-0-</del>	<del>-0-</del>	<del>162</del>	<del>318</del>	<del>348</del>	21745			
<del>\$35,001 - \$36,000</del>	<del>-0-</del>	-0-	-0-	<del>162</del>	<del>318</del>	21746			
<del>\$36,001 - \$37,000</del>	<del>-0-</del>	<del>-0-</del>	-0-	<del>-0-</del>	<del>162</del>	21747			
<del>Over \$37,000</del>	-0-	-0-	-0-	-0-	<del>-0-</del>	21748			
	Public Institution								
	Tabl	<u>e of Grant</u>	S			21750			
		Maximur	<u>m Grant \$2</u>	,190		21751			
<u>Gross Income</u>		Number	of Depend	<u>ents</u>		21752			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	21753			
					more				
<u> \$0 - \$15,000</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	21754			
<u> \$15,001 - \$16,000</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	21755			
<u>\$16,001 - \$17,000</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	21756			
<u> \$17,001 - \$18,000</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	21757			
<u> \$18,001 - \$19,000</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	21758			
<u> \$19,001 - \$22,000</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	21759			
<u> \$22,001 - \$25,000</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	21760			
<u> \$25,001 - \$28,000</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	21761			
<u> \$28,001 - \$31,000</u>	<u>522</u>	<u>648</u>	864	<u>1,080</u>	<u>1,320</u>	21762			
<u>\$31,001 - \$32,000</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	21763			
<u>\$32,001 - \$33,000</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	21764			

Sub. H. B. No. 94
Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 702

<u>\$33,001 - \$34,000</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	21765
<u>\$34,001 - \$35,000</u>	<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	21766
<u>\$35,001 - \$36,000</u>		<u>174</u>	<u>354</u>	<u>384</u>	420	21767
<u>\$36,001 - \$37,000</u>			<u>174</u>	<u>354</u>	<u>384</u>	21768
<u>\$37,001 - \$38,000</u>				<u>174</u>	<u>354</u>	21769
<u> \$38,001 - \$39,000</u>					<u>174</u>	21770

For a full-time student who is financially independent and 21771 enrolled in a state-assisted educational institution, the amount 21772 of the instructional grant for two semesters, three quarters, or a 21773 comparable portion of the academic year shall be determined in 21774 accordance with the following table: 21775

Table of Grants 21776 Maximum Grant \$1,956 21777 Gross Income Number of Dependents 21778 θ  $\frac{1}{2}$ £ 3 21779 4 5 or more Under \$4,201 <del>\$1,956</del> \$1,956 \$1,956 \$1,956 \$1,956 <del>\$1,956</del> 21780 <del>1,764</del> <del>1,956</del> <del>1,956</del> 4,201 - \$4,800<del>1,956</del> <del>1,956</del> <del>1,956</del> 21781 1,764<del>\$4,801 - \$5,300</del> <del>1,554</del> <del>1,956</del> <del>1,956</del> <del>1,956</del> <del>1,956</del> 21782 <del>1,380</del> <del>\$5,301 -</del> <del>\$5,800</del> <del>1,764</del> <del>1,956</del> <del>1,956</del> <del>1,956</del> 21783 <del>1,554</del> <del>\$5,801 -</del> <del>\$6,300</del> 1,5541,764<del>1,956</del> <del>1,956</del> 21784 <del>1,182</del> <del>1,380</del> <del>\$6,301</del> \$6,800 <del>966</del> <del>1,182</del> <del>1,380</del> <del>1,764</del> <del>1,956</del> <del>1,554</del> 21785 <del>\$7,800</del> <del>\$6,801</del>-774<del>966</del> <del>1,182</del> <del>1,380</del> <del>1,554</del> <del>1,764</del> 21786 <del>\$7,801 -</del> <del>\$8,800</del> <del>582</del> 774<del>966</del>  $\frac{1,182}{1}$ 1,380 $\frac{1}{554}$ 21787 <del>\$8,801 - \$9,800</del> <del>468</del> <del>582</del> 774<del>966</del> <del>1,182</del> <del>1,380</del> 21788  $\frac{9,801}{5,801} - \frac{11,300}{5,11}$ <del>378</del> <del>468</del> <del>582</del> 774<del>966</del>  $\frac{1,182}{1}$ 21789  $\frac{11,301}{-}$ <del>348</del> <del>378</del> <del>468</del> <del>582</del> 774<del>966</del> 21790 <del>\$12,801 - \$14,300</del> 774<del>318</del> <del>348</del> <del>378</del> <del>468</del> <del>582</del> 21791 <del>\$14,301</del>-<del>- \$15,800</del> <del>162</del> <del>318</del> <del>348</del> <del>378</del> <del>468</del> <del>582</del> 21792 <del>\$15,801 - \$18,800</del> -0-<del>162</del> <del>318</del> <del>348</del> <del>378</del> <del>468</del> 21793 <del>\$18,801 - \$21,800</del> <del>378</del> 21794 -0--0- $\frac{162}{1}$ <del>318</del> <del>348</del>  $\frac{21,801}{521,801} - \frac{24,800}{524,800}$ -0-<del>348</del> -0--0-<del>162</del> <del>318</del> 21795

<del>\$24,801 - \$29,500</del>

-0-

-0-

-0-

-0-

 $\frac{162}{1}$ 

318

21796

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 703

<del>\$29,501 - \$34,500</del>	-0-	0-	6		)0-	<del>-</del> <del>162</del>	21797		
<del>Over \$34,500</del>	-0-	0-	0		)0-	0-	21798		
	Pul	Public Institution							
	I	able of	<u>Grants</u>				21800		
		Ma	aximum G	rant \$2	,190		21801		
<u>Gross Income</u>		<u>Nu</u>	umber of	Depende	<u>ents</u>		21802		
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	21803		
						more			
<u> \$0 - \$4,800</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	21804		
<u> \$4,801 - \$5,300</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	2,190	21805		
<u> \$5,301 - \$5,800</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	2,190	21806		
<u> \$5,801 - \$6,300</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	2,190	21807		
<u> \$6,301 - \$6,800</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	2,190	21808		
<u> \$6,801 - \$7,300</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	2,190	21809		
<u> \$7,301 - \$8,300</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	21810		
<u> \$8,301 - \$9,300</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	21811		
<u> \$9,301 - \$10,300</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	21812		
<u> \$10,301 - \$11,800</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	21813		
<u> \$11,801 - \$13,300</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	21814		
<u> \$13,301 - \$14,800</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	21815		
<u> \$14,801 - \$16,300</u>	<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	21816		
<u> \$16,301 - \$19,300</u>		<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	21817		
<u> \$19,301 - \$22,300</u>			<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	21818		
<u> \$22,301 - \$25,300</u>				<u>174</u>	<u>354</u>	<u>384</u>	21819		
<u>\$25,301 - \$30,300</u>					<u>174</u>	<u>354</u>	21820		
<u>\$30,301 - \$35,300</u>						<u>174</u>	21821		

(D) For a full-time student enrolled in an eligible 21822
institution for a semester or quarter in addition to the portion 21823
of the academic year covered by a grant determined under division 21824
(C) of this section, the maximum grant amount shall be a 21825
percentage of the maximum prescribed in the applicable table of 21826
that division. The maximum grant for a fourth quarter shall be 21827
one-third of the maximum amount prescribed under that division. 21828

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 704

The maximum grant for a third semester shall be one-half of the 21829 maximum amount prescribed under that division. 21830

(E) No grant shall be made to any student in a course of 21831
study in theology, religion, or other field of preparation for a 21832
religious profession unless such course of study leads to an 21833
accredited bachelor of arts, bachelor of science, associate of 21834
arts, or associate of science degree. 21835

(F)(1) Except as provided in division (F)(2) of this section, 21836 no grant shall be made to any student for enrollment during a 21837 fiscal year in an institution with a cohort default rate 21838 determined by the United States secretary of education pursuant to 21839 the "Higher Education Amendments of 1986," 100 Stat. 1278, 1408, 21840 20 U.S.C.A. 1085, as amended, as of the fifteenth day of June 21841 preceding the fiscal year, equal to or greater than thirty per 21842 cent for each of the preceding two fiscal years. 21843

(2) Division (F)(1) of this section does not apply to the 21844
following: 21845

(a) Any student enrolled in an institution that under the 21846 federal law appeals its loss of eligibility for federal financial 21847 aid and the United States secretary of education determines its 21848 cohort default rate after recalculation is lower than the rate 21849 specified in division (F)(1) of this section or the secretary 21850 determines due to mitigating circumstances the institution may 21851 continue to participate in federal financial aid programs. The 21852 21853 board shall adopt rules requiring institutions to provide information regarding an appeal to the board. 21854

(b) Any student who has previously received a grant under 21855 this section who meets all other requirements of this section. 21856

(3) The board shall adopt rules for the notification of all
21857
institutions whose students will be ineligible to participate in
21858
the grant program pursuant to division (F)(1) of this section.
21859

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(4) A student's attendance at an institution whose students
21860
lose eligibility for grants under division (F)(1) of this section
21861
shall not affect that student's eligibility to receive a grant
21862
when enrolled in another institution.

