

As Introduced

**124th General Assembly
Regular Session
2001-2002**

S. B. No. 2

SENATORS Jacobson, R. A. Gardner

A B I L L

To amend sections 3317.012, 3317.02, 3317.021, 1
3317.022, 3317.0212, and 3317.0216, to enact 2
section 3317.0217, to repeal section 3317.0215 of 3
the Revised Code, and to repeal Section 18 of Am. 4
Sub. H.B. 650 of the 122nd General Assembly, as 5
subsequently amended, to revise the system for 6
providing state funds to school districts beginning 7
in fiscal year 2002. 8

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3317.012, 3317.02, 3317.021, 9
3317.022, 3317.0212, and 3317.0216 be amended and section 10
3317.0217 of the Revised Code be enacted to read as follows: 11

Sec. 3317.012. (A)(1) The general assembly, having analyzed 12
in fiscal year 1998 school district expenditure and cost data for 13
fiscal year 1996, performed the calculation described in division 14
(B) of this section, and adjusted the results for inflation, 15
~~hereby determines~~ determined that the base cost of an adequate 16
education per pupil for the fiscal year beginning July 1, 1998, ~~is~~ 17
was \$4,063. For the ~~five~~ two following fiscal years, the base cost 18
per pupil for each of those years, reflecting an annual rate of 19
inflation of two and eight-tenths per cent, ~~is was~~ was \$4,177 for 20

fiscal year 2000, and \$4,294 for fiscal year 2001, ~~\$4,414 for~~ 21
~~fiscal year 2002, \$4,538 for fiscal year 2003, and \$4,665 for~~ 22
~~fiscal year 2004.~~ 23

(2) The general assembly, having performed in fiscal year 24
2001 the further analyses and calculations described in division 25
(C) of this section, hereby determines that the base cost of an 26
adequate education per pupil for fiscal year 2002 is \$4,566. For 27
fiscal year 2003, the base cost per pupil, reflecting an annual 28
rate of inflation of two and eight-tenths per cent, is \$4,694. 29

(B) In determining the base cost stated in division (A) of 30
this section, capital and debt costs, costs paid for by federal 31
funds, and costs covered by funds provided pursuant to sections 32
3317.023 and 3317.024 of the Revised Code as they existed prior to 33
July 1, 1998, for disadvantaged pupil impact aid and 34
transportation were excluded, as were the effects on the 35
districts' state funds of the application of the 36
cost-of-doing-business factors, assuming an eighteen per cent 37
variance. 38

The base cost for fiscal year 1996 was calculated as the 39
unweighted average cost per student, on a school district basis, 40
of educating students who were not receiving vocational education 41
or services pursuant to Chapter 3323. of the Revised Code and who 42
were enrolled in ~~a~~ one of the one hundred three city, exempted 43
village, or local school ~~district~~ districts that in fiscal year 44
1994 met all of the following criteria: 45

(1) The district met at least all but one of the following 46
performance standards: 47

(a) A three per cent or lower dropout rate; 48

(b) At least seventy-five per cent of fourth graders 49
proficient on the mathematics test prescribed under division 50
(A)(1) of section 3301.0710 of the Revised Code; 51

(c) At least seventy-five per cent of fourth graders proficient on the reading test prescribed under division (A)(1) of section 3301.0710 of the Revised Code;	52 53 54
(d) At least seventy-five per cent of fourth graders proficient on the writing test prescribed under division (A)(1) of section 3301.0710 of the Revised Code;	55 56 57
(e) At least seventy-five per cent of fourth graders proficient on the citizenship test prescribed under division (A)(1) of section 3301.0710 of the Revised Code;	58 59 60
(f) At least seventy-five per cent of ninth graders proficient on the mathematics test prescribed under former division (B) of section 3301.0710 of the Revised Code;	61 62 63
(g) At least seventy-five per cent of ninth graders proficient on the reading test prescribed under former division (B) of section 3301.0710 of the Revised Code;	64 65 66
(h) At least seventy-five per cent of ninth graders proficient on the writing test prescribed under former division (B) of section 3301.0710 of the Revised Code;	67 68 69
(i) At least seventy-five per cent of ninth graders proficient on the citizenship test prescribed under former division (B) of section 3301.0710 of the Revised Code;	70 71 72
(j) At least eighty-five per cent of tenth graders proficient on the mathematics test prescribed under former division (B) of section 3301.0710 of the Revised Code;	73 74 75
(k) At least eighty-five per cent of tenth graders proficient on the reading test prescribed under former division (B) of section 3301.0710 of the Revised Code;	76 77 78
(l) At least eighty-five per cent of tenth graders proficient on the writing test prescribed under former division (B) of section 3301.0710 of the Revised Code;	79 80 81

(m) At least eighty-five per cent of tenth graders proficient on the citizenship test prescribed under former division (B) of section 3301.0710 of the Revised Code;

(n) At least sixty per cent of twelfth graders proficient on the mathematics test prescribed under division (A)(3) of section 3301.0710 of the Revised Code;

(o) At least sixty per cent of twelfth graders proficient on the reading test prescribed under division (A)(3) of section 3301.0710 of the Revised Code;

(p) At least sixty per cent of twelfth graders proficient on the writing test prescribed under division (A)(3) of section 3301.0710 of the Revised Code;

(q) At least sixty per cent of twelfth graders proficient on the citizenship test prescribed under division (A)(3) of section 3301.0710 of the Revised Code;

(r) An attendance rate for the year of at least ninety-three per cent as defined in section 3302.01 of the Revised Code.

(2) The district was not among the ten per cent of all districts with the highest income factors, as defined in section 3317.02 of the Revised Code, nor among the ten per cent of all districts with the lowest income factors.

(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 existed prior to July 1, 1998, nor among the five per cent of all districts with the lowest valuation per pupil.

