

As Introduced

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H. B. No. 43

Representative Garrison

Cosponsors: Representatives Chandler, Otterman, Harwood, Williams, B.,
Fende, Dyer, Lundy, Dodd, Strahorn, Yuko, Stewart, J., Bolon, Brown, Foley,
Stebelton, Sayre, Koziura, Skindell

—

A BILL

To amend sections 3314.08, 3314.084, 3317.016, 1
3317.017, 3317.02, 3317.029, 3317.03, and 5727.84 2
and to repeal section 3314.13 of the Revised Code 3
to provide formula funding for all-day 4
kindergarten for all school districts and 5
community schools that offer it. 6

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

Section 1. That sections 3314.08, 3314.084, 3317.016, 7
3317.017, 3317.02, 3317.029, 3317.03, and 5727.84 of the Revised 8
Code be amended to read as follows: 9

Sec. 3314.08. (A) As used in this section: 10

(1) "Base formula amount" means the amount specified as such 11
in a community school's financial plan for a school year pursuant 12
to division (A)(15) of section 3314.03 of the Revised Code. 13

(2) "Cost-of-doing-business factor" has the same meaning as 14
in section 3317.02 of the Revised Code. 15

(3) "IEP" means an individualized education program as 16

defined in section 3323.01 of the Revised Code.	17
(4) "Applicable special education weight" means the multiple specified in section 3317.013 of the Revised Code for a handicap described in that section.	18 19 20
(5) "Applicable vocational education weight" means:	21
(a) For a student enrolled in vocational education programs or classes described in division (A) of section 3317.014 of the Revised Code, the multiple specified in that division;	22 23 24
(b) For a student enrolled in vocational education programs or classes described in division (B) of section 3317.014 of the Revised Code, the multiple specified in that division.	25 26 27
(6) "Entitled to attend school" means entitled to attend school in a district under section 3313.64 or 3313.65 of the Revised Code.	28 29 30
(7) A community school student is "included in the poverty student count" of a school district if the student is entitled to attend school in the district and the student's family receives assistance under the Ohio works first program.	31 32 33 34
(8) "Poverty-based assistance reduction factor" means the percentage figure, if any, for reducing the per pupil amount of poverty-based assistance a community school is entitled to receive pursuant to divisions (D)(5) and (6) of this section in any year, as specified in the school's financial plan for the year pursuant to division (A)(15) of section 3314.03 of the Revised Code.	35 36 37 38 39 40
(9) "All-day kindergarten" has the same meaning as in section 3317.029 <u>3317.02</u> of the Revised Code.	41 42
(10) "SF-3 payment" means the sum of the payments to a school district in a fiscal year under divisions (A), (C)(1), (C)(4), (D), (E), and (F) of section 3317.022, divisions (G), (L), and (N) of section 3317.024, and sections 3317.029, 3317.0216, 3317.0217,	43 44 45 46

3317.04, 3317.05, 3317.052, and 3317.053 of the Revised Code after 47
making the adjustments required by sections 3313.981 and 3313.979, 48
divisions (B), (C), (D), (E), (K), (L), (M), (N), and (O) of 49
section 3317.023, and division (C) of section 3317.20 of the 50
Revised Code. 51

(B) The state board of education shall adopt rules requiring 52
both of the following: 53

(1) The board of education of each city, exempted village, 54
and local school district to annually report the number of 55
students entitled to attend school in the district who are 56
enrolled in grades one through twelve in a community school 57
established under this chapter, the number of students entitled to 58
attend school in the district who are enrolled in kindergarten in 59
a community school, the number of those kindergartners who are 60
enrolled in all-day kindergarten in their community school, and 61
for each child, the community school in which the child is 62
enrolled. 63

(2) The governing authority of each community school 64
established under this chapter to annually report all of the 65
following: 66

(a) The number of students enrolled in grades one through 67
twelve and the number of students enrolled in kindergarten in the 68
school who are not receiving special education and related 69
services pursuant to an IEP; 70

(b) The number of enrolled students in grades one through 71
twelve and the number of enrolled students in kindergarten, who 72
are receiving special education and related services pursuant to 73
an IEP; 74

(c) The number of students reported under division (B)(2)(b) 75
of this section receiving special education and related services 76
pursuant to an IEP for a handicap described in each of divisions 77

(A) to (F) of section 3317.013 of the Revised Code;	78
<u>(d) The number of students in kindergarten reported under divisions (B)(2)(a) and (b) of this section who are enrolled in all-day kindergarten;</u>	79 80 81
<u>(e)</u> The full-time equivalent number of students reported under divisions (B)(2)(a) and (b) of this section who are enrolled in vocational education programs or classes described in each of divisions (A) and (B) of section 3317.014 of the Revised Code that are provided by the community school;	82 83 84 85 86
(e) <u>(f)</u> Twenty per cent of the number of students reported under divisions (B)(2)(a) and (b) of this section who are not reported under division (B)(2) (d) <u>(e)</u> of this section but who are enrolled in vocational education programs or classes described in each of divisions (A) and (B) of section 3317.014 of the Revised Code at a joint vocational school district under a contract between the community school and the joint vocational school district and are entitled to attend school in a city, local, or exempted village school district whose territory is part of the territory of the joint vocational district;	87 88 89 90 91 92 93 94 95 96
(f) <u>(g)</u> The number of enrolled preschool handicapped students receiving special education services in a state-funded unit;	97 98
(g) <u>(h)</u> The community school's base formula amount;	99
(h) <u>(i)</u> For each student, the city, exempted village, or local school district in which the student is entitled to attend school;	100 101
(i) <u>(j)</u> Any poverty-based assistance reduction factor that applies to a school year.	102 103
(C) From the SF-3 payment made to a city, exempted village, or local school district and, if necessary, from the payment made to the district under sections 321.24 and 323.156 of the Revised Code, the department of education shall annually subtract the sum	104 105 106 107

of the amounts described in divisions (C)(1) to (9) of this 108
section. However, when deducting payments on behalf of students 109
enrolled in internet- or computer-based community schools, the 110
department shall deduct only those amounts described in divisions 111
(C)(1) and (2) of this section. Furthermore, the aggregate amount 112
deducted under this division shall not exceed the sum of the 113
district's SF-3 payment and its payment under sections 321.24 and 114
323.156 of the Revised Code. 115

(1) An amount equal to the sum of the amounts obtained when, 116
for each community school where the district's students are 117
enrolled, the number of the district's students reported under 118
divisions (B)(2)(a), (b), and ~~(e)~~(f) of this section who are 119
enrolled in all-day kindergarten and grades one through twelve, 120
and one-half the number of students reported under those divisions 121
who are enrolled in traditional half-day kindergarten, in that 122
community school is multiplied by the greater of the following: 123

(a) The fiscal year 2005 base formula amount of that 124
community school as adjusted by the school district's fiscal year 125
2005 cost-of-doing-business factor; 126

(b) The sum of (the current base formula amount of that 127
community school times the school district's current 128
cost-of-doing-business factor) plus the per pupil amount of the 129
base funding supplements specified in divisions (C)(1) to (4) of 130
section 3317.012 of the Revised Code. 131

(2) The sum of the amounts calculated under divisions 132
(C)(2)(a) and (b) of this section: 133

(a) For each of the district's students reported under 134
division (B)(2)(c) of this section as enrolled in a community 135
school in all-day kindergarten and grades one through twelve and 136
receiving special education and related services pursuant to an 137
IEP for a handicap described in section 3317.013 of the Revised 138

Code, the product of the applicable special education weight times 139
the community school's base formula amount; 140

(b) For each of the district's students reported under 141
division (B)(2)(c) of this section as enrolled in traditional 142
half-day kindergarten in a community school and receiving special 143
education and related services pursuant to an IEP for a handicap 144
described in section 3317.013 of the Revised Code, one-half of the 145
amount calculated as prescribed in division (C)(2)(a) of this 146
section. 147

(3) For each of the district's students reported under 148
division (B)(2)~~(d)~~(e) of this section for whom payment is made 149
under division (D)(4) of this section, the amount of that payment; 150

(4) An amount equal to the sum of the amounts obtained when, 151
for each community school where the district's students are 152
enrolled, the number of the district's students enrolled in that 153
community school who are included in the district's poverty 154
student count is multiplied by the per pupil amount of 155
poverty-based assistance the school district receives that year 156
pursuant to division (B) or (C) of section 3317.029 of the Revised 157
Code, as adjusted by any poverty-based assistance reduction factor 158
of that community school. If the district receives poverty-based 159
assistance under division (B) of that section, the per pupil 160
amount of that aid is the quotient of the amount the district 161
received under that division divided by the district's poverty 162
student count, as defined in that section. If the district 163
receives poverty-based assistance under division (C) of section 164
3317.029 of the Revised Code, the per pupil amount of that aid for 165
the district shall be calculated by the department. 166

(5) An amount equal to the sum of the amounts obtained when, 167
for each community school where the district's students are 168
enrolled, the district's per pupil amount of aid received under 169
division (E) of section 3317.029 of the Revised Code, as adjusted 170

by any poverty-based assistance reduction factor of the community school, is multiplied by the sum of the following:

(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;

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

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

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

(6) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the district's per pupil amount received under division (F) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of that community school, is multiplied by the number of the district's students enrolled in the community school who are identified as limited-English proficient.