(G) Institutions of higher education that enroll students 21864 receiving instructional grants under this section shall report to 21865 the board all students who have received instructional grants but 21866 are no longer eligible for all or part of such grants and shall 21867 refund any moneys due the state within thirty days after the 21868 beginning of the quarter or term immediately following the quarter 21869 or term in which the student was no longer eligible to receive all 21870 or part of the student's grant. There shall be an interest charge 21871 of one per cent per month on all moneys due and payable after such 21872 thirty-day period. The board shall immediately notify the office 21873 of budget and management and the legislative budget office of the 21874 legislative service commission of all refunds so received. 21875

Sec. 3333.13. (A) Money appropriated to state supported and 21876 state assisted institutions of higher education and to the Ohio 21877 board of regents for the purposes of this division shall be paid 21878 at the times and in the amounts necessary to meet all payments 21879 required to be made by such institutions and by the board to the 21880 Ohio public facilities commission or treasurer of state pursuant 21881 to leases or agreements made by them under division (B) of section 21882 154.21 of the Revised Code, as certified under division (C) of 21883 this section, including supplements to such certifications. 21884

(B) Each such institution of higher education and the The
21885
board shall include in its estimate of proposed expenses submitted
21886
pursuant to section 126.02 of the Revised Code the estimated
21887
amounts of all such payments to be made by it. The board shall
21888
include the estimated amounts of all such payments to be made by
21889
each such institution and of such payments to be made by it in

21891 recommendations for appropriation required by division (J) of section 3333.04 of the Revised Code. The director of budget and 21892 management shall include in the state budget estimates provided 21893 for in section 126.02 of the Revised Code the estimated amount of 21894 all such payments to be made during the next biennium, and this 21895 amount shall be included in the state budget to be submitted by 21896 the governor to the general assembly pursuant to section 107.03 of 21897 the Revised Code. 21898

(C) On the first day of July of each year, or as soon 21899 thereafter as is practicable, the chancellor or a vice-chancellor 21900 of the board shall certify to the director the payments contracted 21901 to be made, during the period of the then current appropriations 21902 made for the purposes of division (A) of this section, to the 21903 commission or treasurer of state by each state supported and state 21904 assisted institution of higher education and by the board pursuant 21905 to leases and agreements made under division (B) of section 154.21 21906 of the Revised Code. The certification shall state the amounts and 21907 dates of payment required therefor as to each such institution of 21908 higher education and the board, and the amounts to be credited 21909 pursuant to such leases and agreements to the higher education 21910 bond service trust fund and other special funds established 21911 pursuant to Chapter 154. of the Revised Code. If the director 21912 finds such certification to be correct, the director shall 21913 promptly add the director's certification thereto and submit it to 21914 the treasurer of state. Such annual certification shall be 21915 supplemented in similar manner upon the execution of each new 21916 lease or agreement, any supplement to an existing lease or 21917 agreement, or any amendment thereof, affecting the amounts of 21918 21919 those payments.

sec. 3333.21. As used in sections 3333.21 to 3333.23 of the 21920
Revised Code, "term" and "academic year" mean "term" and "academic 21921
year" as defined by the Ohio board of regents. 21922

The board shall establish and administer an academic 21923 scholarship program. Under the program, a total of one thousand 21924 new scholarships shall be awarded annually in the amount of not 21925 less than two thousand dollars per award. At least one such new 21926 scholarship shall be awarded annually to a student in each public 21927 high school and joint vocational school and each nonpublic high 21928 school for which the state board of education prescribes minimum 21929 standards in accordance with section 3301.07 of the Revised Code. 21930

To be eligible for the award of a scholarship, a student 21931 shall be a resident of Ohio and shall be enrolled as a full-time 21932 undergraduate student in an Ohio institution of higher education 21933 that meets the requirements of Title VI of the "Civil Rights Act 21934 of 1964" and is state-assisted, is nonprofit and holds a 21935 certificate of authorization issued under section 1713.02 of the 21936 Revised Code, or holds a certificate of registration and program 21937 authorization issued under section 3332.05 of the Revised Code and 21938 awards an associate or bachelor's degree. Students who attend an 21939 institution holding a certificate of registration shall be 21940 enrolled in a program leading to an associate or bachelor's degree 21941 for which associate or bachelor's degree program the institution 21942 has program authorization to offer the program issued under 21943 section 3332.05 of the Revised Code. 21944

"Resident" and "full-time student" shall be defined by board 21945 rule. 21946

The board shall award the scholarships on the basis of a 21947 formula designed by it to identify students with the highest 21948 capability for successful college study. The formula shall weigh 21949 the factor of achievement, as measured by grade point average, and 21950 the factor of ability, as measured by performance on a competitive 21951 examination specified by the board. Students receiving 21952 scholarships shall be known as "Ohio academic scholars." Annually, 21953 not later than the thirty-first day of July, the board shall 21954

Page 707

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

report to the governor and the general assembly on the performance 21955 of current Ohio academic scholars and the effectiveness of its 21956 formula. 21957

Sec. 3333.22. Each Ohio academic scholarship shall be awarded 21958 for an academic year and may be renewed for each of three 21959 additional academic years. The scholarship amount awarded to a 21960 scholar for an academic year shall be <u>not less than</u> two thousand 21961 dollars. A scholarship shall be renewed if the scholar maintains 21962 an academic record satisfactory to the Ohio board of regents and 21963 meets any of the following conditions: 21964

(A) The scholar is enrolled as a full-time undergraduate; 21965

(B) The scholar was awarded an undergraduate degree in less 21966 than four academic years and is enrolled as a full-time graduate 21967 or professional student in an Ohio institution of higher education 21968 that meets the requirements of Title VI of the "Civil Rights Act 21969 of 1964" and is state-assisted or is nonprofit and holds a 21970 certificate of authorization issued under section 1713.02 of the 21971 Revised Code; 21972

(C) The scholar is a full-time student concurrently enrolled 21973
as an undergraduate student and as a graduate or professional 21974
student in an Ohio institution of higher education that meets the 21975
requirements of division (B) of this section. 21976

Each amount awarded shall be paid in equal installments to 21977 the scholar at the time of enrollment for each term of the 21978 academic year for which the scholarship is awarded or renewed. No 21979 scholar is eligible to receive an Ohio academic scholarship for 21980 more than the equivalent of four academic years. 21981

If an Ohio academic scholar is temporarily unable to attend 21982 school because of illness or other cause satisfactory to the 21983 board, the board may grant a leave of absence for a designated 21984

21985 period of time. If a scholar discontinues full-time attendance at 21986 the scholar's school during a term because of illness or other 21987 cause satisfactory to the board, the scholar may either claim a 21988 prorated payment for the period of actual attendance or waive 21989 payment for that term. A term for which prorated payment is made 21990 shall be considered a full term for which a scholarship was 21991 received. A term for which payment is waived shall not be 21992 considered a term for which a scholarship was received.

Receipt of an Ohio academic scholarship shall not affect a 21993 scholar's eligibility for the Ohio instructional grant program. 21994

sec. 3345.19. In the exercise of their respective powers of 21995 government conferred by Chapter 3345. of the Revised Code and 21996 other pertinent provisions of law, the boards of trustees of 21997 Bowling Green state university, Kent state university, Miami 21998 university, Ohio university, and the Ohio state university shall 21999 observe the following enrollment limitations insofar as the autumn 22000 quarter enrollment or any other quarter enrollment on a full-time 22001 equivalent basis as defined by the Ohio board of regents is 22002 concerned: 22003

Bowling Green central campus	<del>16,000</del> <u>17,000</u>	22004
Kent central campus	<del>21,000</del> <u>22,000</u>	22005
Miami central campus	<del>16,000</del> <u>17,000</u>	22006
Ohio university central campus	<del>21,000</del> <u>22,000</u>	22007
The Ohio state central campus	<del>41,000</del> <u>42,000</u>	22008

Campus student housing facilities shall only be authorized by 22009 boards of trustees within these limitations, and no contracts for 22010 construction of new residence hall facilities shall be entered 22011 into after October 1, 1969, without the prior approval by the Ohio 22012 board of regents. 22013

**sec. 3353.07.** The On and after the effective date of this 22014

Page 710

22027

amendment, theOhio educational telecommunications network22015commission shall not charge or collect broadcasting fees from22016operate theOhio government telecommunications of system that was22017operated bythe capitol square review and advisory board prior to22018the effective date of this amendment.22019

Sec. 3353.11. There is hereby created in the state treasury 22020 the governmental television/telecommunications operating fund. The 22021 fund shall consist of money received from contract productions of 22022 the Ohio government telecommunications studio and shall be used 22023 for operations or equipment breakdowns related to the studio. All 22024 investment earnings on the fund shall be credited to the fund. 22025

**Sec. 3383.01.** As used in this chapter: 22026

(A) "Arts" means any of the following:

(1) Visual, musical, dramatic, graphic, and other arts and 22028 includes, including, but is not limited to, architecture, dance, 22029 literature, motion pictures, music, painting, photography, 22030 sculpture, and theater; 22031

(2) The presentation or making available, in museums or other 22032 indoor or outdoor facilities, of principles of science and their 22033 development, use, or application in business, industry, or 22034 commerce or of the history, heritage, development, presentation, 22035 and uses of the arts as defined above described in division (A)(1) 22036 of this section and of transportation; 22037

(3) The preservation, presentation, or making available of 22038
features of archaeological, architectural, environmental, or 22039
historical interest or significance in a state historical facility 22040
or a local historical facility. 22041

(B) "Arts organization" means either of the following: 22042

(1) A governmental agency or Ohio nonprofit corporation that 22043

# Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 711

22061

provides programs or activities in areas directly concerned with 22044 the arts;

(2) A regional arts and cultural district as defined in22046section 3381.01 of the Revised Code.22047

(C) "Arts project" means all or any portion of an Ohio arts 22048
facility for which the general assembly has specifically 22049
authorized the spending of money, or made an appropriation, 22050
pursuant to division (D)(3) or (E) of section 3383.07 of the 22051
Revised Code. 22052

(D) <u>"Cooperative contract" means a contract between the Ohio</u> 22053
 <u>arts and sports facilities commission and an arts organization</u> 22054
 <u>providing the terms and conditions of the cooperative use of an</u> 22055
 <u>Ohio arts facility.</u> 22056

(E) "Costs of operation" means amounts required to manage an 22057 Ohio arts facility that are incurred following the completion of 22058 construction of its arts project, provided that both of the 22059 following apply: 22060

(1) Those amounts either:

(a) Have been committed to a fund dedicated to that purpose; 22062

(b) Equal the principal of any endowment fund, the income 22063from which is dedicated to that purpose. 22064

(2) The commission and the arts organization have executed an 22065agreement with respect to either of those funds. 22066

(E)(F) "General building services" means general building 22067 services for an Ohio arts facility or an Ohio sports facility, 22068 including, but not limited to, general custodial care, security, 22069 maintenance, repair, painting, decoration, cleaning, utilities, 22070 fire safety, grounds and site maintenance and upkeep, and 22071 plumbing. 22072

(F)(G) "Governmental agency" means a state agency, a 22073

state-supported or state-assisted institution of higher education, 22074 a municipal corporation, county, township, or school district, a 22075 port authority created under Chapter 4582. of the Revised Code, 22076 any other political subdivision or special district in this state 22077 established by or pursuant to law, or any combination of these 22078 entities; except where otherwise indicated, the United States or 22079 any department, division, or agency of the United States, or any 22080 agency, commission, or authority established pursuant to an 22081 interstate compact or agreement. 22082

(G)(H) "Local contributions" means the value of an asset 22083 provided by or on behalf of an arts organization from sources 22084 other than the state, the value and nature of which shall be 22085 approved by the Ohio arts and sports facilities commission, in its 22086 sole discretion. "Local contributions" may include the value of 22087 the site where an arts project is to be constructed. All "local 22088 contributions," except a contribution attributable to such a site, 22089 shall be for the costs of construction of an arts project or the 22090 costs of operation of an arts facility. 22091

(H)(I) "Local historical facility" means a site or facility, 22092 other than a state historical facility, of archaeological, 22093 architectural, environmental, or historical interest or 22094 significance, or a facility, including a storage facility, 22095 appurtenant to the operations of such a site or facility, that is 22096 owned by an arts organization, provided the facility meets the 22097 requirements of division  $\frac{(J)(K)}{(2)}(2)$  (b) of this section, is managed 22098 by or pursuant to a contract with the Ohio arts and sports 22099 facilities commission, and is used for or in connection with the 22100 activities of the commission, including the presentation or making 22101 22102 available of arts to the public.