(C) The base cost amounts for fiscal years 2002 and 2003 also were calculated using fiscal year 1996 data in the same manner described in division (B) of this section, but with the following adjustments to reflect the general assembly's further analysis:

(1) The ten per cent screens for income factors, described in 112
division (B)(2) of this section, were reduced to five per cent, 113
adding nineteen more school districts to the model and increasing 114
the fiscal year 1996 base cost by \$57 per pupil. Adjusting that 115
amount for an annual inflation rate of two and eight-tenths per 116
cent results in an additional amount of \$67 per pupil in fiscal 117
year 2002. 118

(2) Analysis of the fiscal year 1996 data revealed that the 119
school districts meeting the criteria of division (B) of this 120
section, even after the adjustment described in division (C)(1) of 121
this section, on average required high school students to complete 122
a minimum of nineteen and six-tenths units to graduate, but that 123
many students in those districts graduated with credits exceeding 124
the minimum. The general assembly therefore concludes that the 125
base cost amounts prescribed for fiscal years 1999, 2000, and 2001 126
reflect the cost of providing nineteen and six-tenths high school 127
academic units. However, the general assembly, through its 128
enactment of section 3313.603 of the Revised Code, mandates a 129
minimum of twenty-one units for graduation beginning September 15, 130
2001. The general assembly determines, after reanalyzing the 131
fiscal year 1996 data, that the cost of funding the additional one 132
and four-tenths units was \$72 per pupil in fiscal year 1996. 133
Adjusting that amount for an annual inflation rate of two and 134
eight-tenths per cent results in an amount of \$85 per pupil in 135
fiscal year 2002. 136

(3) The general assembly has added the additional amounts 137
described in divisions (C)(1) and (2) of this section to the base 138
cost it calculated in fiscal year 1998 for fiscal years 2002 and 139
2003. 140

(D) The general assembly has determined that the cost of an 141
adequate education includes the base cost, special education and 142
related services additional weighted costs, transportation modeled 143

costs, and vocational education and associated services additional weighted costs. The education financing system established by the general assembly beginning in fiscal year 2002 comprises tiers of state funding that assure each school district funds to provide an adequate education and to reduce overreliance on property taxes by providing equalized funding above the adequacy level.

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(1) Tier I assures each district funding to provide an adequate education. It consists of base cost funding calculated under division (A) of section 3317.022 of the Revised Code, special education and related services additional weighted costs funding calculated under division (C)(1) of that section, transportation modeled costs funding calculated under divisions (D)(2) and (3) of that section, and vocational education and associated services additional weighted costs funding calculated under division (E) of that section.

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(2)(a) The tier I excess cost supplement assures that the local share of special education and related services additional weighted costs funding, transportation modeled costs funding, and vocational education and associated services additional weighted costs funding do not overburden school districts. The excess cost supplement consists of the payment to districts whose calculated local share exceeds the three-mill limit imposed by division (F) of section 3317.022 of the Revised Code, which the general assembly determined from its analysis was approximately the statewide average calculated local share in fiscal year 2001.

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(b) Tier I gap revenue funding assures that the funding of the calculated cost of an adequate education is not overreliant on property taxes. State gap revenue funding consists of payments made under section 3317.0216 of the Revised Code.

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(3) Tier II provides equalized state funding to assist school districts in providing programs and services beyond educational adequacy and to alleviate the effects of the tax reduction factors

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imposed by section 319.301 of the Revised Code. It consists of the 176
substitution of recognized valuation for total taxable value in 177
the base cost formula, plus the state payments provided under 178
section 3317.0217 of the Revised Code. 179

(E) In ~~July of 2000~~ 2003, and in July of every six years 180
thereafter, the speaker of the house of representatives and the 181
president of the senate shall each appoint three members to a 182
committee to reexamine the cost of an adequate education. No more 183
than two members from any political party shall represent each 184
house. The director of budget and management and the 185
superintendent of public instruction shall serve as nonvoting ex 186
officio members of the committee. 187

The committee shall select a rational methodology for 188
calculating the costs of an adequate education system for the 189
ensuing six-year period, and shall report the methodology and the 190
resulting costs to the general assembly. In performing its 191
function, the committee is not bound by any method used by 192
previous general assemblies to examine and calculate costs and 193
instead may utilize any rational method it deems suitable and 194
reasonable given the educational needs and requirements of the 195
state at that time. The committee appointed in 2003 shall 196
reexamine the standards described in divisions (B) and (C) of this 197
section, consider the appropriateness of other standards, and 198
determine the nature, number, and level of performance on any 199
standards to be included in its methodology. The committee's 200
methodology shall consider measures of efficiency. 201

The methodology for determining the cost of an adequate 202
education system shall take into account the basic educational 203
costs that all districts incur in educating regular students, the 204
unique needs of special categories of students, and significant 205
special conditions encountered by certain classifications of 206
school districts. 207

Any committee appointed pursuant to this section shall make 208
its report to the office of budget and management and the general 209
assembly within ~~six months~~ one year of its appointment so that the 210
information is available for use by the office and the general 211
assembly in preparing the next biennial appropriations act. 212

Sec. 3317.02. As used in this chapter: 213

(A) Unless otherwise specified, "school district" means city, 214
local, and exempted village school districts. 215

(B) "Formula amount" means the base cost for the fiscal year 216
specified in section 3317.012 of the Revised Code, except that to 217
allow for the orderly phase-in of the increased funding specified 218
in that section, the formula amount for fiscal year 1999 shall be 219
\$3,851, and the formula amount for fiscal year 2000 shall be 220
\$4,052. Thereafter, the formula amount shall be as specified in 221
that section. 222

(C) "FTE basis" means a count of students based on full-time 223
equivalency, in accordance with rules adopted by the department of 224
education pursuant to section 3317.03 of the Revised Code. In 225
adopting its rules under this division, the department shall 226
provide for counting any student in category one, two, or three 227
special education ADM or in category one or two vocational 228
education ADM in the same proportion the student is counted in 229
formula ADM. 230

(D)(1) "Formula ADM" means, for a city, local, or exempted 231
village school district, the number reported pursuant to division 232
(A) of section 3317.03 of the Revised Code, and for a joint 233
vocational school district, the number reported pursuant to 234
division (D) of that section. 235

(2) "Three-year average formula ADM" means the average of 236
formula ADMs for the current and preceding two fiscal years. 237

However, as applicable in fiscal years 1999 and 2000, the
three-year average for city, local, and exempted village school
districts shall be determined utilizing the FY 1997 ADM or FY 1998
ADM in lieu of formula ADM for fiscal year 1997 or 1998. In fiscal
years 2000 and 2001, the three-year average for joint vocational
school districts shall be determined utilizing the average daily
membership reported in fiscal years 1998 and 1999 under division
(D) of section 3317.03 of the Revised Code in lieu of formula ADM
for fiscal years 1998 and 1999.