(7) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the district's per pupil amount received under division (G) of section 3317.029 of the Revised Code, as adjusted by any

poverty-based assistance reduction factor of that community school, is multiplied by the sum of the following:

(a) The number of the district's students enrolled in all-day kindergarten and grades one through twelve in that community school;

(b) One-half of the number of the district's students enrolled in traditional half-day kindergarten in that community school.

The district's per pupil amount under division (G) of section 3317.029 of the Revised Code is the district's amount per teacher calculated under division (G)(1) or (2) of that section divided by 17, times a multiple of 0.40 in fiscal year 2006 and 0.70 in fiscal year 2007.

(8) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the district's per pupil amount received under divisions (H) and (I) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of that community school, is multiplied by the sum of the following:

(a) The number of the district's students enrolled in all-day kindergarten and grades one through twelve in that community school;

(b) One-half of the number of the district's students enrolled in traditional half-day kindergarten in that community school.

The district's per pupil amount under divisions (H) and (I) of section 3317.029 of the Revised Code is the amount calculated under each division divided by the district's formula ADM, as defined in section 3317.02 of the Revised Code.

(9) An amount equal to the per pupil state parity aid funding

calculated for the school district under either division (C) or 232
(D) of section 3317.0217 of the Revised Code multiplied by the sum 233
of the number of students in all-day kindergarten and grades one 234
through twelve, and one-half of the number of students in 235
traditional half-day kindergarten, who are entitled to attend 236
school in the district and are enrolled in a community school as 237
reported under division (B)(1) of this section. 238

(D) The department shall annually pay to a community school 239
established under this chapter the sum of the amounts described in 240
divisions (D)(1) to (10) of this section. However, the department 241
shall calculate and pay to each internet- or computer-based 242
community school only the amounts described in divisions (D)(1) to 243
(3) of this section. Furthermore, the sum of the payments to all 244
community schools under divisions (D)(1), (2), and (4) to (10) of 245
this section for the students entitled to attend school in any 246
particular school district shall not exceed the sum of that 247
district's SF-3 payment and its payment under sections 321.24 and 248
323.156 of the Revised Code. If the sum of the payments calculated 249
under those divisions for the students entitled to attend school 250
in a particular school district exceeds the sum of that district's 251
SF-3 payment and its payment under sections 321.24 and 323.156 of 252
the Revised Code, the department shall calculate and apply a 253
proration factor to the payments to all community schools under 254
those divisions for the students entitled to attend school in that 255
district. 256

(1) Subject to section 3314.085 of the Revised Code, an 257
amount equal to the sum of the amounts obtained when the number of 258
students enrolled in all-day kindergarten and grades one through 259
twelve in the school, plus one-half of the number of students 260
enrolled in traditional half-day kindergarten ~~students~~ in the 261
school, reported under divisions (B)(2)(a), (b), and ~~(e)~~(f) of 262
this section who are not receiving special education and related 263

services pursuant to an IEP for a handicap described in section 264
3317.013 of the Revised Code is multiplied by the greater of the 265
following: 266

(a) The community school's fiscal year 2005 base formula 267
amount, as adjusted by the fiscal year 2005 cost-of-doing-business 268
factor of the school district in which the student is entitled to 269
attend school; 270

(b) The sum of (the community school's current base formula 271
amount times the current cost-of-doing-business factor of the 272
school district in which the student is entitled to attend school) 273
plus the per pupil amount of the base funding supplements 274
specified in divisions (C)(1) to (4) of section 3317.012 of the 275
Revised Code. 276

(2) Prior to fiscal year 2007, the greater of the amount 277
calculated under division (D)(2)(a) or (b) of this section, and in 278
fiscal year 2007 and thereafter, the amount calculated under 279
division (D)(2)(b) of this section: 280

(a) The aggregate amount that the department paid to the 281
community school in fiscal year 1999 for students receiving 282
special education and related services pursuant to IEPs, excluding 283
federal funds and state disadvantaged pupil impact aid funds; 284

(b) The sum of the amounts calculated under divisions 285
(D)(2)(b)(i) and (ii) of this section: 286

(i) For each student reported under division (B)(2)(c) of 287
this section as enrolled in the school in all-day kindergarten and 288
grades one through twelve and receiving special education and 289
related services pursuant to an IEP for a handicap described in 290
section 3317.013 of the Revised Code, the following amount: 291

the greater of (the community school's fiscal year 2005 292
base formula amount X the fiscal year 2005 293
cost-of-doing-business factor of the district 294

where the student is entitled to attend school) 295
or [(the school's current base formula amount times 296
the current cost-of-doing-business factor of the school district 297
where the student is entitled to attend school) plus 298
the per pupil amount of the base funding supplements specified in 299
divisions (C)(1) to (4) of section 3317.012 of the Revised Code] 300
+ (the applicable special education weight X the 301
community school's base formula amount); 302

(ii) For each student reported under division (B)(2)(c) of 303
this section as enrolled in traditional half-day kindergarten and 304
receiving special education and related services pursuant to an 305
IEP for a handicap described in section 3317.013 of the Revised 306
Code, one-half of the amount calculated under the formula 307
prescribed in division (D)(2)(b)(i) of this section. 308

(3) An amount received from federal funds to provide special 309
education and related services to students in the community 310
school, as determined by the superintendent of public instruction. 311

(4) For each student reported under division (B)(2)~~(d)~~(e) of 312
this section as enrolled in vocational education programs or 313
classes that are described in section 3317.014 of the Revised 314
Code, are provided by the community school, and are comparable as 315
determined by the superintendent of public instruction to school 316
district vocational education programs and classes eligible for 317
state weighted funding under section 3317.014 of the Revised Code, 318
an amount equal to the applicable vocational education weight 319
times the community school's base formula amount times the 320
percentage of time the student spends in the vocational education 321
programs or classes. 322

(5) An amount equal to the sum of the amounts obtained when, 323
for each school district where the community school's students are 324
entitled to attend school, the number of that district's students 325
enrolled in the community school who are included in the 326

district's poverty student count is multiplied by the per pupil 327
amount of poverty-based assistance that school district receives 328
that year pursuant to division (B) or (C) of section 3317.029 of 329
the Revised Code, as adjusted by any poverty-based assistance 330
reduction factor of the community school. The per pupil amount of 331
aid shall be determined as described in division (C)(4) of this 332
section. 333

(6) An amount equal to the sum of the amounts obtained when, 334
for each school district where the community school's students are 335
entitled to attend school, the district's per pupil amount of aid 336
received under division (E) of section 3317.029 of the Revised 337
Code, as adjusted by any poverty-based assistance reduction factor 338
of the community school, is multiplied by the sum of the 339
following: 340

(a) The number of the district's students reported under 341
division (B)(2)(a) of this section who are enrolled in grades one 342
to three in that community school and who are not receiving 343
special education and related services pursuant to an IEP; 344

(b) One-half of the district's students who are enrolled in 345
all-day or any other kindergarten class in that community school 346
and who are not receiving special education and related services 347
pursuant to an IEP; 348

(c) One-half of the district's students who are enrolled in 349
all-day kindergarten in that community school and who are not 350
receiving special education and related services pursuant to an 351
IEP. 352

The district's per pupil amount of aid under division (E) of 353
section 3317.029 of the Revised Code shall be determined as 354
described in division (C)(5) of this section. 355

(7) An amount equal to the sum of the amounts obtained when, 356
for each school district where the community school's students are 357

entitled to attend school, the number of that district's students 358
enrolled in the community school who are identified as 359
limited-English proficient is multiplied by the district's per 360
pupil amount received under division (F) of section 3317.029 of 361
the Revised Code, as adjusted by any poverty-based assistance 362
reduction factor of the community school. 363

(8) An amount equal to the sum of the amounts obtained when, 364
for each school district where the community school's students are 365
entitled to attend school, the district's per pupil amount 366
received under division (G) of section 3317.029 of the Revised 367
Code, as adjusted by any poverty-based assistance reduction factor 368
of the community school, is multiplied by the sum of the 369
following: 370

(a) The number of the district's students enrolled in all-day 371
kindergarten and grades one through twelve in that community 372
school; 373

(b) One-half of the number of the district's students 374
enrolled in traditional half-day kindergarten in that community 375
school. 376

The district's per pupil amount under division (G) of section 377
3317.029 of the Revised Code shall be determined as described in 378
division (C)(7) of this section. 379

(9) An amount equal to the sum of the amounts obtained when, 380
for each school district where the community school's students are 381
entitled to attend school, the district's per pupil amount 382
received under divisions (H) and (I) of section 3317.029 of the 383
Revised Code, as adjusted by any poverty-based assistance 384
reduction factor of the community school, is multiplied by the sum 385
of the following: 386

(a) The number of the district's students enrolled in all-day 387
kindergarten and grades one through twelve in that community 388

school; 389

(b) One-half of the number of the district's students 390
enrolled in traditional half-day kindergarten in that community 391
school. 392