(I)(J)"Manage," "operate," or "management" means the22103provision of, or the exercise of control over the provision of,22104activities:22105

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(1) Relating to the arts for an Ohio arts facility, including 22106 as applicable, but not limited to, providing for displays, 22107 exhibitions, specimens, and models; booking of artists, 22108 performances, or presentations; scheduling; and hiring or 22109 contracting for directors, curators, technical and scientific 22110 staff, ushers, stage managers, and others directly related to the 22111 arts activities in the facility; but not including general 22112 building services; 22113

(2) Relating to sports and athletic events for an Ohio sports 22114 facility, including as applicable, but not limited to, providing 22115 for booking of athletes, teams, and events; scheduling; and hiring 22116 or contracting for staff, ushers, managers, and others directly 22117 related to the sports and athletic events in the facility; but not 22118 including general building services. 22119

(J)(K) "Ohio arts facility" means any of the following:

(1) The three theaters located in the state office tower at 2212177 South High street in Columbus; 22122

(2) Any capital facility in this state to which all <u>both</u> of 22123the following apply: 22124

(a) The construction of an arts project related to the
facility was authorized or funded by the general assembly pursuant
to division (D)(3) of section 3383.07 of the Revised Code and
22127
proceeds of state bonds are used for costs of the arts project.
22128

22129 (b) The state owns or has sufficient real property interests in the facility or in the portion of the facility financed from 22130 the proceeds of obligations or in the site of the facility for a 22131 period of no less than the greater of the useful life of the 22132 portion of the facility financed from the proceeds of those 22133 obligations as determined by the director of budget and management 22134 using the guidelines for maximum maturities as provided under 22135 divisions (B), (C), and (E) of section 133.20 of the Revised Code, 22136

22120

or the period of time remaining to the date of payment or22137provision for payment of outstanding obligations issued by the22138Ohio building authority allocable to costs of that portion of the22139facility, as determined by the director of budget and management,22140in either case as certified to the Ohio arts and sports facilities22141commission and the Ohio building authority.22142

(c) The facility is managed directly by, or by is subject to 22143 a cooperative or management contract with, the Ohio arts and 22144 sports facilities commission, and <u>is</u> used for or in connection 22145 with the activities of the commission, including the presentation 22146 or making available of arts to the public. <u>A cooperative or</u> 22147 management contract shall be for a term not less than the time 22148 remaining to the date of payment or provision for payment of any 22149 state bonds issued to pay the costs of the arts project, as 22150 determined by the director of budget and management and certified 22151 by the director to the Ohio arts and sports facilities commission 22152 and to the Ohio building authority. 22153

(3) A state historical facility or a local historical22154facility.22155

(K)(L)"State agency" means the state or any of its branches,22156officers, boards, commissions, authorities, departments,22157divisions, or other units or agencies.22158

(L)(M) "Construction" includes acquisition, including 22159
acquisition by lease-purchase, demolition, reconstruction, 22160
alteration, renovation, remodeling, enlargement, improvement, site 22161
improvements, and related equipping and furnishing. 22162

(M)(N) "State historical facility" means a site or facility 22163 of archaeological, architectural, environmental, or historical 22164 interest or significance, or a facility, including a storage 22165 facility, appurtenant to the operations of such a site or 22166 facility, that is owned by or is located on real property owned by 22167 the state or by an arts organization, so long as the real property 22168

of the arts organization meets the requirements of division 22169 (J)(2)(b) of this section and is contiguous to state-owned real 22170 property that is in the care, custody, and control of an arts 22171 organization, and that is managed directly by or by is subject to 22172 a cooperative or management contract with the Ohio arts and sports 22173 facilities commission, and  $\frac{1}{1}$  and  $\frac{1}{1}$  is used for or in connection with 22174 the activities of the commission, including the presentation or 22175 making available of arts to the public. 22176

(N)(O) "Ohio sports facility" means all or a portion of a 22177 stadium, arena, or other capital facility in <del>Ohio</del> this state, a 22178 primary purpose of which is to provide a site or venue for the 22179 presentation to the public of events of one or more major or minor 22180 league professional athletic or sports teams that are associated 22181 with the state or with a city or region of the state, which 22182 facility is owned by or is located on real property owned by the 22183 state or a governmental agency, and including all parking 22184 facilities, walkways, and other auxiliary facilities, equipment, 22185 furnishings, and real and personal property and interests and 22186 rights therein, that may be appropriate for or used for or in 22187 connection with the facility or its operation, for capital costs 22188 of which state funds are spent pursuant to this chapter. A 22189 facility constructed as an Ohio sports facility may be both an 22190 Ohio arts facility and an Ohio sports facility. 22191

Sec. 3383.02. (A) There is hereby created the Ohio arts and 22192 sports facilities commission. Notwithstanding any provision to the 22193 contrary contained in Chapter 152. of the Revised Code, the 22194 commission shall engage in and provide for the development, 22195 performance, and presentation or making available of the arts and 22196 professional sports and athletics to the public in this state by 22197 the exercise of its powers under this chapter, including the 22198 provision, operation, and management, and cooperative use of Ohio 22199 arts facilities and Ohio sports facilities. The commission is a 22200

body corporate and politic, an agency of state government and an 22201 instrumentality of the state, performing essential governmental 22202 functions of this state. The carrying out of the purposes and the 22203 exercise by the commission of its powers conferred by this chapter 22204 are essential public functions and public purposes of the state 22205 and of state government. The commission may, in its own name, sue 22206 and be sued, enter into contracts, and perform all the powers and 22207 duties given to it by this chapter but it does not have and shall 22208 not exercise the power of eminent domain. 22209

(B) The commission shall consist of eight ten members, five 22210 seven of whom shall be voting members and three of whom shall be 22211 22212 nonvoting members. The five seven voting members shall be appointed by the governor, with the advice and consent of the 22213 senate, from different geographical regions of the state. In 22214 addition, one of the voting members shall represent the state 22215 architect. Not more than three four of the members appointed by 22216 the governor shall be affiliated with the same political party. 22217 The nonvoting members shall be the staff director of the Ohio arts 22218 council, a member of the senate appointed by the president of the 22219 senate, and a member of the house of representatives appointed by 22220 the speaker of the house. 22221

(C) Of the <u>five</u> initial appointments made by the governor, 22222 one shall be for a term expiring December 31, 1989, two shall be 22223 for terms expiring December 31, 1990, and two shall be for terms 22224 expiring December 31, 1991. Of the initial appointments of the 22225 sixth and seventh voting members appointed by the governor as a 22226 result of this amendment, one shall be for a term expiring 22227 December 31, 2003, and one shall be for a term expiring December 22228 31, 2004. Thereafter, each such term shall be for three years, 22229 commencing on the first day of January and ending on the 22230 22231 thirty-first day of December. Each appointment by the president of the senate and by the speaker of the house of representatives 22232

Page 716

shall be for the balance of the then legislative biennium. Each 22233 member shall hold office from the date of the member's appointment 22234 until the end of the term for which the member was appointed. Any 22235 member appointed to fill a vacancy occurring prior to the 22236 expiration of the term for which the member's predecessor was 22237 appointed shall hold office for the remainder of such term. Any 22238 member shall continue in office subsequent to the expiration date 22239 of the member's term until the member's successor takes office, or 22240 until a period of sixty days has elapsed, whichever occurs first. 22241

(D) Members of the commission shall serve without 22242 compensation. 22243

(E) After each initial member of the commission has been 22244 appointed, the commission shall meet and organize by electing one 22245 of its voting members as chairperson and other voting members as 22246 vice-chairperson and secretary-treasurer, who shall hold their 22247 offices until the next organizational meeting of the commission. 22248 Organizational meetings of the commission shall be held at the 22249 first meeting of each calendar year. At each organizational 22250 meeting, the commission shall elect from among its voting members 22251 a chairperson, a vice-chairperson, and a secretary-treasurer, who 22252 shall serve until the next annual meeting. The commission shall 22253 adopt rules pursuant to section 111.15 of the Revised Code for the 22254 conduct of its internal business and shall keep a journal of its 22255 22256 proceedings.

(F) Three Four voting members of the commission constitute a 22257 quorum, and the affirmative vote of three four members is 22258 necessary for approval of any action taken by the commission. A 22259 vacancy in the membership of the commission does not impair a 22260 quorum from exercising all the rights and performing all the 22261 duties of the commission. Meetings of the commission may be held 22262 anywhere in the state, and shall be held in compliance with 22263 section 121.22 of the Revised Code. 22264

#### Page 717

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(G) All expenses incurred in carrying out this chapter are
 payable solely from money accrued under this chapter or
 payable for these purposes by the general assembly, and the
 commission shall incur no liability or obligation beyond such
 22268
 money.

(H) The commission shall file an annual report of its 22270 activities and finances with the governor, director of budget and 22271 management, speaker of the house of representatives, president of 22272 the senate, and chairpersons of the house and senate finance 22273 committees. 22274

22275 (I) There is hereby established in the state treasury the Ohio arts and sports facilities commission administration fund. 22276 All revenues of the commission shall be credited to that fund and 22277 to any accounts created in the fund with the commission's 22278 approval. All expenses of the commission, including reimbursement 22279 of, or payment to, any other fund or any governmental agency for 22280 advances made or services rendered to or on behalf of the 22281 commission, shall be paid from the Ohio arts and sports facilities 22282 commission administration fund as determined by or pursuant to 22283 directions of the commission. All investment earnings of the 22284 administration fund shall be credited to the fund and shall be 22285 allocated among any accounts created in the fund in the manner 22286 determined by the commission. 22287

(J) Title to all real property and lesser interests in real 22288 property acquired by the commission, including leasehold and other 22289 interests, pursuant to this chapter shall be taken in the name of 22290 the state and shall be held for the use and benefit of the 22291 commission. The commission shall not mortgage such real property 22292 and interests in real property. Title to other property and 22293 22294 interests in it acquired by the commission pursuant to this chapter shall be taken in its name. 22295

sec. 3383.04. The Ohio arts and sports facilities commission 22296
may: 22297

(A) Employ and fix the compensation of an executive director 22298 and such other employees as will facilitate the activities and 22299 purposes of the commission. Any executive director shall serve at 22300 the pleasure of the commission and may serve part-time. Other 22301 employees shall be employed by and serve at the pleasure of the 22302 commission or the executive director, as determined by the 22303 commission.