(E) "FY 1997 ADM" or "FY 1998 ADM" means the school
district's average daily membership reported for the applicable
fiscal year under the version of division (A) of section 3317.03
of the Revised Code in effect during that fiscal year, adjusted as
follows:

(1) Minus the average daily membership of handicapped
preschool children;

(2) Minus one-half of the average daily membership attending
kindergarten;

(3) Minus three-fourths of the average daily membership
attending a joint vocational school district;

(4) Plus the average daily membership entitled under section
3313.64 or 3313.65 of the Revised Code to attend school in the
district but receiving educational services in approved units from
an educational service center or another school district under a
compact or a cooperative education agreement, as determined by the
department;

(5) Minus the average daily membership receiving educational
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.

(F)(1) "Category one special education ADM" means the average

daily membership of handicapped children receiving special 269
education services for those handicaps specified in division (A) 270
of section 3317.013 of the Revised Code and reported under 271
division (B)(5) or (D)(2)(b) of section 3317.03 of the Revised 272
Code. 273

(2) "Category two special education ADM" means the average 274
daily membership of handicapped children receiving special 275
education services for those handicaps specified in division (B) 276
of section 3317.013 of the Revised Code and reported under 277
division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised 278
Code. 279

(3) "Category three special education ADM" means the average 280
daily membership of students receiving special education services 281
for students identified as autistic, having traumatic brain 282
injuries, or as both visually and hearing disabled as these terms 283
are defined pursuant to Chapter 3323. of the Revised Code, and 284
reported under division (B)(7) or (D)(2)(d) of section 3317.03 of 285
the Revised Code. 286

(4) "Category one vocational education ADM" means the average 287
daily membership of students receiving vocational education 288
services described in division (A) of section 3317.014 of the 289
Revised Code and reported under division (B)(8) or (D)(2)(e) of 290
section 3317.03 of the Revised Code. 291

(5) "Category two vocational education ADM" means the average 292
daily membership of students receiving vocational education 293
services described in division (B) of section 3317.014 of the 294
Revised Code and reported under division (B)(9) or (D)(2)(f) of 295
section 3317.03 of the Revised Code. 296

(G) "Handicapped preschool child" means a handicapped child, 297
as defined in section 3323.01 of the Revised Code, who is at least 298
age three but is not of compulsory school age, as defined in 299

section 3321.01 of the Revised Code, and who is not currently 300
enrolled in kindergarten. 301

(H) "County MR/DD board" means a county board of mental 302
retardation and developmental disabilities. 303

(I) "Recognized valuation" means the amount calculated for a 304
school district pursuant to section 3317.015 of the Revised Code. 305

(J) "Transportation ADM" means the number of children 306
reported under division (B)(10) of section 3317.03 of the Revised 307
Code. 308

(K) "Average efficient transportation use cost per student" 309
means a statistical representation of transportation costs as 310
calculated under division (D)(2) of section 3317.022 of the 311
Revised Code. 312

(L) "Taxes charged and payable" means the taxes charged and 313
payable against real and public utility property after making the 314
reduction required by section 319.301 of the Revised Code, plus 315
the taxes levied against tangible personal property. 316

(M) "Total taxable value" means the sum of the amounts 317
certified for a city, local, exempted village, or joint vocational 318
school district under divisions (A)(1) and (2) of section 3317.021 319
of the Revised Code. 320

(N)(1) "Cost-of-doing-business factor" means the amount 321
indicated in this division for the county in which a city, local, 322
exempted village, or joint vocational school district is located, 323
adjusted in accordance with division (N)(2) of this section. If a 324
city, local, or exempted village school district is located in 325
more than one county, the factor is the amount indicated for the 326
county to which the district is assigned by the state department 327
of education. If a joint vocational school district is located in 328
more than one county, the factor is the amount indicated for the 329
county in which the joint vocational school with the greatest 330

formula ADM operated by the district is located.	331	
COST-OF-DOING-BUSINESS	332	
COUNTY	FACTOR AMOUNT	333
Adams	1.0074	334
Allen	1.0217	335
Ashland	1.0322	336
Ashtabula	1.0480	337
Athens	1.0046	338
Auglaize	1.0255	339
Belmont	1.0078	340
Brown	1.0194	341
Butler	1.0650	342
Carroll	1.0166	343
Champaign	1.0292	344
Clark	1.0462	345
Clermont	1.0510	346
Clinton	1.0293	347
Columbiana	1.0300	348
Coshocton	1.0205	349
Crawford	1.0152	350
Cuyahoga	1.0697	351
Darke	1.0340	352
Defiance	1.0177	353
Delaware	1.0339	354
Erie	1.0391	355
Fairfield	1.0358	356
Fayette	1.0266	357
Franklin	1.0389	358
Fulton	1.0355	359
Gallia	1.0000	360
Geauga	1.0568	361
Greene	1.0406	362
Guernsey	1.0072	363

Hamilton	1.0750	364
Hancock	1.0224	365
Hardin	1.0219	366
Harrison	1.0098	367
Henry	1.0347	368
Highland	1.0139	369
Hocking	1.0149	370
Holmes	1.0237	371
Huron	1.0317	372
Jackson	1.0132	373
Jefferson	1.0084	374
Knox	1.0251	375
Lake	1.0596	376
Lawrence	1.0128	377
Licking	1.0381	378
Logan	1.0188	379
Lorain	1.0535	380
Lucas	1.0413	381
Madison	1.0342	382
Mahoning	1.0426	383
Marion	1.0121	384
Medina	1.0608	385
Meigs	1.0031	386
Mercer	1.0177	387
Miami	1.0425	388
Monroe	1.0118	389
Montgomery	1.0482	390
Morgan	1.0140	391
Morrow	1.0268	392
Muskingum	1.0167	393
Noble	1.0129	394
Ottawa	1.0510	395
Paulding	1.0156	396

Perry	1.0175	397
Pickaway	1.0338	398
Pike	1.0103	399
Portage	1.0556	400
Preble	1.0486	401
Putnam	1.0253	402
Richland	1.0205	403
Ross	1.0089	404
Sandusky	1.0336	405
Scioto	1.0044	406
Seneca	1.0240	407
Shelby	1.0257	408
Stark	1.0313	409
Summit	1.0616	410
Trumbull	1.0425	411
Tuscarawas	1.0099	412
Union	1.0330	413
Van Wert	1.0126	414
Vinton	1.0068	415
Warren	1.0651	416
Washington	1.0110	417
Wayne	1.0406	418
Williams	1.0268	419
Wood	1.0405	420
Wyandot	1.0191	421

(2) As used in this division, "multiplier" means the number 422
for the corresponding fiscal year as follows: 423

FISCAL YEAR OF THE		424
COMPUTATION	MULTIPLIER	425
1998	9.6/7.5	426
1999	11.0/7.5	427
2000	12.4/7.5	428
2001	13.8/7.5	429

2002	15.2/7.5	430
2003	16.6/7.5	431
2004 and thereafter	18.0/7.5	432

Beginning in fiscal year 1998, the department shall annually
adjust the cost-of-doing-business factor for each county in
accordance with the following formula:

[(The cost-of-doing-business factor specified under
division (N)(1) of this section - 1) X (the multiplier
for the fiscal year of the calculation)] + 1

The result of such formula shall be the adjusted
cost-of-doing-business factor for that fiscal year.