The district's per pupil amount under divisions (H) and (I) 393
of section 3317.029 of the Revised Code shall be determined as 394
described in division (C)(8) of this section. 395

(10) An amount equal to the sum of the amounts obtained when, 396
for each school district where the community school's students are 397
entitled to attend school, the district's per pupil amount of 398
state parity aid funding calculated under either division (C) or 399
(D) of section 3317.0217 of the Revised Code is multiplied by the 400
sum of the number of that district's students enrolled in all-day 401
kindergarten and grades one through twelve, and one-half of the 402
number of that district's students enrolled in traditional 403
half-day kindergarten, in the community school as reported under 404
division (B)(2)(a) and (b) of this section. 405

(E)(1) If a community school's costs for a fiscal year for a 406
student receiving special education and related services pursuant 407
to an IEP for a handicap described in divisions (B) to (F) of 408
section 3317.013 of the Revised Code exceed the threshold 409
catastrophic cost for serving the student as specified in division 410
(C)(3)(b) of section 3317.022 of the Revised Code, the school may 411
submit to the superintendent of public instruction documentation, 412
as prescribed by the superintendent, of all its costs for that 413
student. Upon submission of documentation for a student of the 414
type and in the manner prescribed, the department shall pay to the 415
community school an amount equal to the school's costs for the 416
student in excess of the threshold catastrophic costs. 417

(2) The community school shall only report under division 418
(E)(1) of this section, and the department shall only pay for, the 419

costs of educational expenses and the related services provided to 420
the student in accordance with the student's individualized 421
education program. Any legal fees, court costs, or other costs 422
associated with any cause of action relating to the student may 423
not be included in the amount. 424

(F) A community school may apply to the department of 425
education for preschool handicapped or gifted unit funding the 426
school would receive if it were a school district. Upon request of 427
its governing authority, a community school that received unit 428
funding as a school district-operated school before it became a 429
community school shall retain any units awarded to it as a school 430
district-operated school provided the school continues to meet 431
eligibility standards for the unit. 432

A community school shall be considered a school district and 433
its governing authority shall be considered a board of education 434
for the purpose of applying to any state or federal agency for 435
grants that a school district may receive under federal or state 436
law or any appropriations act of the general assembly. The 437
governing authority of a community school may apply to any private 438
entity for additional funds. 439

(G) A board of education sponsoring a community school may 440
utilize local funds to make enhancement grants to the school or 441
may agree, either as part of the contract or separately, to 442
provide any specific services to the community school at no cost 443
to the school. 444

(H) A community school may not levy taxes or issue bonds 445
secured by tax revenues. 446

(I) No community school shall charge tuition for the 447
enrollment of any student. 448

(J)(1)(a) A community school may borrow money to pay any 449
necessary and actual expenses of the school in anticipation of the 450

receipt of any portion of the payments to be received by the 451
school pursuant to division (D) of this section. The school may 452
issue notes to evidence such borrowing. The proceeds of the notes 453
shall be used only for the purposes for which the anticipated 454
receipts may be lawfully expended by the school. 455

(b) A school may also borrow money for a term not to exceed 456
fifteen years for the purpose of acquiring facilities. 457

(2) Except for any amount guaranteed under section 3318.50 of 458
the Revised Code, the state is not liable for debt incurred by the 459
governing authority of a community school. 460

(K) For purposes of determining the number of students for 461
which divisions (D)(5) and (6) of this section applies in any 462
school year, a community school may submit to the department of 463
job and family services, no later than the first day of March, a 464
list of the students enrolled in the school. For each student on 465
the list, the community school shall indicate the student's name, 466
address, and date of birth and the school district where the 467
student is entitled to attend school. Upon receipt of a list under 468
this division, the department of job and family services shall 469
determine, for each school district where one or more students on 470
the list is entitled to attend school, the number of students 471
residing in that school district who were included in the 472
department's report under section 3317.10 of the Revised Code. The 473
department shall make this determination on the basis of 474
information readily available to it. Upon making this 475
determination and no later than ninety days after submission of 476
the list by the community school, the department shall report to 477
the state department of education the number of students on the 478
list who reside in each school district who were included in the 479
department's report under section 3317.10 of the Revised Code. In 480
complying with this division, the department of job and family 481
services shall not report to the state department of education any 482

personally identifiable information on any student. 483

(L) The department of education shall adjust the amounts 484
subtracted and paid under divisions (C) and (D) of this section to 485
reflect any enrollment of students in community schools for less 486
than the equivalent of a full school year. The state board of 487
education within ninety days after April 8, 2003, shall adopt in 488
accordance with Chapter 119. of the Revised Code rules governing 489
the payments to community schools under this section including 490
initial payments in a school year and adjustments and reductions 491
made in subsequent periodic payments to community schools and 492
corresponding deductions from school district accounts as provided 493
under divisions (C) and (D) of this section. For purposes of this 494
section: 495

(1) A student shall be considered enrolled in the community 496
school for any portion of the school year the student is 497
participating at a college under Chapter 3365. of the Revised 498
Code. 499

(2) A student shall be considered to be enrolled in a 500
community school during a school year for the period of time 501
beginning on the later of the date on which the school both has 502
received documentation of the student's enrollment from a parent 503
and the student has commenced participation in learning 504
opportunities as defined in the contract with the sponsor, or 505
thirty days prior to the date on which the student is entered into 506
the education management information system established under 507
section 3301.0714 of the Revised Code. For purposes of applying 508
this division to a community school student, "learning 509
opportunities" shall be defined in the contract, which shall 510
describe both classroom-based and non-classroom-based learning 511
opportunities and shall be in compliance with criteria and 512
documentation requirements for student participation which shall 513
be established by the department. Any student's instruction time 514

in non-classroom-based learning opportunities shall be certified 515
by an employee of the community school. A student's enrollment 516
shall be considered to cease on the date on which any of the 517
following occur: 518

(a) The community school receives documentation from a parent 519
terminating enrollment of the student. 520

(b) The community school is provided documentation of a 521
student's enrollment in another public or private school. 522

(c) The community school ceases to offer learning 523
opportunities to the student pursuant to the terms of the contract 524
with the sponsor or the operation of any provision of this 525
chapter. 526

(3) A student's percentage of full-time equivalency shall be 527
considered to be the percentage the hours of learning opportunity 528
offered to that student is of nine hundred and twenty hours. 529
However, no internet- or computer-based community school shall be 530
credited for any time a student spends participating in learning 531
opportunities beyond ten hours within any period of twenty-four 532
consecutive hours. 533

(M) The department of education shall reduce the amounts paid 534
under division (D) of this section to reflect payments made to 535
colleges under division (B) of section 3365.07 of the Revised 536
Code. 537

(N)(1) No student shall be considered enrolled in any 538
internet- or computer-based community school or, if applicable to 539
the student, in any community school that is required to provide 540
the student with a computer pursuant to division (C) of section 541
3314.22 of the Revised Code, unless both of the following 542
conditions are satisfied: 543

(a) The student possesses or has been provided with all 544
required hardware and software materials and all such materials 545

are operational so that the student is capable of fully 546
participating in the learning opportunities specified in the 547
contract between the school and the school's sponsor as required 548
by division (A)(23) of section 3314.03 of the Revised Code; 549

(b) The school is in compliance with division (A) of section 550
3314.22 of the Revised Code, relative to such student. 551

(2) In accordance with policies adopted jointly by the 552
superintendent of public instruction and the auditor of state, the 553
department shall reduce the amounts otherwise payable under 554
division (D) of this section to any community school that includes 555
in its program the provision of computer hardware and software 556
materials to any student, if such hardware and software materials 557
have not been delivered, installed, and activated for each such 558
student in a timely manner or other educational materials or 559
services have not been provided according to the contract between 560
the individual community school and its sponsor. 561

The superintendent of public instruction and the auditor of 562
state shall jointly establish a method for auditing any community 563
school to which this division pertains to ensure compliance with 564
this section. 565

The superintendent, auditor of state, and the governor shall 566
jointly make recommendations to the general assembly for 567
legislative changes that may be required to assure fiscal and 568
academic accountability for such schools. 569

(O)(1) If the department determines that a review of a 570
community school's enrollment is necessary, such review shall be 571
completed and written notice of the findings shall be provided to 572
the governing authority of the community school and its sponsor 573
within ninety days of the end of the community school's fiscal 574
year, unless extended for a period not to exceed thirty additional 575
days for one of the following reasons: 576

(a) The department and the community school mutually agree to the extension. 577
578

(b) Delays in data submission caused by either a community school or its sponsor. 579
580

(2) If the review results in a finding that additional funding is owed to the school, such payment shall be made within thirty days of the written notice. If the review results in a finding that the community school owes moneys to the state, the following procedure shall apply: 581
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583
584
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(a) Within ten business days of the receipt of the notice of findings, the community school may appeal the department's determination to the state board of education or its designee. 586
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588

(b) The board or its designee shall conduct an informal hearing on the matter within thirty days of receipt of such an appeal and shall issue a decision within fifteen days of the conclusion of the hearing. 589
590
591
592

(c) If the board has enlisted a designee to conduct the hearing, the designee shall certify its decision to the board. The board may accept the decision of the designee or may reject the decision of the designee and issue its own decision on the matter. 593
594
595
596

(d) Any decision made by the board under this division is final. 597
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(3) If it is decided that the community school owes moneys to the state, the department shall deduct such amount from the school's future payments in accordance with guidelines issued by the superintendent of public instruction. 599
600
601
602

(P) The department shall not subtract from a school district's state aid account under division (C) of this section and shall not pay to a community school under division (D) of this section any amount for any of the following: 603
604
605
606

(1) Any student who has graduated from the twelfth grade of a public or nonpublic high school;

(2) Any student who is not a resident of the state;

(3) Any student who was enrolled in the community school during the previous school year when tests were administered under section 3301.0711 of the Revised Code but did not take one or more of the tests required by that section and was not excused pursuant to division (C)(1) or (3) of that section, unless the superintendent of public instruction grants the student a waiver from the requirement to take the test and a parent is not paying tuition for the student pursuant to section 3314.26 of the Revised Code. The superintendent may grant a waiver only for good cause in accordance with rules adopted by the state board of education.