(B) Adopt, amend, and rescind, pursuant to section 111.15 of 22305
 the Revised Code, rules for the management and operation of Ohio 22306
 arts facilities and Ohio sports facilities and for the exercise of 22307
 all of the commission's rights with respect to those facilities; 22308

(C) Own, construct or provide for the construction of, lease, 22309 equip, furnish, administer, and manage or provide for the 22310 operation and management of, <u>and cooperate in the use of</u>, Ohio 22311 arts facilities and Ohio sports facilities; 22312

(D) Dispose of, whether by sale, lease, lease-purchase, 22313 sublease, re-lease, or otherwise, real and personal property, and 22314 lesser interests in it, held or owned by the state for the use and 22315 benefit of the commission or held or owned by the commission, if 22316 not needed for the commission's purposes, upon such terms as the 22317 commission determines, subject to approval by the governor in the 22318 case of real property and interests in it; 22319

(E) Grant such easements and other interests in real or 22320
personal property of the commission as will not interfere with the 22321
use of the property as an Ohio arts facility or an Ohio sports 22322
facility; 22323

(F) Fix, alter, and collect rentals and other charges for the 22324 use or availability for use of Ohio arts facilities or an Ohio 22325

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

22326 sports facility, as determined solely by the commission, for the 22327 purpose of providing for all or a portion of the costs and 22328 expenses of the commission, and the costs to be paid by the 22329 commission of leasing, constructing, equipping, repairing, 22330 maintaining, administering, and managing, and cooperating in the 22331 use of Ohio arts facilities, including rentals to be paid by the 22332 commission for any Ohio arts facilities or for any Ohio sports 22333 facility;

(G) Lease, sublease, <u>cooperate in the use of</u>, or otherwise 22334 make available to an arts organization, Ohio arts facilities, and 22335 to any governmental agency or nonprofit corporation, Ohio sports 22336 facilities, including real and personal property, or any interests 22337 in it, to carry out the purposes of this chapter; 22338

(H) Contract with, retain the services of, or designate, and 22339
fix the compensation of, such agents, accountants, attorneys, 22340
consultants, advisers, and other independent contractors as may be 22341
necessary or desirable to carry out the purposes of this chapter; 22342

(I) Procure insurance against loss to the commission by 22343 reason of damages to or nonusability of its property resulting 22344 from fire, theft, accident, or other casualties, or by reason of 22345 its liability for any damages to persons or property, including 22346 but not limited to, general liability insurance, business 22347 interruption insurance, liability insurance for members, officers, 22348 and employees, and copyright liability insurance; 22349

(J) Receive and accept gifts, grants, devises, bequests, 22350 loans, and any other financial or other form of aid or assistance 22351 from any governmental agency or other person and enter into any 22352 contract or agreement with any such agency or other person in 22353 connection therewith, and receive and accept aid or contributions 22354 from any other source of money, real or personal property, labor, 22355 or other things of value, to be held, used, and applied only for 22356 the purposes for which the aid and contributions are made and 22357

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

according to their terms and conditions, all within the purposes 22358 of this chapter; 22359

(K) Make and enter into all contracts, commitments, and 22360
 agreements, and execute all instruments, necessary or incidental 22361
 to the performance of its duties and the execution of its rights 22362
 and powers under this chapter; 22363

(L) Do anything necessary or appropriate to carry out the 22364 purposes of and exercise the powers granted in this chapter; 22365

(M) Contract with any governmental agency or nonprofit 22366 corporation to provide or cause to be provided services, including 22367 general building services, in, to, or for an Ohio arts facility or 22368 any Ohio sports facility, or with an arts organization for the 22369 management of an Ohio arts facility, or with a governmental agency 22370 or nonprofit corporation for the management of an Ohio sports 22371 facility, all in furtherance of the state function, and make 22372 contracts pursuant to divisions (A) and (B) of section 3383.07 of 22373 the Revised Code, except that nothing in this chapter limits the 22374 exercise of the care, custody, control, and management of those 22375 state historical facilities specified in section 149.30 of the 22376 Revised Code. 22377

sec. 3383.07. (A) The department of administrative services 22378
shall provide for the construction of an arts project in 22379
conformity with Chapter 153. of the Revised Code, except as 22380
follows: 22381

(1) For an arts project that has an estimated construction 22382 cost, excluding the cost of acquisition, of twenty-five million 22383 dollars or more, and that is financed by the Ohio building 22384 authority, construction services may be provided by the authority 22385 if the authority determines it should provide those services. 22386

(2) For an arts project other than a state historical 22387

Page 721

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

22388 facility, construction services may be provided on behalf of the 22389 state by the Ohio arts and sports facilities commission, or by a 22390 governmental agency or an arts organization that occupies, will 22391 occupy, or is responsible for the Ohio arts facility, as 22392 determined by the department of administrative services 22393 commission. Construction services to be provided by a governmental 22394 agency or an arts organization shall be specified in an agreement 22395 between the commission and the governmental agency or arts 22396 organization. The agreement, or any actions taken under it, are 22397 not subject to Chapter 123. or 153. of the Revised Code, except 22398 for sections 123.151 and 153.011 of the Revised Code, and shall be 22399 subject to Chapter 4115. of the Revised Code.

(3) For an arts project that is a state historical facility, 22400 construction services may be provided by the Ohio arts and sports 22401 facilities commission or by an arts organization that occupies, 22402 will occupy, or is responsible for the facility, as determined by 22403 the commission. The construction services to be provided by the 22404 arts organization shall be specified in an agreement between the 22405 commission and the arts organization, and the. That agreement, and 22406 any actions taken under it, are not subject to Chapter 123., 153., 22407 or 4115. of the Revised Code. 22408

(B) For an Ohio sports facility that is financed in part by 22409 the Ohio building authority, construction services shall be 22410 provided on behalf of the state by or at the direction of the 22411 governmental agency or nonprofit corporation that will own or be 22412 responsible for the management of the facility, all as determined 22413 by the Ohio arts and sports facilities commission. Any 22414 construction services to be provided by a governmental agency or 22415 nonprofit corporation shall be specified in an agreement between 22416 the commission and the governmental agency or nonprofit 22417 corporation, and the. That agreement, and any actions taken under 22418 it, are not subject to Chapter 123. or 153. of the Revised Code, 22419

Page 722

## Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 723

except for sections 123.151 and 153.011 of the Revised Code, and 22420 shall be subject to Chapter 4115. of the Revised Code. 22421

(C) General building services for an Ohio arts facility shall 22422 be provided by the department of administrative services in 22423 conformity with Chapter 123. of the Revised Code, except that the 22424 Ohio building authority may elect to provide such services for 22425 Ohio arts facilities it financed and such services may be provided 22426 by the Ohio arts and sports facilities commission or by an arts 22427 organization that occupies, will occupy, or is responsible for the 22428 facility, as determined by the commission, except that the Ohio 22429 building authority may elect to provide those services for Ohio 22430 arts facilities financed with proceeds of state bonds issued by 22431 the authority. The costs of management and general building 22432 services shall be paid by the arts organization that occupies, 22433 will occupy, or is responsible for the facility as provided in an 22434 agreement between the commission and the arts organization, except 22435 that the state may pay for general building services for 22436 state-owned arts facilities constructed on state-owned land. 22437 General 22438

<u>General</u> building services for an Ohio sports facility shall 22439 be provided by or at the direction of the governmental agency or 22440 nonprofit corporation that will be responsible for the management 22441 of the facility, all as determined by the commission. Any general 22442 building services to be provided by a governmental agency or 22443 nonprofit corporation <u>for an Ohio sports facility</u> shall be 22444 specified in an agreement between the commission and the 22445 governmental agency or nonprofit corporation, and that. That 22446 agreement, and any actions taken under it, are not subject to 22447 22448 Chapter 123. or 153. of the Revised Code, except for sections 123.151 and 153.011 of the Revised Code, and shall be subject to 22449 Chapter 4115. of the Revised Code. 22450

(D) This division does not apply to a state historical 22451

facility. No state funds, including any state bond proceeds, shall22452be spent on the construction of any arts project under this22453chapter unless, with respect to the arts project and to the Ohio22454arts facility related to the project, all of the following apply:22455

(1) The Ohio arts and sports facilities commission has 22456 determined that there is a need for the arts project and the Ohio 22457 arts facility related to the project in the region of the state 22458 for in which the Ohio arts facility is located or for which the 22459 facility is proposed to be located;. 22460

(2) The commission has determined that, as an indication of 22461 substantial regional support for the arts project, the arts 22462 organization has made provision satisfactory to the commission, in 22463 its sole discretion, for local contributions amounting to not less 22464 than fifty per cent of the total state funding for the arts 22465 project+.