(O) "Tax exempt value" of a school district means the amount
certified for a school district under division (A)(4) of section
3317.021 of the Revised Code.

(P) "Potential value" of a school district means the adjusted
total taxable value of a school district plus the tax exempt value
of the district.

(Q) "District median income" means the median Ohio adjusted
gross income certified for a school district. On or before the
first day of July of each year, the tax commissioner shall certify
to the department of education for each city, exempted village,
and local school district the median Ohio adjusted gross income of
the residents of the school district determined on the basis of
tax returns filed for the second preceding tax year by the
residents of the district.

(R) "Statewide median income" means the median district
median income of all city, exempted village, and local school
districts in the state.

(S) "Income factor" for a city, exempted village, or local
school district means the quotient obtained by dividing that
district's median income by the statewide median income.

(T) ~~Except as provided in division (B)(3) of section 3317.012 of the Revised Code, "valuation per pupil" for a city, exempted village, or local school district means the district's recognized valuation divided by the greater of the district's formula ADM or three-year average formula ADM.~~

(U) ~~Except as provided in section 3317.0213 of the Revised Code, "adjusted valuation per pupil" means the amount calculated in accordance with the following formula:~~

$$\text{District valuation per pupil} = \left[\$60,000 \times (1 - \text{district income factor}) \right]$$

~~If the result of such formula is negative, the adjusted valuation per pupil shall be zero.~~

(V) ~~"Income adjusted valuation" means the product obtained by multiplying the school district's adjusted valuation per pupil by the greater of the district's formula ADM or three-year average formula ADM.~~

(W) ~~Except as provided in division (A)(2) of section 3317.022 of the Revised Code, "adjusted total taxable value" means one of the following:~~

(1) ~~In any fiscal year that a school district's income factor is less than or equal to one, the amount calculated under the following formula:~~

$$\left(\text{Income adjusted valuation} \times \text{multiple} \right) + \left[\text{recognized valuation} \times (1 - \text{multiple}) \right]$$

~~Where "multiple" means the number for the corresponding fiscal year as follows:~~

FISCAL YEAR OF THE COMPUTATION	MULTIPLE
2000	1/5
2001 and thereafter	4/15

(2) ~~In fiscal year 1999, if a school district's income factor~~

~~is greater than one, the amount calculated under the following
formula:~~

$$\begin{aligned} & \text{(Income adjusted valuation X 1/15)} \\ & + \text{(recognized valuation X 14/15)} \end{aligned}$$

~~Thereafter, the adjusted total taxable value of a district
with an income factor greater than one shall be its
valuation.~~

Sec. 3317.021. (A) On or before the first day of June of each
year, the tax commissioner shall certify to the department of
education the following information for each city, exempted
village, and local school district, and the information required
by divisions (A)(1) and (2) of this section for each joint
vocational school district, and it shall be used, along with the
information certified under division (B) of this section, in
making the computations for the district under section sections
3317.022 and 3317.0217 or section 3317.16 of the Revised Code:

(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;

(2) The taxable value of tangible personal property,
including public utility personal property, subject to taxation by
the district for the preceding tax year;

(3)(a) The total property tax rate and total taxes charged
and payable for the current expenses for the preceding tax year
and the total property tax rate and the total taxes charged and
payable to a joint vocational district for the preceding tax year
that are limited to or to the extent apportioned to current
expenses;

(b) The portion of the amount of taxes charged and payable
reported for each city, local, and exempted village school

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district under division (A)(3)(a) of this section attributable to 522
a joint vocational school district. 523

(4) The value of all real and public utility real property in 524
the school district exempted from taxation minus both of the 525
following: 526

(a) The value of real and public utility real property in the 527
district owned by the United States government and used 528
exclusively for a public purpose; 529

(b) The value of real and public utility real property in the 530
district exempted from taxation under Chapter 725. or 1728. or 531
section 3735.67, 5709.40, 5709.41, 5709.62, 5709.63, 5709.632, 532
5709.73, or 5709.78 of the Revised Code. 533

(5) The total effective operating tax rate for the district 534
in the tax year for which the most recent data are available; 535

(6) The total federal adjusted gross income of the residents 536
of the school district, based on tax returns filed by the 537
residents of the district, for the most recent year for which this 538
information is available. 539

(B) On or before the first day of May each year, the tax 540
commissioner shall certify to the department of education the 541
total taxable real property value of railroads and, separately, 542
the total taxable tangible personal property value of all public 543
utilities for the preceding tax year, by school district and by 544
county of location. 545

(C) If a public utility has properly and timely filed a 546
petition for reassessment under section 5727.47 of the Revised 547
Code with respect to an assessment issued under section 5727.23 of 548
the Revised Code affecting taxable property apportioned by the tax 549
commissioner to a school district, the taxable value of public 550
utility tangible personal property included in the certification 551
under divisions (A)(2) and (B) of this section for the school 552

district shall include only the amount of taxable value on the 553
basis of which the public utility paid tax for the preceding year 554
as provided in division (B)(1) or (2) of section 5727.47 of the 555
Revised Code. 556

(D) If on the basis of the information certified under 557
division (A) of this section, the department determines that any 558
district fails in any year to meet the qualification requirement 559
specified in division (A) of section 3317.01 of the Revised Code, 560
the department shall immediately request the tax commissioner to 561
determine the extent to which any school district income tax 562
levied by the district under Chapter 5748. of the Revised Code 563
shall be included in meeting that requirement. Within five days of 564
receiving such a request from the department, the tax commissioner 565
shall make the determination required by this division and report 566
the quotient obtained under division (D)(3) of this section to the 567
department. This quotient represents the number of mills that the 568
department shall include in determining whether the district meets 569
the qualification requirement of division (A) of section 3317.01 570
of the Revised Code. 571