(4) Any student who has attained the age of twenty-two years, except for veterans of the armed services whose attendance was interrupted before completing the recognized twelve-year course of the public schools by reason of induction or enlistment in the armed forces and who apply for enrollment in a community school not later than four years after termination of war or their honorable discharge. If, however, any such veteran elects to enroll in special courses organized for veterans for whom tuition is paid under federal law, or otherwise, the department shall not subtract from a school district's state aid account under division (C) of this section and shall not pay to a community school under division (D) of this section any amount for that veteran.

Sec. 3314.084. (A) As used in this section:

(1) "Formula ADM" has the same meaning as in section 3317.03 of the Revised Code.

(2) "Home" has the same meaning as in section 3313.64 of the Revised Code.

(3) "School district of residence" has the same meaning as in 637
section 3323.01 of the Revised Code; however, a community school 638
established under this chapter is not a "school district of 639
residence" for purposes of this section. 640

(B) Notwithstanding anything to the contrary in section 641
3314.08 or 3317.03 of the Revised Code, all of the following apply 642
in the case of a child who is enrolled in a community school and 643
is also living in a home: 644

(1) For purposes of the report required under division (B)(1) 645
of section 3314.08 of the Revised Code, the child's school 646
district of residence, and not the school district in which the 647
home that the child is living in is located, shall be considered 648
to be the school district in which the child is entitled to attend 649
school. That school district of residence, therefore, shall make 650
the report required under division (B)(1) of section 3314.08 of 651
the Revised Code with respect to the child. 652

(2) For purposes of the report required under division (B)(2) 653
of section 3314.08 of the Revised Code, the community school shall 654
report the name of the child's school district of residence. 655

(3) The child's school district of residence shall count the 656
child in that district's formula ADM. 657

(4) The school district in which the home that the child is 658
living in is located shall not count the child in that district's 659
formula ADM. 660

(5) The ~~Department~~ department of ~~Education~~ education shall 661
deduct the applicable amounts prescribed under division (C) of 662
section 3314.08 ~~and division (D) of section 3314.13~~ of the Revised 663
Code from the child's school district of residence and shall not 664
deduct those amounts from the school district in which the home 665
that the child is living in is located. 666

(6) The ~~Department~~ department shall make the payments 667

prescribed in divisions (D) and (E) of section 3314.08 ~~and section~~ 668
~~3314.13~~ of the Revised Code, as applicable, to the community 669
school. 670

Sec. 3317.016. In addition to its form SF-3, or any successor 671
to that form, the department of education shall publish on its web 672
site a spreadsheet for each school district that specifies the 673
constituent components of the district's "building blocks" funds, 674
as follows: 675

(A) For compensation of base classroom teachers, as described 676
in division (B)(1) of section 3317.012 of the Revised Code, each 677
spreadsheet shall specify the district's aggregate and per pupil 678
amounts of state funds and of combined state and local funds, the 679
average compensation decided by the general assembly for base 680
classroom teachers, as specified in that division, and the number 681
of base classroom teachers attributable to the district based on 682
the student-teacher ratio decided by the general assembly, as 683
specified in that division. 684

(B) Each spreadsheet shall specify the district's aggregate 685
and per pupil amounts of state funds and of combined state and 686
local funds for each of the following: 687

(1) Other personnel support, as described in division (B)(2) 688
of section 3317.012 of the Revised Code; 689

(2) Nonpersonnel support, as described in division (B)(3) of 690
that section; 691

(3) Academic intervention services, as described in division 692
(C)(1) of that section; 693

(4) Professional development, as described in division (C)(2) 694
of that section; 695

(5) Data-based decision making, as described in division 696
(C)(3) of that section; 697

(6) Professional development for data-based decision making, 698
as described in division (C)(4) of that section. 699

(C) Each spreadsheet shall separately specify the district's 700
aggregate and per pupil state funds for each of the following 701
components of poverty-based assistance under section 3317.029 of 702
the Revised Code: 703

(1) Poverty-based assistance guarantee payment under division 704
(B) of that section; 705

(2) Academic intervention funding under division (C) of that 706
section; 707

~~(3) All-day kindergarten under division (D) of that section;~~ 708

~~(4) Class-size reduction under division (E) of that section;~~ 709

~~(5)~~(4) Services to limited English proficient students under 710
division (F) of that section; 711

~~(6)~~(5) Professional development, under division (G) of that 712
section; 713

~~(7)~~(6) Dropout prevention under division (H) of that section; 714

~~(8)~~(7) Community outreach under division (I) of that section. 715

Sec. 3317.017. (A) Not later than July 1, 2006, the 716
superintendent of public instruction shall adopt a rule under 717
which the superintendent may issue an order with respect to the 718
spending, by a school district declared to be under an academic 719
watch or in a state of academic emergency under section 3302.03 of 720
the Revised Code, of the following state building block funds 721
intended to pay instructional-related costs: 722

(1) State funds for compensation of base classroom teachers, 723
as described in division (B)(1) of section 3317.012 of the Revised 724
Code; 725

(2) State funds for academic intervention services under 726

division (C)(1) of section 3317.012 and division (C) of section 3317.029 of the Revised Code;	727 728
(3) State funds for professional development under divisions (C)(2) and (4) of section 3317.012 and division (G) of section 3317.029 of the Revised Code;	729 730 731
(4) State funds for data based decision making under division (C)(3) of section 3317.012 of the Revised Code;	732 733
(5) The poverty-based assistance guarantee payment under division (B) of section 3317.029 of the Revised Code;	734 735
(6) State funds for all day kindergarten under division (D) of section 3317.029 of the Revised Code;	736 737
(7) State funds for class-size reduction under division (E) of section 3317.029 of the Revised Code;	738 739
(8) <u>(7)</u> State funds for services to limited English proficient students under division (F) of section 3317.029 of the Revised Code;	740 741 742
(9) <u>(8)</u> State funds for dropout prevention under division (H) of section 3317.029 of the Revised Code;	743 744
(10) <u>(9)</u> State funds for community outreach under division (I) of section 3317.029 of the Revised Code.	745 746
(B) The rule shall authorize the superintendent of public instruction to issue an order that does one or a combination of the following:	747 748 749
(1) Requires the school district to periodically report to the superintendent of public instruction on its spending of the state funds paid for each building blocks component described in divisions (A)(1) to (10) <u>(9)</u> of this section;	750 751 752 753
(2) Requires the district to establish a separate account for each of the building blocks components described in divisions (A)(1) to (10) <u>(9)</u> of this section to which the district shall	754 755 756

credit the state funds paid for each; 757

(3) Directs the district's spending of any or all of the 758
state funds paid for the components described in divisions (A)(1) 759
to ~~(10)~~(9) of this section in accordance with the descriptions and 760
requirements of sections 3317.012 and 3317.029 of the Revised 761
Code. 762

(C) The rule shall specify situations in which the 763
superintendent may issue an order and the types of orders the 764
superintendent will issue for each of those situations. The rule, 765
however, shall authorize the superintendent to issue orders in 766
situations that are not enumerated or described in the rule. 767

(D) The board of education of each school district to which 768
the superintendent of public instruction issues an order pursuant 769
to the rule adopted under this section shall comply with that 770
order. 771

Sec. 3317.02. As used in this chapter: 772

(A) Unless otherwise specified, "school district" means city, 773
local, and exempted village school districts. 774

(B) "Formula amount" means the base cost for the fiscal year 775
specified in division (B)(4) of section 3317.012 of the Revised 776
Code. 777

(C) "FTE basis" means a count of students based on full-time 778
equivalency, in accordance with rules adopted by the department of 779
education pursuant to section 3317.03 of the Revised Code. Each 780
student enrolled in traditional half-day kindergarten shall be 781
counted as one-half of one full-time equivalent student, and each 782
student enrolled in all-day kindergarten shall be counted as one 783
full-time equivalent student. In adopting its rules under this 784
division, the department shall provide for counting any student in 785
category one, two, three, four, five, or six special education ADM 786

or in category one or two vocational education ADM in the same 787
proportion the student is counted in formula ADM. 788