(3) The general assembly has specifically authorized the
spending of money on, or made an appropriation for, the
construction of the arts project, or for rental payments relating
to the financing of the construction of the arts project.
Authorization to spend money, or an appropriation, for planning
the arts project does not constitute authorization to spend money
on, or an appropriation for, construction of the arts project.
22467

(E) No state funds, including any state bond proceeds, shall 22474 be spent on the construction of any state historical facility 22475 under this chapter unless the general assembly has specifically 22476 authorized the spending of money on, or made an appropriation for, 22477 the construction of the arts project related to the facility, or 22478 for rental payments relating to the financing of the construction 22479 of the arts project. Authorization to spend money, or an 22480 appropriation, for planning the arts project does not constitute 22481 authorization to spend money on, or an appropriation for, the 22482 construction of the arts project. 22483

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(F) State funds shall not be used to pay or reimburse more 22484 than fifteen per cent of the initial estimated construction cost 22485 of an Ohio sports facility, excluding any site acquisition cost, 22486 and no state funds, including any state bond proceeds, shall be 22487 spent on any Ohio sports facility under this chapter unless, with 22488 respect to that facility, all of the following apply: 22489

(1) The Ohio arts and sports facilities commission has 22490 determined that there is a need for the facility in the region of 22491 the state for which the facility is proposed to provide the 22492 function of an Ohio sports facility as provided for in this 22493 chapter. 22494

(2) As an indication of substantial local support for the 22495 facility, the commission has received a financial and development 22496 plan satisfactory to it, and provision has been made, by agreement 22497 or otherwise, satisfactory to the commission, for a contribution 22498 amounting to not less than eighty-five per cent of the total 22499 estimated construction cost of the facility, excluding any site 22500 acquisition cost, from sources other than the state. 22501

(3) The general assembly has specifically authorized the 22502 spending of money on, or made an appropriation for, the 22503 construction of the facility, or for rental payments relating to 22504 state financing of all or a portion of the costs of constructing 22505 the facility. Authorization to spend money, or an appropriation, 22506 for planning or determining the feasibility of or need for the 22507 facility does not constitute authorization to spend money on, or 22508 an appropriation for, costs of constructing the facility. 22509

(4) If state bond proceeds are being used for the Ohio sports 22510 facility, the state or a governmental agency owns or has 22511 sufficient property interests in the facility or in the site of 22512 the facility or in the portion or portions of the facility 22513 financed from proceeds of state bonds, which may include, but is 22514 not limited to, the right to use or to require the use of the 22515

22516 facility for the presentation of sport and athletic events to the 22517 public at the facility, extending for a period of not less than 22518 the greater of the useful life of the portion of the facility 22519 financed from proceeds of those bonds as determined using the 22520 guidelines for maximum maturities as provided under divisions (B), 22521 (C), and (D) of section 133.20 of the Revised Code, or the period 22522 of time remaining to the date of payment or provision for payment 22523 of outstanding state bonds allocable to costs of the facility, all 22524 as determined by the director of budget and management and 22525 certified by the director to the Ohio arts and sports facilities 22526 commission and to the Ohio building authority.

Sec. 3383.09. (A) There is hereby created in the state22527treasury the arts facilities building fund, which shall consist of22528proceeds of obligations authorized to pay costs of arts facilities22529projects for which appropriations are made by the general22530assembly. All investment earnings of the fund shall be credited to22531the fund.22532

(B) There is hereby created in the state treasury the sports22533facilities building fund, which shall consist of proceeds of22534obligations authorized to pay costs of sports facilities projects22535for which appropriations are made by the general assembly. All22536investment earnings of the fund shall be credited to the fund.22537

22538

(C) The director of budget and management may transfer, to 22539 the Ohio arts and sports facilities commission administration 22540 fund, investment earnings credited to the arts facilities building 22541 fund and the sports facilities building fund that exceed the 22542 amounts required to meet estimated federal arbitrage rebate 22543 requirements when requested of the director of budget and 22544 management by the chairperson or executive director of the 22545 commission. 22546

Sec. 3505.063. (A) When the general assembly adopts a 22547 resolution proposing a constitutional amendment, it shall may, by 22548 resolution, designate a group of members who voted in support of 22549 the resolution to prepare arguments for the proposed amendment, 22550 and a group of members who voted in opposition to the resolution 22551 to prepare arguments against the proposed amendment. If no members 22552 voted in opposition to the resolution, or if the general assembly 22553 chooses not to designate a group of members to prepare arguments 22554 for the proposed amendment or chooses not to designate a group of 22555 members to prepare arguments against the proposed amendment, the 22556 Ohio ballot board may prepare the relevant arguments against the 22557 proposed amendment or designate a group of persons to prepare such 22558 the relevant arguments. All arguments shall be filed with the 22559 secretary of state no later than seventy-five days before the date 22560 of the election. No argument shall exceed three hundred words. 22561

(B) The secretary of state shall disseminate information,
 22563
 which may include part or all of the official explanation and
 22564
 arguments concerning proposed amendments, by means of direct mail
 22565
 or other written publication, broadcast, or such other means, or
 22566
 combination of means, as the Ohio ballot board may direct, in
 22567
 order to inform the voters as fully as possible concerning
 22568
 proposed amendments.

Sec. 3517.092. (A) As used in this section: 22570

(1) "Appointing authority" has the same meaning as in section 22571124.01 of the Revised Code. 22572

(2) "State elected officer" means any person appointed or 22573elected to a state elective office. 22574

(3) "State elective office" means any of the offices of 22575governor, lieutenant governor, secretary of state, auditor of 22576

22562

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 728

state, treasurer of state, attorney general, member of the state 22577 board of education, member of the general assembly, and justice 22578 and chief justice of the supreme court. 22579

(4) "County elected officer" means any person appointed or 22580elected to a county elective office. 22581

(5) "County elective office" means any of the offices of
 22582
 county auditor, county treasurer, clerk of the court of common
 22583
 pleas, sheriff, county recorder, county engineer, county
 22584
 commissioner, prosecuting attorney, and coroner.
 22585

(6) "Contribution" includes a contribution to any political 22586
 party, campaign committee, political action committee, political 22587
 contributing entity, or legislative campaign fund. 22588

(B) No state elected officer, no campaign committee of such 22589
an officer, and no other person or entity shall knowingly solicit 22590
or accept a contribution on behalf of that officer or that 22591
officer's campaign committee from any of the following: 22592

(1) A state employee whose appointing authority is the state 22593elected officer; 22594

(2) A state employee whose appointing authority is authorized 22595or required by law to be appointed by the state elected officer; 22596

22597

(3) A state employee who functions in or is employed in or by 22598the same public agency, department, division, or office as the 22599state elected officer. 22600

(C) No candidate for a state elective office, no campaign 22601 committee of such a candidate, and no other person or entity shall 22602 knowingly solicit or accept a contribution on behalf of that 22603 candidate or that candidate's campaign committee from any of the 22604 following: 22605

(1) A state employee at the time of the solicitation, whose 22606

appointing authority will be the candidate, if elected; 22607

(2) A state employee at the time of the solicitation, whose
appointing authority will be appointed by the candidate, if
22609
elected, as authorized or required by law;
22610

(3) A state employee at the time of the solicitation, who
will function in or be employed in or by the same public agency,
department, division, or office as the candidate, if elected.
22613

(D) No county elected officer, no campaign committee of such 22614
 an officer, and no other person or entity shall knowingly solicit 22615
 a contribution on behalf of that officer or that officer's 22616
 campaign committee from any of the following: 22617

(1) A county employee whose appointing authority is the 22618county elected officer; 22619

(2) A county employee whose appointing authority is 22620
authorized or required by law to be appointed by the county 22621
elected officer; 22622

(3) A county employee who functions in or is employed in or 22623by the same public agency, department, division, or office as the 22624county elected officer. 22625

(E) No candidate for a county elective office, no campaign 22626
 committee of such a candidate, and no other person or entity shall 22627
 knowingly solicit a contribution on behalf of that candidate or 22628
 that candidate's campaign committee from any of the following: 22629

(1) A county employee at the time of the solicitation, whose 22630appointing authority will be the candidate, if elected; 22631

(2) A county employee at the time of the solicitation, whose 22632
appointing authority will be appointed by the candidate, if 22633
elected, as authorized or required by law; 22634

(3) A county employee at the time of the solicitation, whowill function in or be employed in or by the same public agency,22636

Page 730

department, division, or office as the candidate, if elected. 22637

(F)(1) No public employee shall solicit a contribution from 22638
 any person while the public employee is performing the public 22639
 employee's official duties or in those areas of a public building 22640
 where official business is transacted or conducted. 22641

(2) No person shall solicit a contribution from any public
 22642
 employee while the public employee is performing the public
 22643
 employee's official duties or is in those areas of a public
 22644
 building where official business is transacted or conducted.
 22645

(3) As used in division (F) of this section, "public 22646employee" does not include any person holding an elective office. 22647

(G) The prohibitions in divisions (B), (C), (D), (E), and (F) 22648
of this section are in addition to the prohibitions in sections 22649
124.57, 1553.09, 3304.22, and 4503.032 of the Revised Code. 22650

22651

Sec. 3701.142. (A) The director of health shall appoint the 22652 chief and the administrative assistant of the office of women's 22653 health initiatives. The director may appoint, to the extent of 22654 available funds, persons to other positions determined by him the 22655 director to be relevant and necessary. 22656

(B) The chief shall have all of the following qualifications, 22657plus any additional qualifications the director considers 22658appropriate: 22659

(1) The equivalent of a masters or higher degree in public 22660
health, medicine, health sciences, environmental science, law, 22661
public administration, or a related field; 22662

(2) Familiarity with national maternal and child health 22663objectives of the department; 22664

(3) Knowledge of or experience in women's and infants' 22665

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 731
preventive health care;	22666
(4) Understanding of health care delivery systems;	22667
(5) A global public health perspective.	22668
(C)(1) The majority of the chief's time shall be spent in the	22669
performance of the following responsibilities:	22670
(a) Identifying issues that affect women's health;	22671
(b) Advocating for women's health concerns within the	22672
department, state government, and the community;	22673
(c) Serving as a liaison for the public, interest groups, the	22674
department, and other state agencies on issues that affect women's	22675
health;	22676
(d) Developing recommendations to the director regarding	22677
programs addressing women's health issues for inclusion in the	22678
biennial budget and departmental strategic planning;	22679
(e) Preparing materials for publication.	22680
(2) In addition, the chief shall do the following:	22681
(a) Develop and recommend research, funding, and program	22682
activities for the intervention, treatment, and education of the	22683
public on women's health initiatives including health needs	22684
throughout the life cycle, reproductive health, gender bias in	22685
research, chemical dependence, access to health care, health and	22686
safety in the workplace, poverty and women's health, causes of	22687
death in women, violence and women's health, and any other women's	22688
health issue the chief considers appropriate;	22689
(b) Supervise the administrative assistant and any other	22690
employees assigned to the office of women's health initiatives;	22691
(a) Occurred the educire transition of the CC' of C	22602

(c) Oversee the administrative operations of the office of 22692
women's health initiatives; 22693

(d) Research, advise, and assist the director concerning 22694

### Substitute Version as Presented to the Senate Finance and Financial Institutions

Page 732

governor's office correspondence referrals, legislative 22695 initiatives, rules, and similar executive decisions relating to 22696 the health of women; 22697

(e) Represent the director, as requested, before the general 22698assembly and the women's policy and research commission. 22699

(D) The administrative assistant shall provide clerical and 22700 administrative support as needed to the chief. 22701

(E) To promote coordination of programs and of offices' 22702
initiatives, the director, assistant director, deputy directors, 22703
and chiefs selected by the director in the department shall attend 22704
quarterly meetings regarding the activities of the office of 22705
women's health initiatives. 22706

(F) After considering the report submitted pursuant to
division (C) of section 3701.141 of the Revised Code, the director
of health shall develop and implement biennial initiatives on
women's health needs.