The tax commissioner shall make the determination required by 572
this division as follows: 573

(1) Multiply one mill times the total taxable value of the 574
district as determined in divisions (A)(1) and (2) of this 575
section; 576

(2) Estimate the total amount of tax liability for the 577
current tax year under taxes levied by Chapter 5748. of the 578
Revised Code that are apportioned to current operating expenses of 579
the district; 580

(3) Divide the amount estimated under division (D)(2) of this 581
section by the product obtained under division (D)(1) of this 582
section. 583

(E) As used in this section:	584
(1) "Class I taxes charged and payable for current expenses" means taxes charged and payable for current expenses on land and improvements classified as residential/agricultural real property under section 5713.041 of the Revised Code.	585 586 587 588
(2) "Class I taxable value" means the taxable value of land and improvements classified as residential/agricultural real property under section 5713.041 of the Revised Code.	589 590 591
(3) "Class I effective operating tax rate" of a school district means the quotient obtained by dividing the school district's Class I taxes charged and payable for current expenses by the district's Class I taxable value.	592 593 594 595
(4) "Income tax equivalent tax rate" of a school district means the quotient obtained by dividing the income tax revenue disbursed during the current fiscal year under any tax levied pursuant to Chapter 5748. of the Revised Code by total taxable value of the district to the extent the revenue from the tax is allocated or apportioned to current expenses.	596 597 598 599 600 601
(5) "Total effective operating tax rate" means the sum of the Class I effective operating tax rate and the income tax equivalent tax rate.	602 603 604
Sec. 3317.022. (A)(1) The department of education shall compute and distribute state base cost funding to each school district for the fiscal year in accordance with the following formula, using adjusted total taxable value as defined in section 3317.02 of the Revised Code or division (A)(2) of this section and the information obtained under section 3317.021 of the Revised Code in the calendar year in which the fiscal year begins.	605 606 607 608 609 610 611
Compute the following for each eligible district:	612
[cost-of-doing-business factor X	613

the formula amount X (the greater of formula ADM 614
or three-year average formula ADM)] - 615
(.023 X adjusted total taxable value) 616

If the difference obtained is a negative number, the 617
district's computation shall be zero. 618

(2)(a) For each school district for which the tax exempt 619
value of the district equals or exceeds twenty-five per cent of 620
the potential value of the district, the department of education 621
shall calculate the difference between the district's tax exempt 622
value and twenty-five per cent of the district's potential value. 623

(b) For each school district to which division (A)(2)(a) of 624
this section applies, the adjusted total taxable value used in the 625
calculation under division (A)(1) of this section shall be the 626
adjusted total taxable value modified by subtracting the amount 627
calculated under division (A)(2)(a) of this section. 628

(B) As used in this section: 629

(1) The "total special education weight" for a district means 630
the sum of the following amounts: 631

(a) The district's category one special education ADM 632
multiplied by the multiple specified under division (A) of section 633
3317.013 of the Revised Code; 634

(b) The sum of the district's category two and category three 635
special education ADMs multiplied by the multiple specified under 636
division (B) of section 3317.013 of the Revised Code. 637

(2) "State share percentage" means the percentage calculated 638
for a district as follows: 639

(a) Calculate the state base cost funding amount for the 640
district for the fiscal year under division (A) of this section. 641
If the district would not receive any state base cost funding for 642
that year under that division, the district's state share 643

percentage is zero.

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(b) If the district would receive state base cost funding under that division, divide that amount by an amount equal to the following:

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Cost-of-doing-business factor X

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the formula amount X (the greater of formula

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ADM or three-year average formula ADM)

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The resultant number is the district's state share percentage.

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(3) "Related services" includes:

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(a) Child study, special education supervisors and coordinators, speech and hearing services, adaptive physical development services, occupational or physical therapy, teacher assistants for handicapped children whose handicaps are described in division (B) of section 3317.013 or division (F)(3) of section 3317.02 of the Revised Code, behavioral intervention, interpreter services, work study, nursing services, and specialized integrative services as those terms are defined by the department;

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(b) Speech and language services provided to any student with a handicap, including any student whose primary or only handicap is a speech and language handicap;

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(c) Any related service not specifically covered by other state funds but specified in federal law, including but not limited to, audiology and school psychological services;

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(d) Any service included in units funded under former division (O)(1) of section 3317.023 of the Revised Code;

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(e) Any other related service needed by handicapped children in accordance with their individualized education plans.

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(4) The "total vocational education weight" for a district means the sum of the following amounts:

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(a) The district's category one vocational education ADM multiplied by the multiple specified in division (A) of section 3317.014 of the Revised Code;

(b) The district's category two vocational education ADM multiplied by the multiple specified in division (B) of section 3317.014 of the Revised Code.

(C)(1) The department shall compute and distribute state special education and related services additional weighted costs funds to each school district in accordance with the following formula:

The district's state share percentage
X the formula amount for the year
for which the aid is calculated
X the district's total special education weight

(2) In any fiscal year, a school district receiving funds under division (C)(1) of this section shall spend on related services the lesser of the following:

(a) The amount the district spent on related services in the preceding fiscal year;

(b) $1/8 \times \{[\text{cost-of-doing-business factor} \times \text{the formula amount} \times (\text{the category one special education ADM} + \text{category two special education ADM} + \text{category three special education ADM})] + \text{the amount calculated for the fiscal year under division (C)(1) of this section} + \text{the attributed local share of special education and related services additional weighted costs}\}$ -

(3) The attributed local share of special education and related services additional weighted costs equals:

(1 - the district's state share percentage) X
the district's total special education weight X
the formula amount

(4) The department shall compute and pay in accordance with

this division additional state aid to school districts for 705
students in category three special education ADM. If a district's 706
costs for the fiscal year for a student in its category three 707
special education ADM are twenty-five thousand dollars or more, 708
the district may submit to the superintendent of public 709
instruction documentation, as prescribed by the superintendent, of 710
all its costs for that student. Upon submission of documentation 711
for a student of the type and in the manner prescribed, the 712
department shall pay to the district an amount equal to the 713
district's costs for the student in excess of twenty-five thousand 714
dollars multiplied by the district's state share percentage. 715