(D) "Formula ADM" means, for a city, local, or exempted 789
village school district, the number reported pursuant to division 790
(A) of section 3317.03 of the Revised Code, and for a joint 791
vocational school district, the number reported pursuant to 792
division (D) of section 3317.03 of the Revised Code. Beginning in 793
fiscal year 2007, for payments in which formula ADM is a factor, 794
the formula ADM for each school district for the fiscal year is 795
the sum of one-half of the number reported for October of that 796
fiscal year plus one-half of the average of the numbers reported 797
for October and February of that fiscal year. 798

(E) "Three-year average formula ADM" means the average of 799
formula ADMs for the current and preceding two fiscal years. 800

(F)(1) "Category one special education ADM" means the average 801
daily membership of handicapped children receiving special 802
education services for the handicap specified in division (A) of 803
section 3317.013 of the Revised Code and reported under division 804
(B)(5) or (D)(2)(b) of section 3317.03 of the Revised Code. 805
Beginning in fiscal year 2007, the district's category one special 806
education ADM for a fiscal year is the sum of one-half of the 807
number reported for October of that fiscal year plus one-half of 808
the average of the numbers reported for October and February of 809
that fiscal year. 810

(2) "Category two special education ADM" means the average 811
daily membership of handicapped children receiving special 812
education services for those handicaps specified in division (B) 813
of section 3317.013 of the Revised Code and reported under 814
division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised 815
Code. Beginning in fiscal year 2007, the district's category two 816
special education ADM for a fiscal year is the sum of one-half of 817
the number reported for October of that fiscal year plus one-half 818

of the average of the numbers reported for October and February of 819
that fiscal year. 820

(3) "Category three special education ADM" means the average 821
daily membership of students receiving special education services 822
for those handicaps specified in division (C) of section 3317.013 823
of the Revised Code, and reported under division (B)(7) or 824
(D)(2)(d) of section 3317.03 of the Revised Code. Beginning in 825
fiscal year 2007, the district's category three special education 826
ADM for a fiscal year is the sum of one-half of the number 827
reported for October of that fiscal year plus one-half of the 828
average of the numbers reported for October and February of that 829
fiscal year. 830

(4) "Category four special education ADM" means the average 831
daily membership of students receiving special education services 832
for those handicaps specified in division (D) of section 3317.013 833
of the Revised Code and reported under division (B)(8) or 834
(D)(2)(e) of section 3317.03 of the Revised Code. Beginning in 835
fiscal year 2007, the district's category four special education 836
ADM for a fiscal year is the sum of one-half of the number 837
reported for October of that fiscal year plus one-half of the 838
average of the numbers reported for October and February of that 839
fiscal year. 840

(5) "Category five special education ADM" means the average 841
daily membership of students receiving special education services 842
for the handicap specified in division (E) of section 3317.013 of 843
the Revised Code and reported under division (B)(9) or (D)(2)(f) 844
of section 3317.03 of the Revised Code. Beginning in fiscal year 845
2007, the district's category five special education ADM for a 846
fiscal year is the sum of one-half of the number reported for 847
October of that fiscal year plus one-half of the average of the 848
numbers reported for October and February of that fiscal year. 849

(6) "Category six special education ADM" means the average 850

daily membership of students receiving special education services 851
for the handicap specified in division (F) of section 3317.013 of 852
the Revised Code and reported under division (B)(10) or (D)(2)(g) 853
of section 3317.03 of the Revised Code. Beginning in fiscal year 854
2007, the district's category six special education ADM for a 855
fiscal year is the sum of one-half of the number reported for 856
October of that fiscal year plus one-half of the average of the 857
numbers reported for October and February of that fiscal year. 858

(7) "Category one vocational education ADM" means the average 859
daily membership of students receiving vocational education 860
services described in division (A) of section 3317.014 of the 861
Revised Code and reported under division (B)(11) or (D)(2)(h) of 862
section 3317.03 of the Revised Code. Beginning in fiscal year 863
2007, the district's category one vocational education ADM for a 864
fiscal year is the sum of one-half of the number reported for 865
October of that fiscal year plus one-half of the average of the 866
numbers reported for October and February of that fiscal year. 867

(8) "Category two vocational education ADM" means the average 868
daily membership of students receiving vocational education 869
services described in division (B) of section 3317.014 of the 870
Revised Code and reported under division (B)(12) or (D)(2)(i) of 871
section 3317.03 of the Revised Code. Beginning in fiscal year 872
2007, the district's category two vocational education ADM for a 873
fiscal year is the sum of one-half of the number reported for 874
October of that fiscal year plus one-half of the average of the 875
numbers reported for October and February of that fiscal year. 876

(G) "Handicapped preschool child" means a handicapped child, 877
as defined in section 3323.01 of the Revised Code, who is at least 878
age three but is not of compulsory school age, as defined in 879
section 3321.01 of the Revised Code, and who is not currently 880
enrolled in kindergarten. 881

(H) "County MR/DD board" means a county board of mental 882

retardation and developmental disabilities.	883
(I) "Recognized valuation" means the amount calculated for a school district pursuant to section 3317.015 of the Revised Code.	884 885
(J) "Transportation ADM" means the number of children reported under division (B)(13) of section 3317.03 of the Revised Code.	886 887 888
(K) "Average efficient transportation use cost per student" means a statistical representation of transportation costs as calculated under division (D)(2) of section 3317.022 of the Revised Code.	889 890 891 892
(L) "Taxes charged and payable" means the taxes charged and payable against real and public utility property after making the reduction required by section 319.301 of the Revised Code, plus the taxes levied against tangible personal property.	893 894 895 896
(M) "Total taxable value" means the sum of the amounts certified for a city, local, exempted village, or joint vocational school district under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.	897 898 899 900
(N) "Cost-of-doing-business factor" means the amount indicated in division (N)(1) or (2) of this section for the county in which a city, local, exempted village, or joint vocational school district is located. If a city, local, or exempted village school district is located in 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.	901 902 903 904 905 906 907 908 909 910 911
(1) In fiscal year 2006, the cost-of-doing-business factor for each county is:	912 913

	COST-OF-DOING-BUSINESS	914
COUNTY	FACTOR AMOUNT	915
Adams	1.00233	916
Allen	1.01373	917
Ashland	1.01980	918
Ashtabula	1.02647	919
Athens	1.00093	920
Auglaize	1.01647	921
Belmont	1.00427	922
Brown	1.01180	923
Butler	1.04307	924
Carroll	1.00913	925
Champaign	1.02973	926
Clark	1.02980	927
Clermont	1.03607	928
Clinton	1.02193	929
Columbiana	1.01427	930
Coshocton	1.01153	931
Crawford	1.01093	932
Cuyahoga	1.04173	933
Darke	1.02253	934
Defiance	1.00973	935
Delaware	1.03520	936
Erie	1.02587	937
Fairfield	1.02440	938
Fayette	1.02127	939
Franklin	1.04053	940
Fulton	1.0220	941
Gallia	1.00000	942
Geauga	1.03340	943
Greene	1.02960	944
Guernsey	1.00440	945
Hamilton	1.05000	946

Hancock	1.01433	947
Hardin	1.02373	948
Harrison	1.00493	949
Henry	1.02120	950
Highland	1.00987	951
Hocking	1.01253	952
Holmes	1.01187	953
Huron	1.01953	954
Jackson	1.00920	955
Jefferson	1.00487	956
Knox	1.01860	957
Lake	1.03493	958
Lawrence	1.00540	959
Licking	1.02540	960
Logan	1.02567	961
Lorain	1.03433	962
Lucas	1.02600	963
Madison	1.03253	964
Mahoning	1.02307	965
Marion	1.02040	966
Medina	1.03573	967
Meigs	1.00173	968
Mercer	1.01353	969
Miami	1.02740	970
Monroe	1.00333	971
Montgomery	1.03020	972
Morgan	1.00593	973
Morrow	1.02007	974
Muskingum	1.00847	975
Noble	1.00487	976
Ottawa	1.03240	977
Paulding	1.00767	978
Perry	1.01067	979

Pickaway	1.02607	980
Pike	1.00687	981
Portage	1.03147	982
Preble	1.02947	983
Putnam	1.01440	984
Richland	1.01327	985
Ross	1.01007	986
Sandusky	1.02140	987
Scioto	1.00080	988
Seneca	1.01487	989
Shelby	1.01853	990
Stark	1.01700	991
Summit	1.03613	992
Trumbull	1.02340	993
Tuscarawas	1.00593	994
Union	1.03333	995
Van Wert	1.00887	996
Vinton	1.00633	997
Warren	1.04387	998
Washington	1.00400	999
Wayne	1.02320	1000
Williams	1.01520	1001
Wood	1.02400	1002
Wyandot	1.01140	1003

(2) In fiscal year 2007, the cost-of-doing-business factor
for each county is:

	COST-OF-DOING-BUSINESS	1006
COUNTY	FACTOR AMOUNT	1007
Adams	1.00117	1008
Allen	1.00687	1009
Ashland	1.00990	1010
Ashtabula	1.01323	1011
Athens	1.00047	1012

Auglaize	1.00823	1013
Belmont	1.00213	1014
Brown	1.00590	1015
Butler	1.02153	1016
Carroll	1.00457	1017
Champaign	1.01487	1018
Clark	1.01490	1019
Clermont	1.01803	1020
Clinton	1.01097	1021
Columbiana	1.00713	1022
Coshocton	1.00577	1023
Crawford	1.00547	1024
Cuyahoga	1.02087	1025
Darke	1.01127	1026
Defiance	1.00487	1027
Delaware	1.01760	1028
Erie	1.01293	1029
Fairfield	1.01220	1030
Fayette	1.01063	1031
Franklin	1.02027	1032
Fulton	1.01100	1033
Gallia	1.00000	1034
Geauga	1.01670	1035
Greene	1.01480	1036
Guernsey	1.00220	1037
Hamilton	1.02500	1038
Hancock	1.00717	1039
Hardin	1.01187	1040
Harrison	1.00247	1041
Henry	1.01060	1042
Highland	1.00493	1043
Hocking	1.00627	1044
Holmes	1.00593	1045

Huron	1.00977	1046
Jackson	1.00460	1047
Jefferson	1.00243	1048
Knox	1.00930	1049
Lake	1.01747	1050
Lawrence	1.00270	1051
Licking	1.01270	1052
Logan	1.01283	1053
Lorain	1.01717	1054
Lucas	1.01300	1055
Madison	1.01627	1056
Mahoning	1.01153	1057
Marion	1.01020	1058
Medina	1.01787	1059
Meigs	1.00087	1060
Mercer	1.00677	1061
Miami	1.01370	1062
Monroe	1.00167	1063
Montgomery	1.01510	1064
Morgan	1.00297	1065
Morrow	1.01003	1066
Muskingum	1.00423	1067
Noble	1.00243	1068
Ottawa	1.01620	1069
Paulding	1.00383	1070
Perry	1.00533	1071
Pickaway	1.01303	1072
Pike	1.00343	1073
Portage	1.01573	1074
Preble	1.01473	1075
Putnam	1.00720	1076
Richland	1.00663	1077
Ross	1.00503	1078

Sandusky	1.01070	1079
Scioto	1.00040	1080
Seneca	1.00743	1081
Shelby	1.00927	1082
Stark	1.00850	1083
Summit	1.01807	1084
Trumbull	1.01170	1085
Tuscarawas	1.00297	1086
Union	1.01667	1087
Van Wert	1.00443	1088
Vinton	1.00317	1089
Warren	1.02193	1090
Washington	1.00200	1091
Wayne	1.01160	1092
Williams	1.00760	1093
Wood	1.01200	1094
Wyandot	1.00570	1095

(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 recognized valuation 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 1111
districts in the state. 1112

(S) "Income factor" for a city, exempted village, or local 1113
school district means the quotient obtained by dividing that 1114
district's median income by the statewide median income. 1115

(T) "Medically fragile child" means a child to whom all of 1116
the following apply: 1117

(1) The child requires the services of a doctor of medicine 1118
or osteopathic medicine at least once a week due to the 1119
instability of the child's medical condition. 1120

(2) The child requires the services of a registered nurse on 1121
a daily basis. 1122

(3) The child is at risk of institutionalization in a 1123
hospital, skilled nursing facility, or intermediate care facility 1124
for the mentally retarded. 1125

(U) A child may be identified as "other health 1126
handicapped-major" if the child's condition meets the definition 1127
of "other health impaired" established in rules adopted by the 1128
state board of education prior to July 1, 2001, and if either of 1129
the following apply: 1130

(1) The child is identified as having a medical condition 1131
that is among those listed by the superintendent of public 1132
instruction as conditions where a substantial majority of cases 1133
fall within the definition of "medically fragile child." The 1134
superintendent of public instruction shall issue an initial list 1135
no later than September 1, 2001. 1136

(2) The child is determined by the superintendent of public 1137
instruction to be a medically fragile child. A school district 1138
superintendent may petition the superintendent of public 1139
instruction for a determination that a child is a medically 1140

fragile child. 1141

(V) A child may be identified as "other health 1142
handicapped-minor" if the child's condition meets the definition 1143
of "other health impaired" established in rules adopted by the 1144
state board of education prior to July 1, 2001, but the child's 1145
condition does not meet either of the conditions specified in 1146
division (U)(1) or (2) of this section. 1147

(W) "SF-3 payment" means the sum of the payments to a school 1148
district in a fiscal year under divisions (A), (C)(1), (C)(4), 1149
(D), (E), and (F) of section 3317.022, divisions (G), (L), and (N) 1150
of section 3317.024, and sections 3317.029, 3317.0216, 3317.0217, 1151
3317.04, 3317.05, 3317.052, and 3317.053 of the Revised Code after 1152
making the adjustments required by sections 3313.981 and 3313.979 1153
of the Revised Code, divisions (B), (C), (D), (E), (K), (L), (M), 1154
(N), and (O) of section 3317.023, and division (C) of section 1155
3317.20 of the Revised Code. 1156

(X) "Property exemption value" means zero in fiscal year 1157
2006, and in fiscal year 2007 and each fiscal year thereafter, the 1158
amount certified for a school district under divisions (A)(6) and 1159
(7) of section 3317.021 of the Revised Code. 1160

(Y) "All-day kindergarten" means a kindergarten class that is 1161
in session five days per week for not less than the same number of 1162
clock hours each day as for pupils in grades one through six. 1163

Sec. 3317.029. (A) As used in this section: 1164

(1) "Poverty percentage" means the quotient obtained by 1165
dividing the five-year average number of children ages five to 1166
seventeen residing in the school district and living in a family 1167
receiving assistance under the Ohio works first program or an 1168
antecedent program known as TANF or ADC, as certified or adjusted 1169
under section 3317.10 of the Revised Code, by the district's 1170

three-year average formula ADM. 1171

(2) "Statewide poverty percentage" means the five-year 1172
average of the total number of children ages five to seventeen 1173
years residing in the state and receiving assistance under the 1174
Ohio works first program or an antecedent program known as TANF or 1175
ADC, divided by the sum of the three-year average formula ADMs for 1176
all school districts in the state. 1177

(3) "Poverty index" means the quotient obtained by dividing 1178
the school district's poverty percentage by the statewide poverty 1179
percentage. 1180

(4) "Poverty student count" means the five-year average 1181
number of children ages five to seventeen residing in the school 1182
district and living in a family receiving assistance under the 1183
Ohio works first program or an antecedent program known as TANF or 1184
ADC, as certified under section 3317.10 of the Revised Code. 1185

(5) "Kindergarten ADM" means the number of students reported 1186
under section 3317.03 of the Revised Code as enrolled in 1187
kindergarten, excluding any kindergarten students reported under 1188
division (B)(3)(e), (f), or (g) of section 3317.03 of the Revised 1189
Code. 1190

(6) "Kindergarten through third grade ADM" means the amount 1191
calculated as follows: 1192

~~(a) Multiply the kindergarten ADM by the sum of one plus the 1193
all-day kindergarten percentage;~~ 1194

~~(b) Add the The number of students in grades ~~one~~ kindergarten 1195
through three; minus 1196~~

~~(c) Subtract from the sum calculated under division (A)(6)(b) 1197
of this section the (b) The number of special education students 1198
in grades kindergarten through three. 1199~~

"Kindergarten through third grade ADM" shall not include any 1200

students reported under division (B)(3)(e), (f), or (g) of section 1201
3317.03 of the Revised Code. 1202

~~(7) "All-day kindergarten" means a kindergarten class that is 1203
in session five days per week for not less than the same number of 1204
clock hours each day as for pupils in grades one through six. 1205~~

~~(8) "All-day kindergarten percentage" means the percentage of 1206
a district's actual total number of students enrolled in 1207
kindergarten who are enrolled in all-day kindergarten. 1208~~

~~(9)(8) "Buildings with the highest concentration of need" 1209
means the school buildings in a district with percentages of 1210
students in grades kindergarten through three receiving assistance 1211
under Ohio works first at least as high as the district-wide 1212
percentage of students receiving such assistance. 1213~~

If, in any fiscal year, the information provided by the 1214
department of job and family services under section 3317.10 of the 1215
Revised Code is insufficient to determine the Ohio works first 1216
percentage in each building, "buildings with the highest 1217
concentration of need" has the meaning given in rules that the 1218
department of education shall adopt. The rules shall base the 1219
definition of "buildings with the highest concentration of need" 1220
on family income of students in grades kindergarten through three 1221
in a manner that, to the extent possible with available data, 1222
approximates the intent of this division and division (K) of this 1223
section to designate buildings where the Ohio works first 1224
percentage in those grades equals or exceeds the district-wide 1225
Ohio works first percentage. 1226

(B) In addition to the amounts required to be paid to a 1227
school district under section 3317.022 of the Revised Code, the 1228
department of education shall compute and distribute to each 1229
school district for poverty-based assistance the greater of the 1230
following: 1231