Sec. 3701.92. (A) There is hereby created in the department22711of health the Ohio hepatitis C advisory commission.22712

(B) The commission shall consist of the following members: 22713

(1) Eleven members appointed by the director of health; 22714

(2) Two members of the house of representatives, one from22715each political party, appointed by the speaker of the house of22716representatives;22717

(3) Two members of the senate, one from each political party,22718appointed by the president of the senate.22719

Each member shall serve without compensation for a term of22720one year.22721

Sec. 3702.68. (A) Notwithstanding sections 3702.51 to 3702.62 22722

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

of the Revised Code, this section applies to the review of 22723 certificate of need applications during the period beginning July 22724 1, 1993, and ending June 30, 2001 October 15, 2003. 22725

(B)(1) Except as provided in division (B)(2) of this section, 22726 the director of health shall neither grant nor deny any 22727 application for a certificate of need submitted prior to July 1, 22728 1993, if the application was for any of the following and the 22729 director had not issued a written decision concerning the 22730 application prior to that date: 22731

(a) Approval of beds in a new health care facility or an 22732 increase of beds in an existing health care facility, if the beds 22733 are proposed to be licensed as nursing home beds under Chapter 22734 3721. of the Revised Code; 22735

(b) Approval of beds in a new county home or new county 22736 nursing home as defined in section 5155.31 of the Revised Code, or 22737 an increase of beds in an existing county home or existing county 22738 nursing home, if the beds are proposed to be certified as skilled 22739 nursing facility beds under Title XVIII or nursing facility beds 22740 under Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 22741 42 U.S.C.A. 301, as amended; 22742

(c) Recategorization of hospital beds as described in section 22743 3702.522 of the Revised Code, an increase of hospital beds 22744 registered pursuant to section 3701.07 of the Revised Code as 22745 long-term care beds or skilled nursing facility beds, or a 22746 recategorization of hospital beds that would result in an increase 22747 of beds registered pursuant to that section as long-term care beds 22748 or skilled nursing facility beds. 22749

On July 1, 1993, the director shall return each such 22750 application to the applicant and, notwithstanding section 3702.52 22751 of the Revised Code regarding the uses of the certificate of need 22752 fund, shall refund to the applicant the application fee paid under 22753 that section. Applications returned under division (B)(1) of this 22754

section may be resubmitted in accordance with section 3702.52 of 22755 the Revised Code no sooner than July 1, 2001 October 16, 2003.

(2) The director shall continue to review and shall issue a 22757 decision regarding any application submitted prior to July 1, 22758 1993, to increase beds for either of the purposes described in 22759 division (B)(1)(a) or (b) of this section if the proposed increase 22760 in beds is attributable solely to a replacement or relocation of 22761 existing beds within the same county. The director shall authorize 22762 under such an application no additional beds beyond those being 22763 replaced or relocated. 22764

(C)(1) Except as provided in division (C)(2) and (3) of this 22765 section, the director, during the period beginning July 1, 1993, 22766 and ending June 30, 2001 October 15, 2003, shall not accept for 22767 review under section 3702.52 of the Revised Code any application 22768 for a certificate of need for any of the purposes described in 22769 divisions (B)(1)(a) to (c) of this section. 22770

(2)(a) The director shall accept for review any application 22771
for either of the purposes described in division (B)(1)(a) or (b) 22772
of this section if <u>either of the following apply:</u> 22773

(i) In case of an existing health care facility that is a22774nursing home described in section 5123.192 of the Revised Code,22775the proposed increase is attributable solely to the replacement of22776existing beds within the same county.22777

(ii) In the case of a health care facility or county home22778described in division (B)(1)(a) or (b) of this section, other than22779an existing health care facility described in division22780(C)(2)(a)(i) of this section, the proposed increase in beds is22781attributable solely to a replacement or relocation of existing22782beds within the same county. The22783

(b) In the case of an existing health care facility described 22784 in division (C)(2)(a)(i) of this section, the director shall 22785

continue to review and shall issue a decision regarding any	22786
application submitted during the period beginning on July 1, 1993,	22787
and ending on the effective date of this amendment to increase	22788
beds for either of the purposes described in division (B)(1)(a) or	22789
(b) of this section only if the proposed increase in beds is	22790
attributable solely to a relocation of existing beds within the	22791
same county. An existing health care facility described in	22792
division (C)(2)(a)(i) of this section that on or after the	22793
effective date of this amendment seeks to increase beds for either	22794
of the purposes described in division (B)(1)(a) or (b) of this	22795
section shall apply for a license under section 5123.19 of the	22796
Revised Code, as described in division (B) of section 5123.192 of	22797
the Revised Code, if the proposed increase is attributable to a	22798
relocation of existing beds within the same county.	22799

(c) The director shall authorize under such an application22800described in division (C)(2)(a) or (b) of this section no22801additional beds beyond those being replaced or relocated. The22802

(3) The director also shall accept for review any application 22803 that seeks certificate of need approval for existing beds located 22804 in an infirmary that is operated exclusively by a religious order, 22805 provides care exclusively to members of religious orders who take 22806 vows of celibacy and live by virtue of their vows within the 22807 orders as if related, and was providing care exclusively to 22808 members of such a religious order on January 1, 1994. 22809

22810

(D) The director shall issue a decision regarding any case 22811
remanded by a court as the result of a decision issued by the 22812
director prior to July 1, 1993, to grant, deny, or withdraw a 22813
certificate of need for any of the purposes described in divisions 22814
(B)(1)(a) to (c) of this section. 22815

(E) The director shall not project the need for beds listed 22816in division (B)(1) of this section for the period beginning July 22817

Sub. H. B. No. 94	Page 736
Substitute Version as Presented to the Senate Finance and Financial Institutions	

1, 1993, and ending <del>June 30, 2001</del> <u>October 15, 2003</u> .	22818
This section is an interim section effective until <del>July 1,</del>	22819
<del>2001</del> October 16, 2003.	22820

2001 October 16, 2003.

sec. 3704.034. (A) Within sixty days after the director of 22821 environmental protection or his the director's agent or authorized 22822 representative receives an application for the issuance 22823 22824 modification of a permit to install pursuant to rules adopted under division (F) of section 3704.03 of the Revised Code, an 22825 application to modify such a permit, or an application for the 22826 issuance of an initial permit to operate pursuant to rules adopted 22827 under division (G) of section 3704.03 of the Revised Code, the 22828 director shall determine whether the application is substantially 22829 complete or materially deficient and, in writing, shall notify the 22830 applicant of his the director's determination. If the director 22831 fails to make such a completeness determination and provide 22832 written notice of his the determination to the applicant within 22833 sixty days after the application was submitted, the applicant may 22834 submit a written request to the director for the making of such a 22835 completeness determination. 22836

(B) Within thirty days after receiving a written request for 22837 the making of a completeness determination on an application under 22838 division (A) of this section, the director shall determine whether 22839 the application is substantially complete or materially deficient 22840 and, in writing, notify the applicant of his the determination. If 22841 the director fails to make a completeness determination and 22842 provide written notice of his the director's determination to the 22843 22844 applicant within thirty days after receiving the applicant's written request for the making of the determination, the 22845 application shall be deemed to have been complete in all material 22846 respects at the time that it was submitted to the director or his 22847 the director's agent or authorized representative. 22848

(C) If, within the time prescribed in division (A) and, if 22849 applicable, division (B) of this section, the director determines 22850 that an application is materially deficient, the director shall 22851 return the application to the applicant. The running of the time 22852 prescribed under division (A) and, if applicable, division (B) of 22853 this section ceases at the time that the determination is made. If 22854 the applicant subsequently resubmits the application to the 22855 director, the time prescribed in division (A) of this section and, 22856 if applicable, division (B) of this section shall resume running 22857 at the time that the application is resubmitted. The resubmission 22858 of the application constitutes a request for the making of a 22859 completeness determination on the application. The director shall 22860 do one of the following within the time remaining pursuant to 22861 division (A) and, if applicable, division (B) of this section at 22862 the time that the application is resubmitted: 22863

(1) Make a completeness determination on the application and, 22864in writing, notify the applicant of his the determination; 22865

(2) Issue or deny or propose to issue or deny the permit or 22866 modification. 22867

(D) The director shall include in each written notice of the 22868
 completeness of an application provided under division (A), (B), 22869
 or (C)(1) of this section the date on which the application was 22870
 determined to be complete. 22871

(E) The director shall issue or deny or propose to issue or 22872 deny a modification of a permit to install pursuant to rules 22873 adopted under division (F) of section 3704.03 of the Revised Code-22874 modification of such a permit, or an initial permit to operate 22875 pursuant to rules adopted under division (G) of section 3704.03 of 22876 the Revised Code within one hundred eighty days after the date 22877 that the application for the permit or modification was determined 22878 to be complete as that date is set forth in the written notice of 22879 the determination of the completeness of the application provided 22880

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

under division (A), (B), or (C)(1) of this section or within one 22881 hundred eighty days after the application is deemed to be complete 22882 under division (B) of this section, as appropriate. If the 22883 director fails to issue or deny or propose to issue or deny the 22884 permit or modification within the appropriate 22885 one-hundred-eighty-day period, the applicant may bring a mandamus 22886 action to obtain a judgment that orders the director to take a 22887 final action on the application. 22888

(F) The director, upon his the director's own motion or upon 22889 the written request of the applicant and in writing, may extend 22890 the time provided under division (E) of this section for issuing 22891 or denying or proposing to issue or deny the permit or 22892 modification for an additional sixty days if a public 22893 informational meeting or public hearing was held on the 22894 application for the permit or modification. 22895

(G) Upon the written request of the applicant, the director, 22896 in writing, may extend the time provided under division (E) of 22897 this section for issuing or denying or proposing to issue or deny 22898 the permit or modification for the additional time specified in 22899 the applicant's request for the extension. 22900

(H) Upon the written request of the person responsible for a 22901 facility, the director may consolidate or group applications for 22902 the issuance of permits pursuant to rules adopted under divisions 22903 division (F) or (G) of section 3704.03 of the Revised Code, or 22904 modifications or renewals of those permits, for individual air 22905 contaminant sources located at the facility in order to reduce the 22906 unnecessary paperwork and administrative burden to the applicant 22907 and the director in connection with the issuance of those permits, 22908 modifications, and renewals. Fees payable to the director under 22909 section 3745.11 of the Revised Code shall not be reduced by reason 22910 of any such consolidation or grouping of applications for permits, 22911 modifications, or renewals. 22912