The district shall only report, and the department shall only 716
pay for, the costs of educational expenses and the related 717
services provided to the student in accordance with the student's 718
individualized education program. Any legal fees, court costs, or 719
other costs associated with any cause of action relating to the 720
student may not be included in the amount. 721

(5)(a) As used in this division, the "personnel allowance" 722
means twenty-five thousand dollars in fiscal year 2000 and thirty 723
thousand dollars in fiscal year 2001. 724

(b) For the provision of speech services to students and for 725
no other purpose, the department of education shall pay each 726
school district an amount calculated under the following formula: 727

(formula ADM divided by 2000) X 728

the personnel allowance X the state share percentage 729

(6) In any fiscal year, a school district receiving funds 730
under division (C)(1) of this section shall spend those funds only 731
for the purposes that the department designates as approved for 732
special education expenses. 733

(D)(1) As used in this division: 734

(a) "Daily bus miles per student" equals the number of bus 735

miles traveled per day, divided by transportation base. 736

(b) "Transportation base" equals total student count as 737
defined in section 3301.011 of the Revised Code, minus the number 738
of students enrolled in preschool handicapped units, plus the 739
number of nonpublic school students included in transportation 740
ADM. 741

(c) "Transported student percentage" equals transportation 742
ADM divided by transportation base. 743

(d) "Transportation cost per student" equals total operating 744
costs for board-owned or contractor-operated school buses divided 745
by transportation base. 746

(2) Analysis of student transportation cost data has resulted 747
in a finding that an average efficient transportation use cost per 748
student can be calculated by means of a regression formula that 749
has as its two independent variables the number of daily bus miles 750
per student and the transported student percentage. For fiscal 751
year 1998 transportation cost data, the average efficient 752
transportation use cost per student is expressed as follows: 753

$$51.79027 + (139.62626 \times \text{daily bus miles per student}) + 755$$
$$(116.25573 \times \text{transported student percentage}) 756$$

The department of education shall annually determine the 757
average efficient transportation use cost per student in 758
accordance with the principles stated in division (D)(2) of this 759
section, updating the intercept and regression coefficients of the 760
regression formula modeled in this division, based on an annual 761
statewide analysis of each school district's daily bus miles per 762
student, transported student percentage, and transportation cost 763
per student data. The department shall conduct the annual update 764
using data, including daily bus miles per student, transported 765
student percentage, and transportation cost per student data, from 766

the prior fiscal year. The department shall notify the office of budget and management of such update by the fifteenth day of February of each year.

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(3) In addition to funds paid under divisions (A), (C), and (E) of this section, each district with a transported student percentage greater than zero shall receive a payment equal to a percentage of the product of the district's transportation base from the prior fiscal year times the annually updated average efficient transportation use cost per student, times an inflation factor of two and eight tenths per cent to account for the one-year difference between the data used in updating the formula and calculating the payment and the year in which the payment is made. The percentage shall be the following percentage of that product specified for the corresponding fiscal year:

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FISCAL YEAR	PERCENTAGE
2000	52.5%
2001	55%
2002	57.5%
2003 and thereafter	60%

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The payments made under division (D)(3) of this section each year shall be calculated based on all of the same prior year's data used to update the formula.

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(4) In addition to funds paid under divisions (D)(2) and (3) of this section, a school district shall receive a rough road subsidy if both of the following apply:

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(a) Its county rough road percentage is higher than the statewide rough road percentage, as those terms are defined in division (D)(5) of this section;

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(b) Its district student density is lower than the statewide student density, as those terms are defined in that division.

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(5) The rough road subsidy paid to each district meeting the

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qualifications of division (D)(4) of this section shall be 798
calculated in accordance with the following formula: 799

(per rough mile subsidy X total rough road miles) X 800
density multiplier 801

where: 802

(a) "Per rough mile subsidy" equals the amount calculated in 803
accordance with the following formula: 804

0.75 - {0.75 X [(maximum rough road percentage - 805
county rough road percentage)/(maximum rough road percentage - 806
statewide rough road percentage)]} 807
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(i) "Maximum rough road percentage" means the highest county 809
rough road percentage in the state. 810

(ii) "County rough road percentage" equals the percentage of 811
the mileage of state, municipal, county, and township roads that 812
is rated by the department of transportation as type A, B, C, E2, 813
or F in the county in which the school district is located or, if 814
the district is located in more than one county, the county to 815
which it is assigned for purposes of determining its 816
cost-of-doing-business factor. 817

(iii) "Statewide rough road percentage" means the percentage 818
of the statewide total mileage of state, municipal, county, and 819
township roads that is rated as type A, B, C, E2, or F by the 820
department of transportation. 821

(b) "Total rough road miles" means a school district's total 822
bus miles traveled in one year times its county rough road 823
percentage. 824

(c) "Density multiplier" means a figure calculated in 825
accordance with the following formula: 826

1 - [(minimum student density - district student 827
density)/(minimum student density - 828

statewide student density)] 829

(i) "Minimum student density" means the lowest district 830
student density in the state. 831

(ii) "District student density" means a school district's 832
transportation base divided by the number of square miles in the 833
district. 834

(iii) "Statewide student density" means the sum of the 835
transportation bases for all school districts divided by the sum 836
of the square miles in all school districts. 837

(6) In addition to funds paid under divisions (D)(2) to (5) 838
of this section, each district shall receive in accordance with 839
rules adopted by the state board of education a payment for 840
students transported by means other than board-owned or 841
contractor-operated buses and whose transportation is not funded 842
under division (J) of section 3317.024 of the Revised Code. The 843
rules shall include provisions for school district reporting of 844
such students. 845

(7) Notwithstanding divisions (D)(1) to (6) of this section, 846
in fiscal year 2000 only, each school district shall receive the 847
greater of the total amount calculated for it under those 848
divisions and division (J) of section 3317.024 of the Revised Code 849
or the total amount calculated for it for types one through six 850
student transportation operating funds in fiscal year 1999. For 851
purposes of division (D)(7) of this section, the fiscal year 1999 852
guaranteed total amount does not include subsidies for school bus 853
purchases. 854

(E)(1) The department shall compute and distribute state 855
vocational education additional weighted costs funds to each 856
school district in accordance with the following formula: 857

state share percentage X 858

the formula amount X 859

total vocational education weight 860

In any fiscal year, a school district receiving funds under 861
division (E)(1) of this section shall spend those funds only for 862
the purposes that the department designates as approved for 863
vocational education expenses. 864