(1) The amount the district received in fiscal year 2005 for 1232
disadvantaged pupil impact aid pursuant to Section 41.10 of Am. 1233
Sub. H.B. 95 of the 125th general assembly, as amended, minus both 1234
the amount the district received for that year under that section 1235
that is attributable to all-day kindergarten for all of the 1236
district's students enrolled in all-day kindergarten, except those 1237
enrolled in internet- or computer-based community schools, and the 1238
amount deducted from the district under Section 16 of Am. Sub. 1239
S.B. 2 of the 125th general assembly that year for all 1240
disadvantaged pupil impact aid payments to internet- ~~and~~ or 1241
computer-based community schools; 1242

(2) The sum of the computations made under divisions (C) to 1243
(I) of this section. 1244

(C) A payment for academic intervention programs, if the 1245
district's poverty index is greater than or equal to 0.25, 1246
calculated as follows: 1247

(1) If the district's poverty index is greater than or equal 1248
to 0.25, calculate the district's level one amount for large-group 1249
academic intervention for all students as follows: 1250

(a) If the district's poverty index is greater than or equal 1251
to 0.25 but less than 0.75: 1252

large-group intervention units X hourly rate X 1253
level one hours X [(poverty index - 0.25)/0.5] 1254
X phase-in percentage 1255

Where: 1256

(i) "Large-group intervention units" equals the district's 1257
formula ADM divided by 20; 1258

(ii) "Hourly rate" equals \$20.00 in fiscal year 2006 and 1259
\$20.40 in fiscal year 2007; 1260

(iii) "Level one hours" equals 25 hours; 1261

(iv) "Phase-in percentage" equals 0.60 in fiscal year 2006 1262
and 1.00 in fiscal year 2007. 1263

(b) If the district's poverty index is greater than or equal 1264
to 0.75: 1265

large-group intervention units X hourly rate X 1266
level one hours X phase-in percentage 1267

Where "large-group intervention units," "hourly rate," "level 1268
one hours," and "phase-in percentage" have the same meanings as in 1269
division (C)(1)(a) of this section. 1270

(2) If the district's poverty index is greater than or equal 1271
to 0.75, calculate the district's level two amount for 1272
medium-group academic intervention for all students as follows: 1273

(a) If the district's poverty index is greater than or equal 1274
to 0.75 but less than 1.50: 1275

medium-group intervention units X hourly rate 1276
X {level one hours + [25 hours X ((poverty index - 0.75)/0.75)]} 1277
X phase-in percentage 1278

Where: 1279

(i) "Medium group intervention units" equals the district's 1280
formula ADM divided by 15; 1281

(ii) "Hourly rate," "level one hours," and "phase-in 1282
percentage" have the same meanings as in division (C)(1)(a) of 1283
this section. 1284

(b) If the district's poverty index is greater than or equal 1285
to 1.50: 1286

medium-group intervention units X hourly rate X 1287
level two hours X phase-in percentage 1288

Where: 1289

(i) "Medium group intervention units" has the same meaning as 1290
in division (C)(2)(a)(i) of this section; 1291

(ii) "Hourly rate" and "phase-in percentage" have the same meanings as in division (C)(1)(a) of this section;	1292 1293
(iii) "Level two hours" equals 50 hours.	1294
(3) If the district's poverty index is greater than or equal to 1.50, calculate the district's level three amount for small-group academic intervention for impoverished students as follows:	1295 1296 1297 1298
(a) If the district's poverty index is greater than or equal to 1.50 but less than 2.50:	1299 1300
small group intervention units X hourly rate X	1301
{level one hours + [level three hours X	1302
(poverty index - 1.50)]} X phase-in percentage	1303
Where:	1304
(i) "Small group intervention units" equals the quotient of (the district's poverty student count times 3) divided by 10;	1305 1306
(ii) "Hourly rate," "level one hours," and "phase-in percentage" have the same meanings as in division (C)(1)(a) of this section;	1307 1308 1309
(iii) "Level three hours" equals 135 hours.	1310
(b) If the district's poverty index is greater than or equal to 2.50:	1311 1312
small group intervention units X hourly rate	1313
X level three hours X phase-in percentage	1314
Where:	1315
(i) "Small group intervention units" has the same meaning as in division (C)(3)(a)(i) of this section;	1316 1317
(ii) "Hourly rate" and "phase-in percentage" have the same meanings as in division (C)(1)(a) of this section;	1318 1319
(iii) "Level three hours" equals 160 hours.	1320

Any district that receives funds under division (C)(2) or (3) 1321
of this section annually shall submit to the department of 1322
education by a date established by the department a plan 1323
describing how the district will deploy those funds. The 1324
deployment measures described in that plan shall comply with any 1325
applicable spending requirements prescribed in division (J)~~(6)~~(5) 1326
of this section or with any order issued by the superintendent of 1327
public instruction under section 3317.017 of the Revised Code. 1328

(D) ~~A~~ This division does not apply after fiscal year 2007. 1329

A payment for all-day kindergarten if the poverty index of 1330
the school district is greater than or equal to 1.0 or if the 1331
district's three-year average formula ADM exceeded seventeen 1332
thousand five hundred. In addition, the department shall make a 1333
payment under this division to any school district that, in a 1334
prior fiscal year, qualified for this payment and provided all-day 1335
kindergarten, regardless of changes to the district's poverty 1336
index. The department shall calculate the payment under this 1337
division by multiplying the all-day kindergarten percentage by the 1338
kindergarten ADM and multiplying that product by the formula 1339
amount. 1340

(E) A class-size reduction payment based on calculating the 1341
number of new teachers necessary to achieve a lower 1342
student-teacher ratio, as follows: 1343

(1) Determine or calculate a formula number of teachers per 1344
one thousand students based on the poverty index of the school 1345
district as follows: 1346

(a) If the poverty index of the school district is less than 1347
1.0, the formula number of teachers is 50.0, which is the number 1348
of teachers per one thousand students at a student-teacher ratio 1349
of twenty to one; 1350

(b) If the poverty index of the school district is greater 1351

than or equal to 1.0, but less than 1.5, the formula number of teachers is calculated as follows:

$$50.0 + \{[(\text{poverty index} - 1.0)/0.5] \times 16.667\}$$

Where 50.0 is the number of teachers per one thousand students at a student-teacher ratio of twenty to one; 0.5 is the interval from a poverty index of 1.0 to a poverty index of 1.5; and 16.667 is the difference in the number of teachers per one thousand students at a student-teacher ratio of fifteen to one and the number of teachers per one thousand students at a student-teacher ratio of twenty to one.

(c) If the poverty index of the school district is greater than or equal to 1.5, the formula number of teachers is 66.667, which is the number of teachers per one thousand students at a student-teacher ratio of fifteen to one.

(2) Multiply the formula number of teachers determined or calculated in division (E)(1) of this section by the kindergarten through third grade ADM for the district and divide that product by one thousand;

(3) Calculate the number of new teachers as follows:

(a) Multiply the kindergarten through third grade ADM by 50.0, which is the number of teachers per one thousand students at a student-teacher ratio of twenty to one, and divide that product by one thousand;

(b) Subtract the quotient obtained in division (E)(3)(a) of this section from the product in division (E)(2) of this section.

(4) Multiply the greater of the difference obtained under division (E)(3) of this section or zero by the statewide average teachers compensation. For this purpose, the "statewide average teacher compensation" is \$53,680 in fiscal year 2006 and \$54,941 in fiscal year 2007, which includes an amount for the value of fringe benefits.

(F) A payment for services to limited English proficient students, if the district's poverty index is greater than or equal to 1.0 and the proportion of its students who are limited English proficient, as reported in 2003 on its school district report card issued under section 3302.03 of the Revised Code for the 2002-2003 school year, is greater than or equal to 2.0%, calculated as follows:

(1) If the district's poverty index is greater than or equal to 1.0, but less than 1.75, determine the amount per limited English proficient student as follows:

$$\{0.125 + [0.125 \times ((\text{poverty index} - 1.0)/0.75)]\} \times \text{formula amount}$$

(2) If the district's poverty index is greater than or equal to 1.75, the amount per limited English proficient student equals:
0.25 X formula amount

(3) Multiply the per student amount determined for the district under division (F)(1) or (2) of this section by the number of the district's limited English proficient students, times a phase-in percentage of 0.40 in fiscal year 2006 and 0.70 in fiscal year 2007. For purposes of this calculation, the number of limited English proficient students for each district shall be the number determined by the department when it calculated the district's percentage of limited English proficient students for its school district report card issued in 2003 for the 2002-2003 school year.

Not later than December 31, 2006, the department of education shall recommend to the general assembly and the director of budget and management a method of identifying the number of limited English proficient students for purposes of calculating payments under this division after fiscal year 2007.