Page 738

Substitute Version as Presented to the Senate Finance and Financial Institutions

Sec. 3721.07. (A) Every person desiring to operate a home and 22913 the superintendent or administrator of each county home or 22914 district home for which a license as a residential care facility 22915 is sought shall apply for a license to the director of health. The 22916 director shall issue a license for the home, if after 22917 investigation of the applicant and, if required by section 3721.02 22918 of the Revised Code, inspection of the home, the following 22919 requirements or conditions are satisfied or complied with: 22920

(A)(1) The applicant has not been convicted of a felony or a 22921 crime involving moral turpitude; 22922

(B)(2) The applicant is not violating any of the rules made 22923 by the public health council or any order issued by the director 22924 of health; 22925

(C)(3) The buildings in which the home is housed have been 22926 approved by the state fire marshal or a township, municipal, or 22927 other legally constituted fire department approved by the marshal. 22928 In the approval of a home such agencies shall apply standards 22929 prescribed by the board of building standards, and by the state 22930 fire marshal, and by section 3721.071 of the Revised Code. 22931

(D)(4) The applicant, if it is an individual, or the 22932
principal participants, if it is an association or a corporation, 22933
is or are suitable financially and morally to operate a home; 22934

(E)(5) The applicant is equipped to furnish humane, kind, and 22935 adequate treatment and care; 22936

(F)(6) The home does not maintain or contain: 22937

(1)(a)Facilities for the performance of major surgical22938procedures;22939

(2)(b) Facilities for providing therapeutic radiation; 22940
(3)(c) An emergency ward; 22941

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

(4)(d) A clinical laboratory unless it is under the 22942
supervision of a clinical pathologist who is a licensed physician 22943
in this state; 22944

(5)(e) Facilities for radiological examinations unless such 22945
examinations are performed only by a person licensed to practice 22946
medicine, surgery, or dentistry in this state. 22947

(G)(7) The home does not accept or treat outpatients, except 22948
upon the written orders of a physician licensed in this state, 22949
maternity cases, boarding children, and does not house transient 22950
guests, other than participants in an adult day-care program, for 22951
twenty-four hours or less; 22952

(H)(8) The home is in compliance with sections 3721.28 and 22953 3721.29 of the Revised Code. 22954

(B) When the director issues a license, the license shall 22955 22956 remain in effect until revoked by the director or, voided at the request of the applicant, or terminated as described in division 22957 (D) of this section; provided, there shall be an annual renewal 22958 fee payable during the month of January of each calendar year. Any 22959 licensed home that does not pay its renewal fee in January shall 22960 pay, beginning the first day of February, a late fee of one 22961 hundred dollars for each week or part thereof that the renewal fee 22962 is not paid. If either the renewal fee or the late fee is not paid 22963 by the fifteenth day of February, the director may, in accordance 22964 with Chapter 119. of the Revised Code, revoke the home's license. 22965

22966

(C) A person whose license is revoked, and a county home or 22967 district home that has its license as a residential care facility 22968 revoked, for any reason other than nonpayment of the license 22969 renewal fee or late fees may not apply for a new license under 22970 this chapter until a period of one year following the date of 22971 revocation has elapsed. 22972

Page 740

Page 741

(D) A license issued by the director to a nursing home	22973
described in section 5123.192 of the Revised Code shall terminate	22974
if the nursing home obtains a license under section 5123.19 of the	22975
Revised Code.	22976
(E) Any applicant who is denied a license may appeal in	22977
accordance with Chapter 119. of the Revised Code.	22978
Sec. 3721.12. (A) The administrator of a home shall:	22979
(1) With the advice of residents, their sponsors, or both,	22980
establish and review at least annually, written policies regarding	22981
the applicability and implementation of residents' rights under	22982
sections 3721.10 to 3721.17 of the Revised Code, the	22983
responsibilities of residents regarding the rights, and the home's	22984
grievance procedure established under division (A)(2) of this	22985
section. The administrator is responsible for the development of,	22986
and adherence to, procedures implementing the policies.	22987
(2) Establish a grievance committee for review of complaints	22988
by residents. The grievance committee shall be comprised of the	22989

by residents. The grievance committee shall be comprised of the 22989 home's staff and residents, sponsors, or outside representatives 22990 in a ratio of not more than one staff member to every two 22991 residents, sponsors, or outside representatives. 22992

(3) Furnish to each resident and sponsor prior to or at the 22993
time of admission, and to each member of the home's staff, at 22994
least one of each of the following: 22995

(a) A copy of the rights established under sections 3721.10 22996to 3721.17 of the Revised Code; 22997

(b) A written explanation of the provisions of section 22998
3721.16 of the Revised Code or, for each resident described in 22999
section 5111.63 of the Revised Code, the provisions of sections 23000
5111.63 and 5111.64 of the Revised Code; 23001

(c) A copy of the home's policies and procedures established 23002

Sub. H. B. No. 94 Substitute Version as Presented to the Senate Finance and Financial Institutions	Page 742
under this section;	23003
(d) A copy of the home's rules;	23004
(e) A copy of the addresses and telephone numbers of the	23005
board of health of the health district of the county in which the	23006
home is located, the county department of job and family services	23007
of the county in which the home is located, the state departments	23008
of health and job and family services, the state and local offices	23009
of the department of aging, and any Ohio nursing home ombudsperson	23010
program.	23011
(B) Written acknowledgment of the receipt of copies of the	23012
materials listed in this section shall be made part of the	23013
resident's record and the staff member's personnel record.	23014
(C) The administrator shall post all of the following	23015
prominently within the home:	23016
(1) A copy of the rights of residents as listed in division	23017
(A) of section 3721.13 of the Revised Code;	23018
(2) A copy of the home's rules and its policies and	23019
procedures regarding the rights and responsibilities of residents;	23020
(3) A notice that a copy of this chapter, rules of the	23021
department of health applicable to the home, and federal	23022
regulations adopted under Titles XVIII and XIX of the "Social	23023
Security Act," <del>49</del>	23024
<u>1395 and 1396</u> , as amended, and the materials required to be	23025
available in the home under section 3721.021 of the Revised Code,	23026
are available for inspection in the home at reasonable hours;	23027
(4) A list of residents' rights advocates;	23028
(5) A notice that the following are available in a place	23029
readily accessible to residents:	23030
(a) If the home is licensed under section 3721.02 of the	23031
Revised Code, a copy of the most recent licensure inspection	23032

Page 743

23033

report prepared for the home under that section;

(b) If the home is a nursing facility as defined in section 23034
5111.20 of the Revised Code, a copy of the most recent statement 23035
of deficiencies issued to the home under section 5111.42 of the 23036
Revised Code. 23037

(D) The administrator of a home may, with the advice of 23038 residents, their sponsors, or both, establish written policies 23039 regarding the applicability and administration of any additional 23040 residents' rights beyond those set forth in sections 3721.10 to 23041 3721.17 of the Revised Code, and the responsibilities of residents 23042 regarding the rights. Policies established under this division 23043 shall be reviewed, and procedures developed and adhered to as in 23044 division (A)(1) of this section. 23045

Sec. 3721.16. (A)(1)For each resident of a home, other than23046a resident described in section 5111.63 of the Revised Code,23047notice of a proposed transfer or discharge and a request for23048hearing on the transfer or discharge shall be in accordance with23049this section.23050

(1) Except in an emergency or unless authorized by statute or 23051 by rules of the director of health, the administrator of a home 23052 shall notify a resident in writing, and the resident's sponsor in 23053 writing by certified mail, return receipt requested, in advance of 23054 any proposed transfer or discharge from the home. The notice shall 23055 be provided at least thirty days in advance of the proposed 23056 transfer or discharge, unless either of the following applies: 23057

(a) The resident's health has improved sufficiently to allow 23058
 a more immediate discharge or transfer to a less skilled level of 23059
 care; 23060

(b) The resident has resided in the home less than thirty 23061 days. 23062

## Substitute Version as Presented to the Senate Finance and Financial Institutions

23087

In the case of a resident described in division (A)(1)(a) or	23063
(b) of this section, the notice shall be provided as many days in	23064
advance of the proposed transfer or discharge as is practicable.	23065
(2) The notice required under division (A)(1) of this section	23066
shall include all of the following:	23067
(a) The reasons for the proposed transfer or discharge;	23068
(b) Notice of the right of the resident and <del>his</del> <u>the</u>	23069
resident's sponsor to an impartial hearing at the home on the	23070
proposed transfer or discharge, and of the manner in which and the	23071
time within which the resident or <del>his</del> sponsor may request a	23072
hearing under division (C) of this section;	23073
(c) The address of the legal services office of the	23074
department of health;	23075
(d) The name, address, and telephone number of a	23076
representative of the state long-term care <del>ombudsman</del> <u>ombudsperson</u>	23077
program and, if the resident or patient has a developmental	23078
disability or mental illness, the name, address, and telephone	23079
number of the Ohio legal rights service.	23080
(B) Transfer or discharge actions shall be documented in the	23081
resident's medical record by the home if there is a medical basis	23082
for the action.	23083
(C) A resident or <del>his</del> <u>resident's</u> sponsor may challenge a	23084
transfer or discharge by requesting an impartial hearing at the	23085
home, unless the transfer or discharge is required because of an	23086

(1) The home's license has been revoked under this chapter; 23088

(2) The home is being closed pursuant to sections 5111.35 to 23089
5111.62 or section 5155.31 of the Revised Code+ 23090

emergency or one of the following reasons:

(3) The resident is a recipient of medical assistance under23091section 5111.01 of the Revised Code and the home's participation23092

in the medical assistance program has been terminated or denied; 23093

(4) The resident is a beneficiary under Title XVIII of the23094"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as23095amended and the home's certification under Title XVIII has been23096terminated or denied.23097

A request for a hearing under this section shall be sent in 23098 writing to the legal services office of the department of health 23099 not later than ten days after the resident and his the resident's 23100 sponsor receive notice of the proposed transfer or discharge. A 23101 hearing shall be held within ten days by the department of health. 23102 A representative of the department shall preside over the hearing 23103 and issue a recommendation within five days as to any advisable 23104 action to the administrator, the resident, and any interested 23105 sponsor. 23106

If a resident is transferred or discharged pursuant to this 23107 section, the home from which the resident is being transferred or 23108 discharged shall provide the resident with adequate preparation 23109 prior to the transfer or discharge to ensure a safe and orderly 23110 transfer or discharge from the home, and the home or alternative 23111 setting to which the resident is to be transferred or discharged 23112 shall have accepted the resident for transfer or discharge. 23113

(D) An impartial hearing on resident transfer or discharge is 23114 not subject to section 121.22 of the Revised Code. 23115

(E) At the time of a transfer or discharge of a resident who 23116 is a recipient of medical assistance under section 5111.01 of the 23117 Revised Code from a home to a hospital or for therapeutic leave, 23118 the home shall provide notice in writing to the resident and in 23119 23120 writing by certified mail, return receipt requested, to the resident's sponsor, specifying the number of days, if any, during 23121 which the resident will be permitted under the medical assistance 23122 program to return and resume residence in the home and specifying 23123

23124 the medical assistance program's coverage of the days during which 23125 the resident is absent from the home. An individual who is absent 23126 from a home for more than the number of days specified in the 23127 notice and continues to require the services provided by the 23128 facility shall be given priority for the first available bed in a 23129 semi-private room.