(2) The department shall compute for each school district 865
state funds for vocational education associated services in 866
accordance with the following formula: 867

state share percentage X .05 X 868

the formula amount X the sum of categories one and two 869
vocational education ADM 870

In any fiscal year, a school district receiving funds under 871
division (E)(2) of this section, or through a transfer of funds 872
pursuant to division (L) of section 3317.023 of the Revised Code, 873
shall spend those funds only for the purposes that the department 874
designates as approved for vocational education associated 875
services expenses, which may include such purposes as 876
apprenticeship coordinators, coordinators for other vocational 877
education services, vocational evaluation, and other purposes 878
designated by the department. The department may deny payment 879
under division (E)(2) of this section to any district that the 880
department determines is not operating those services or is using 881
funds paid under division (E)(2) of this section, or through a 882
transfer of funds pursuant to division (L) of section 3317.023 of 883
the Revised Code, for other purposes. 884

In fiscal years 2000 and 2001, each school district shall 885
continue to offer the same number of the vocational education 886
programs that the district offered in fiscal year 1999, unless the 887
department of education expressly agrees that the district may 888
offer fewer programs in either fiscal year 2000 or 2001 or both. 889

(F) The actual local share in any fiscal year for the 890
combination of special education and related services additional 891

weighted costs funding calculated under division (C)(1) of this section, transportation funding calculated under divisions (D)(2) and (3) of this section, and vocational education and associated services additional weighted costs funding calculated under divisions (E)(1) and (2) of this section shall not exceed for any school district the product of three mills times the district's adjusted total taxable value. The department annually shall pay each school district as an excess cost supplement any amount by which the sum of the district's attributed local shares for that funding exceeds that product. For purposes of calculating the excess cost supplement:

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(1) The attributed local share for special education and related services additional weighted costs funding is the amount specified in division (C)(3) of this section.

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(2) The attributed local share of transportation funding equals the difference of the total amount calculated for the district using the formula developed under division (D)(2) of this section minus the actual amount paid to the district after applying the percentage specified in division (D)(3) of this section.

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(3) The attributed local share of vocational education and associated services additional weighted costs funding is the amount determined as follows:

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(1 - state share percentage) X
[(total vocational education weight X the formula amount) +
the payment under division (E)(2) of this section]

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Sec. 3317.0212. Divisions (B) and (C) of this section do not apply to a school district with a formula ADM of one hundred fifty or less.

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(A) As used in this section:

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(1) "Fundamental FY 1997 state aid" or "fundamental FY 1998 state aid" for a district means the total amount of state money received by the district for the applicable fiscal year as reported on the department of education's form "SF-12," adjusted as follows:	922
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(a) Minus the amount for transportation;	927
(b) Minus any amounts for approved preschool handicapped units;	928
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(c) Minus any additional amount attributable to the reappraisal guarantee of division (C) of section 3317.04 of the Revised Code;	930
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(d) Plus the amount deducted for payments to an educational service center;	933
	934
(e) Plus an estimated portion of the state money distributed in the applicable fiscal year to other school districts or educational service centers for approved units, other than preschool handicapped or gifted education units, attributable to the costs of providing services in those units to students entitled to attend school in the district;	935
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(f) Minus an estimated portion of the state money distributed to the school district in the applicable fiscal year for approved units, other than preschool handicapped units or gifted education units, attributable to the costs of providing services in those units to students entitled to attend school in another school district;	941
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(g) Plus any additional amount paid in the applicable fiscal year pursuant to the vocational education recomputation required by Section 45.12 of Amended Substitute House Bill No. 117 of the 121st general assembly or former Section 50.22 of Amended Substitute House Bill No. 215 of the 122nd general assembly;	947
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(h) Plus any additional amount paid in the applicable fiscal year pursuant to the special education recomputation required by former division (I) of section 3317.023 of the Revised Code;

(i) Plus any amount paid for equity aid in the applicable fiscal year under section 3317.0213 of the Revised Code;

(j) Plus any amount received for the applicable fiscal year pursuant to section 3317.027 of the Revised Code;

(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 applicable fiscal year.

(2) "State basic aid" for a district for any fiscal year after fiscal year 1999 means the sum of the following:

(a) The amount computed for the district for base cost funding, special education funding, and vocational education funding under divisions (A), (C)(1) and (5), ~~and (E), and (F)~~ of section 3317.022 and sections 3317.025 and 3317.027 of the Revised Code and DPIA aid under section 3317.029 of the Revised Code in the current fiscal year before any deduction or credit required by division (B), (D), (E), (F), (G), (H), (I), (J), (K), or (L) of section 3317.023 or division (J) of section 3317.029 of the Revised Code;

(b) Any amounts for which the district is eligible pursuant to division (C) of section 3317.023, divisions (G), (P), and (R) of section 3317.024, and the supplemental unit allowance paid for gifted units under division (B) of section 3317.162 of the Revised Code;

(c) Any equity aid for which the district is eligible under section 3317.0213 of the Revised Code.

(3) "Adjusted FY 1999 actual aid" has the same meaning as in

Section 18 of Am. Sub. H.B. 650 of the 122nd general assembly, as amended. 982
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(4) "Vocational education set-aside" means the up to 984
\$24,193,118 earmarked for additional school district vocational 985
education grants under appropriation item 200-545, vocational 986
education enhancements, in Am. Sub. H.B. 770 of the 122nd general 987
assembly. 988

(B) Upon request of the department of education, the 989
treasurer of any school district or educational service center 990
shall furnish data needed to calculate the amounts specified in 991
divisions (A)(1)(e) and (f) of this section. The department shall 992
compute and pay the state basic aid guarantee for each school 993
district for the fiscal year as follows: 994

(1) Subtract the amount of state basic aid from the amount of 995
fundamental FY 1998 state aid. If a negative number, this 996
computation shall be deemed to be zero. 997

(2) Pay the district any positive amount calculated under 998
division (B)(1) of this section. 999

(C) In fiscal year 2000, the department shall calculate for 1000
each district the sum of the district's state basic aid for that 1001
fiscal year, plus any amount calculated under division (B)(1) of 1002
this section, plus the transportation portion of state aid 1003
computed for the district for that fiscal year under division (D) 1004
of the version of section 3317.022 of the Revised Code in effect 1005
that fiscal year. If a district's adjusted FY 1999 actual aid is 1006
greater than that sum, then the department shall pay the district 1007
in that fiscal year one hundred per cent of the difference. 1008