Sec. 3721.17. (A) Any resident who believes that the 23130 resident's rights under sections 3721.10 to 3721.17 of the Revised Code have been violated may file a grievance under procedures adopted pursuant to division (A)(2) of section 3721.12 of the Revised Code. 23134

When the grievance committee determines a violation of 23135 sections 3721.10 to 3721.17 of the Revised Code has occurred, it 23136 shall notify the administrator of the home. If the violation 23137 cannot be corrected within ten days, or if ten days have elapsed 23138 without correction of the violation, the grievance committee shall 23139 refer the matter to the department of health. 23140

(B) Any person who believes that a resident's rights under 23141 sections 3721.10 to 3721.17 of the Revised Code have been violated 23142 may report or cause reports to be made of the information directly 23143 to the department of health. No person who files a report is 23144 liable for civil damages resulting from the report. 23145

(C)(1) Within thirty days of receiving a complaint under this 23146 section, the department of health shall investigate any complaint 23147 referred to it by a home's grievance committee and any complaint 23148 from any source that alleges that the home provided substantially 23149 less than adequate care or treatment, or substantially unsafe 23150 conditions, or, within seven days of receiving a complaint, refer 23151 it to the attorney general, if the attorney general agrees to 23152 investigate within thirty days. 23153

(2) Within thirty days of receiving a complaint under this 23154

23133

23155 section, the department of health may investigate any alleged 23156 violation of sections 3721.10 to 3721.17 of the Revised Code, or 23157 of rules, policies, or procedures adopted pursuant to those 23158 sections, not covered by division (C)(1) of this section, or it 23159 may, within seven days of receiving a complaint, refer the 23160 complaint to the grievance committee at the home where the alleged 23161 violation occurred, or to the attorney general if the attorney 23162 general agrees to investigate within thirty days.

(D) If, after an investigation, the department of health 23163 finds probable cause to believe that a violation of sections 23164 3721.10 to 3721.17 of the Revised Code, or of rules, policies, or 23165 procedures adopted pursuant to those sections, has occurred at a 23166 home that is certified under Title XVIII or XIX of the "Social 23167 Security Act," 49 79 Stat. 620 286 (1935 1965), 42 U.S.C.A. 301 23168 1395 and 1396, as amended, it shall cite one or more findings or 23169 deficiencies under sections 5111.35 to 5111.62 of the Revised 23170 Code. If the home is not so certified, the department shall hold 23171 an adjudicative hearing within thirty days under Chapter 119. of 23172 the Revised Code. 23173

(E) Upon a finding at an adjudicative hearing under division 23174 (D) of this section that a violation of sections 3721.10 to 23175 3721.17 of the Revised Code, or of rules, policies, or procedures 23176 adopted pursuant thereto, has occurred, the department of health 23177 shall make an order for compliance, set a reasonable time for 23178 compliance, and assess a fine pursuant to division (F) of this 23179 section. The fine shall be paid to the general revenue fund only 23180 if compliance with the order is not shown to have been made within 23181 the reasonable time set in the order. The department of health may 23182 issue an order prohibiting the continuation of any violation of 23183 sections 3721.10 to 3721.17 of the Revised Code. 23184

Findings at the hearings conducted under this section may be 23185 appealed pursuant to Chapter 119. of the Revised Code, except that 23186

#### Substitute Version as Presented to the Senate Finance and Financial Institutions

an appeal may be made to the court of common pleas of the county 23187 in which the home is located. 23188

The department of health shall initiate proceedings in court 23189 to collect any fine assessed under this section which is unpaid 23190 thirty days after the violator's final appeal is exhausted. 23191

(F) Any home found, pursuant to an adjudication hearing under 23192 division (D) of this section, to have violated sections 3721.10 to 23193 3721.17 of the Revised Code, or rules, policies, or procedures 23194 adopted pursuant to those sections may be fined not less than one 23195 hundred nor more than five hundred dollars for a first offense. 23196 For each subsequent offense, the home may be fined not less than 23197 two hundred nor more than one thousand dollars. 23198

A violation of sections 3721.10 to 3721.17 of the Revised 23199 Code is a separate offense for each day of the violation and for 23200 each resident who claims the violation. 23201

(G) No home or employee of a home shall retaliate against any 23202person who: 23203

(1) Exercises any right set forth in sections 3721.10 to 23204
3721.17 of the Revised Code, including, but not limited to, filing 23205
a complaint with the home's grievance committee or reporting an 23206
alleged violation to the department of health; 23207

(2) Appears as a witness in any hearing conducted under this 23208 section and or section 3721.16 or 5111.64 of the Revised Code; 23209

(3) Files a civil action alleging a violation of sections
3721.10 to 3721.17 of the Revised Code, or notifies a county
23211
prosecuting attorney or the attorney general of a possible
23212
violation of sections 3721.10 to 3721.17 of the Revised Code.
23213

If, under the procedures outlined in this section, a home or 23214 its employee is found to have retaliated, the violator may be 23215 fined up to one thousand dollars. 23216

Page 748

### Substitute Version as Presented to the Senate Finance and Financial Institutions

# (H) When legal action is indicated, any evidence of criminal 23217

activity found in an investigation under division (C) of this23218section shall be given to the prosecuting attorney in the county23219in which the home is located for investigation.23220

(I)(1) Any resident whose rights under sections 3721.10 to 23221 3721.17 of the Revised Code are violated has a cause of action 23222 against any person or home committing the violation. The action 23223 may be commenced by the resident or by the resident's sponsor on 23224 behalf of the resident. 23225

(2)(a) If compensatory damages are awarded for a violation of 23226 the resident's rights, section 2315.21 of the Revised Code, except 23227 divisions (E)(1) and (2) of that section, shall apply to an award 23228 of punitive or exemplary damages for the violation. 23229

(b) The court may award to the prevailing party reasonable 23230attorney's fees limited to the work reasonably performed. 23231

(3) Division (I)(2)(a) of this section shall be considered to 23232 be purely remedial in operation and shall be applied in a remedial 23233 manner in any civil action in which this section is relevant, 23234 whether the action is pending in court or commenced on or after 23235 the effective date of this amendment July 9, 1998. 23236

sec. 3721.51. The department of job and family services 23237
shall: 23238

(A) For the purpose of providing home and community-based
services to elderly and disabled persons purposes specified in
23240
section 3721.56 of the Revised Code, determine an annual franchise
permit fee on each nursing home in an amount equal to four dollars
for fiscal years 2002 and 2003, and one dollar for each fiscal
year thereafter, multiplied by the product of the following:
23239

(1) The number of beds licensed as nursing home beds, plus23245any other beds certified as skilled nursing facility beds under23246

Title XVIII or nursing facility beds under Title XIX of the23247"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as23248amended, on July 1, 1993, and, for each subsequent year, the first23249day of May of the calendar year in which the fee is determined23250pursuant to division (A) of section 3721.53 of the Revised Code;23251

(2) The number of days in fiscal year 1994 and, for each
23252
subsequent year, the number of days in the fiscal year beginning
23253
on the first day of July of the calendar year in which the fee is
23254
determined pursuant to division (A) of section 3721.53 of the
23255
Revised Code.

(B) For the purpose of providing home and community-based
23257
services to elderly and disabled persons purposes specified in
23258
section 3721.56 of the Revised Code, determine an annual franchise
23259
permit fee on each hospital in an amount equal to four dollars for
23260
fiscal years 2002 and 2003, and one dollar for each fiscal year
23261
thereafter, multiplied by the product of the following:
23257

(1) The number of beds registered pursuant to section 3701.07 23263 of the Revised Code as skilled nursing facility beds or long-term 23264 care beds, plus any other beds licensed as nursing home beds under 23265 section 3721.02 or 3721.09 of the Revised Code, on July 1, 1993, 23266 and, for each subsequent year, the first day of May of the 23267 calendar year in which the fee is determined pursuant to division 23268 (A) of section 3721.53 of the Revised Code; 23269

(2) The number of days in fiscal year 1994 and, for each
23270
subsequent year, the number of days in the fiscal year beginning
23271
on the first day of July of the calendar year in which the fee is
23272
determined pursuant to division (A) of section 3721.53 of the
23273
Revised Code.

If the United States health care financing administration23275determines that the franchise permit fee established by sections232763721.50 through 3721.58 of the Revised Code would be an23277

20200

impermissible health care related tax under section 1903(w) of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 1396b(w), as amended, the department of job and family services shall take all necessary actions to cease implementation of those sections in accordance with rules adopted under section 3721.58 of the Revised Code.

Sec. 3721.56. All (A) One-fourth of all payments and 23284 penalties paid by nursing homes and hospitals under sections 23285 3721.53 and 3721.54 of the Revised Code for fiscal years 2002 and 23286 2003, and all such payments and penalties paid for subsequent 23287 fiscal years, shall be deposited into the "home and 23288 community-based services for the aged fund, " which is hereby 23289 created in the state treasury. The departments of job and family 23290 services and aging shall use the moneys in the fund to fund the 23291 following in accordance with rules adopted under section 3721.58 23292 of the Revised Code: 23293 (A) (1) The medical assistance program established under 23294 Chapter 511. of the Revised Code; 23295 (B)(2) The PASSPORT program established under section 173.40 23296 of the Revised Code; 23297  $\frac{(C)}{(3)}$  The residential state supplement program established 23298 under section 173.35 of the Revised Code. 23299 (B) Three-fourths of all payments and penalties paid by 23300 nursing homes and hospitals under sections 3721.53 and 3721.54 of 23301 the Revised Code for fiscal years 2002 and 2003 shall be deposited 23302

created in the state treasury. The department of job and family23304services shall use the money in the fund in the manner provided by23305Am. Sub. H.B. 94 of the 124th general assembly.23306

into the nursing facility stabilization fund, which is hereby

Sec. 3734.57. (A) For the purposes of paying the state's 23307

23303