(D)(1) The state basic aid guarantee in any fiscal year for a 1009
school district with a formula ADM of one hundred fifty or less 1010
shall be the greatest of the following amounts: 1011

(a) The district's state basic aid for the fiscal year; 1012

(b) The district's fundamental FY 1998 state aid;	1013
(c) The district's fundamental FY 1997 state aid.	1014
(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.	1015 1016 1017 1018 1019
Sec. 3317.0216. (A) As used in this section:	1020
(1) "Total taxes charged and payable for current expenses" means the sum of the taxes charged and payable as certified under division (A)(3)(a) of section 3317.021 of the Revised Code less any amounts reported under division (A)(3)(b) of that section, and the tax distribution for the preceding year under any school district income tax levied by the district pursuant to Chapter 5748. of the Revised Code to the extent the revenue from the income tax is allocated or apportioned to current expenses.	1021 1022 1023 1024 1025 1026 1027 1028
(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.	1029 1030 1031
(3) "Charge-off amount" means the product obtained by multiplying two and three-tenths per cent by adjusted total taxable value.	1032 1033 1034
(4) "Total receipts available for current expenses" of a school district means the sum of total taxes charged and payable for current expenses and the district's state equalization enhancement payments.	1035 1036 1037 1038
(5) "Local share of special education and related services additional weighted costs" has the same meaning as in division (C)(3) of section 3317.022 of the Revised Code.	1039 1040 1041

~~(6) "Local share of vocational education and associated services additional weighted costs" for each school district means the amount determined as follows:~~ 1042
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~~(1) state share percentage as defined in section 3317.022 of the Revised Code) X [(total vocational education weight as defined in that section X the formula amount) + the district's payment under division (E)(2) of section 3317.022 of the Revised Code]~~ 1044
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(3) The "actual local share of special education, transportation, and vocational education funding" for any school district means the sum of the district's attributed local shares described in divisions (F)(1) to (3) of section 3317.022 of the Revised Code minus the amount of any excess cost supplement payment calculated for the district under division (F) of that section. 1050
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(B) Upon receiving the certifications under section 3317.021 of the Revised Code, the department of education shall determine for each city, local, and exempted village school district whether the district's charge-off amount is greater than the district's total ~~receipts available~~ taxes charged and payable for current expenses, and if it is, shall pay the district the amount of the difference. A payment shall not be made to any school district for which the computation under division (A) of section 3317.022 of the Revised Code equals zero. 1057
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(C)(1) If a district's charge-off amount is equal to or greater than its total ~~receipts available~~ taxes charged and payable for current expenses, the department shall, in addition to the payment required under division (B) of this section, pay the district the amount of ~~the~~ its actual local share of special education and ~~related services additional weighted costs,~~ transportation, and the amount of the local share of vocational education and ~~associated services additional weighted costs~~ 1066
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funding. 1074

(2) If a district's charge-off amount is less than its total 1075
~~receipts available taxes charged and payable~~ for current expenses, 1076
the department shall pay the district any amount by which ~~the sum~~ 1077
~~of its actual~~ local share of special education ~~and related~~ 1078
~~services additional weighted costs plus its local share of,~~ 1079
~~transportation, and vocational education and associated services~~ 1080
~~additional weighted costs~~ funding exceeds its total receipts 1081
~~available taxes charged and payable~~ for current expenses minus its 1082
charge-off amount. 1083

Sec. 3317.0217. The department of education shall annually 1084
compute and pay to each school district state tier II funding in 1085
accordance with the following formula: 1086

tier II equalization factor X 1087

tier II payment percentage X 1088

formula amount for the current fiscal year X 1089

cost-of-doing-business factor for the current fiscal year X 1090

formula ADM for the previous fiscal year 1091

For purposes of this calculation: 1092

(A) The tier II payment percentage is 0.25% in fiscal year 1093
2002 and 0.5% in fiscal year 2003. 1094

(B) The tier II equalization factor is calculated for each 1095
school district using the following sliding scale: 1096

5 X (2 - the district's capacity ratio) 1097

If, however, the result of this computation is less than one, 1098
the district's tier II equalization factor shall be deemed to be 1099
one. 1100

(1) A district's capacity ratio measures its income and 1101
property wealth per pupil relative to all school districts in the 1102
state, and is calculated as follows: 1103

(district income ratio X 1/3) + 1104

(district valuation ratio X 2/3) 1105

(2) The district income ratio measures the district's income 1106
wealth per pupil relative to the statewide income wealth per 1107
pupil, and equals the quotient of: 1108

(a) The average of the total federal adjusted gross income of 1109
the school district's residents for the three years most recently 1110
reported under section 3317.021 of the Revised Code divided by the 1111
district's formula ADM from the previous fiscal year; divided by 1112
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(b) The average of the sum of the federal adjusted gross 1114
incomes of all school districts' residents for the three years 1115
most recently reported under section 3317.021 of the Revised Code 1116
divided by the sum of the formula ADMs for all school districts 1117
from the previous fiscal year. 1118

(3) The district valuation ratio measures the district's 1119
property wealth per pupil relative to the statewide property 1120
wealth per pupil, and equals the quotient of: 1121

(a) The district's recognized valuation from the previous 1122
fiscal year divided by the district's formula ADM from the 1123
previous fiscal year; divided by 1124

(b) The sum of the recognized valuations for all school 1125
districts from the previous fiscal year divided by the sum of the 1126
formula ADMs for all school districts from the previous fiscal 1127
year. 1128

Section 2. That existing sections 3317.012, 3317.02, 1129
3317.021, 3317.022, 3317.0212, and 3317.0216 and section 3317.0215 1130
of the Revised Code are hereby repealed. 1131

Section 3. That Section 18 of Am. Sub. H.B. 650 of the 122nd 1132

General Assembly, as most recently amended by Sub. S.B. 245 of the 1133
123rd General Assembly, is hereby repealed. 1134

Section 4. Sections 1, 2, and 3 of this act shall take effect 1135
July 1, 2001. 1136

Section 5. Not later than July 1, 2001, the Tax Commissioner 1137
shall certify to the Department of Education for each city, local, 1138
and exempted village school district the total federal adjusted 1139
gross income of the residents of the school district, based on tax 1140
returns filed by the residents of the district, for each of the 1141
three most recent years for which this information is available. 1142
The Department shall use the information certified under this 1143
section to compute each district's state Tier II funding under 1144
section 3317.0217 of the Revised Code in fiscal year 2002. 1145