(G) A payment for professional development of teachers, if

the district's poverty index is greater than or equal to 1.0, 1414
calculated as follows: 1415

(1) If the district's poverty index is greater than or equal 1416
to 1.0, but less than 1.75, determine the amount per teacher as 1417
follows: 1418

$[(\text{poverty index} - 1.0)/0.75] \times 0.045 \times \text{formula amount}$ 1419

(2) If the district's poverty index is greater than or equal 1420
to 1.75, the amount per teacher equals: 1421

$0.045 \times \text{formula amount}$ 1422

(3) Determine the number of teachers, as follows: 1423

$(\text{formula ADM}/17)$ 1424

(4) Multiply the per teacher amount determined for the 1425
district under division (G)(1) or (2) of this section by the 1426
number of teachers determined under division (G)(3) of this 1427
section, times a phase-in percentage of 0.40 in fiscal year 2006 1428
and 0.70 in fiscal year 2007. 1429

(H) A payment for dropout prevention, if the district is a 1430
big eight school district as defined in section 3314.02 of the 1431
Revised Code, calculated as follows: 1432

$0.005 \times \text{formula amount} \times \text{poverty index}$ 1433

$\times \text{formula ADM} \times \text{phase-in percentage}$ 1434

Where "phase-in percentage" equals 0.40 in fiscal year 2006 1435
and 0.70 in fiscal year 2007. 1436

(I) An amount for community outreach, if the district is an 1437
urban school district as defined in section 3314.02 of the Revised 1438
Code, calculated as follows: 1439

$0.005 \times \text{formula amount} \times \text{poverty index} \times$ 1440

$\text{formula ADM} \times \text{phase-in percentage}$ 1441

Where "phase-in percentage" equals 0.40 in fiscal year 2006 1442
and 0.70 in fiscal year 2007. 1443

(J) This division applies only to school districts whose poverty index is 1.0 or greater. 1444
1445

~~(1) Each school district subject to this division shall first utilize funds received under this section so that, when combined with other funds of the district, sufficient funds exist to provide all day kindergarten to at least the number of children in the district's all day kindergarten percentage. To satisfy this requirement, a district may use funds paid under division (C), (F), (G), (H), or (I) of this section to provide all day kindergarten in addition to the all day kindergarten payment under division (D) of this section.~~ 1446
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~~(2) Except as permitted under division (J)(1) of this section, each Each school district shall use its payment under division (F) of this section for one or more of the following purposes:~~ 1455
1456
1457
1458

(a) To hire teachers for limited English proficient students or other personnel to provide intervention services for those students; 1459
1460
1461

(b) To contract for intervention services for those students; 1462

(c) To provide other services to assist those students in passing the third-grade reading achievement test, and to provide for those students the intervention services required by section 3313.608 of the Revised Code. 1463
1464
1465
1466

~~(3) Except as permitted under division (J)(1) of this section, each~~ 1467
1468

(2) Each school district shall use its payment under division (G) of this section for professional development of teachers or other licensed personnel providing educational services to students only in one or more of the following areas: 1469
1470
1471
1472

(a) Data-based decision making; 1473

(b) Standards-based curriculum models; 1474

(c) Job-embedded professional development activities that are 1475
research-based, as defined in federal law. 1476

In addition, each district shall use the payment only to 1477
implement programs identified on a list of eligible professional 1478
development programs provided by the department of education. The 1479
department annually shall provide the list to each district 1480
receiving a payment under division (G) of this section. However, a 1481
district may apply to the department for a waiver to implement an 1482
alternative professional development program in one or more of the 1483
areas specified in divisions (J)~~(3)~~(2)(a) to (c) of this section. 1484
If the department grants the waiver, the district may use its 1485
payment under division (G) of this section to implement the 1486
alternative program. 1487

~~(4) Except as permitted under division (J)(1) of this~~ 1488
~~section, each~~ (3) Each big eight school district shall use its 1489
payment under division (H) of this section either for preventing 1490
at-risk students from dropping out of school, for safety and 1491
security measures described in division (J)~~(5)~~(4)(b) of this 1492
section, for academic intervention services described in division 1493
(J)~~(6)~~(5) of this section, or for a combination of those purposes. 1494
Not later than September 1, 2005, the department of education 1495
shall provide each big eight school district with a list of 1496
dropout prevention programs that it has determined are successful. 1497
The department subsequently may update the list. Each district 1498
that elects to use its payment under division (H) of this section 1499
for dropout prevention shall use the payment only to implement a 1500
dropout prevention program specified on the department's list. 1501
However, a district may apply to the department for a waiver to 1502
implement an alternative dropout prevention program. If the 1503
department grants the waiver, the district may use its payment 1504
under division (H) of this section to implement the alternative 1505

program. 1506

~~(5) Except as permitted under division (J)(1) of this~~ 1507
~~section, each~~ (4) Each urban school district that has a poverty 1508
index greater than or equal to 1.0 shall use its payment under 1509
division (I) of this section for one or a combination of the 1510
following purposes: 1511

(a) To hire or contract for community liaison officers, 1512
attendance or truant officers, or safety and security personnel; 1513

(b) To implement programs designed to ensure that schools are 1514
free of drugs and violence and have a disciplined environment 1515
conducive to learning; 1516

(c) To implement academic intervention services described in 1517
division (J)~~(6)~~(5) of this section. 1518

~~(6) Except as permitted under division (J)(1) of this~~ 1519
~~section, each~~ (5) Each school district with a poverty index 1520
greater than or equal to 1.0 shall use the amount of its payment 1521
under division (C) of this section, and may use any amount of its 1522
payment under division (H) or (I) of this section, for academic 1523
intervention services for students who have failed or are in 1524
danger of failing any of the tests administered pursuant to 1525
section 3301.0710 of the Revised Code, including intervention 1526
services required by section 3313.608 of the Revised Code. ~~Except~~ 1527
~~as permitted under division (J)(1) of this section, no~~ No district 1528
shall spend any portion of its payment under division (C) of this 1529
section for any other purpose. Notwithstanding any provision to 1530
the contrary in Chapter 4117. of the Revised Code, no collective 1531
bargaining agreement entered into after June 30, 2005, shall 1532
require use of the payment for any other purpose. 1533

~~(7)~~(6) Except as otherwise required by division (K) or 1534
permitted under division (O) of this section, all remaining funds 1535
distributed under this section to districts with a poverty index 1536

greater than or equal to 1.0 shall be utilized for the purpose of 1537
the third grade guarantee. The third grade guarantee consists of 1538
increasing the amount of instructional attention received per 1539
pupil in kindergarten through third grade, either by reducing the 1540
ratio of students to instructional personnel or by increasing the 1541
amount of instruction and curriculum-related activities by 1542
extending the length of the school day or the school year. 1543

School districts may implement a reduction of the ratio of 1544
students to instructional personnel through any or all of the 1545
following methods: 1546

(a) Reducing the number of students in a classroom taught by 1547
a single teacher; 1548

(b) Employing full-time educational aides or educational 1549
paraprofessionals issued a permit or license under section 1550
3319.088 of the Revised Code; 1551

(c) Instituting a team-teaching method that will result in a 1552
lower student-teacher ratio in a classroom. 1553

Districts may extend the school day either by increasing the 1554
amount of time allocated for each class, increasing the number of 1555
classes provided per day, offering optional academic-related 1556
after-school programs, providing curriculum-related extra 1557
curricular activities, or establishing tutoring or remedial 1558
services for students who have demonstrated an educational need. 1559
In accordance with section 3319.089 of the Revised Code, a 1560
district extending the school day pursuant to this division may 1561
utilize a participant of the work experience program who has a 1562
child enrolled in a public school in that district and who is 1563
fulfilling the work requirements of that program by volunteering 1564
or working in that public school. If the work experience program 1565
participant is compensated, the school district may use the funds 1566
distributed under this section for all or part of the 1567

compensation. 1568

Districts may extend the school year either through adding 1569
regular days of instruction to the school calendar or by providing 1570
summer programs. 1571

(K) Each district shall not expend any funds received under 1572
division (E) of this section in any school buildings that are not 1573
buildings with the highest concentration of need, unless there is 1574
a ratio of instructional personnel to students of no more than 1575
fifteen to one in each kindergarten and first grade class in all 1576
buildings with the highest concentration of need. This division 1577
does not require that the funds used in buildings with the highest 1578
concentration of need be spent solely to reduce the ratio of 1579
instructional personnel to students in kindergarten and first 1580
grade. A school district may spend the funds in those buildings in 1581
any manner permitted by division (J)~~(7)~~(6) of this section, but 1582
may not spend the money in other buildings unless the 1583
fifteen-to-one ratio required by this division is attained. 1584

~~(L)(1) By the first day of August of each fiscal year, each 1585
school district wishing to receive any funds under division (D) of 1586
this section shall submit to the department of education an 1587
estimate of its all day kindergarten percentage. Each district 1588
shall update its estimate throughout the fiscal year in the form 1589
and manner required by the department, and the department shall 1590
adjust payments under this section to reflect the updates. 1591~~

~~(2)~~ Annually by the end of December, the department of 1592
education, utilizing data from the information system established 1593
under section 3301.0714 of the Revised Code, shall determine for 1594
each school district subject to division (J) of this section 1595
whether in the preceding fiscal year the district's ratio of 1596
instructional personnel to students ~~and its number of kindergarten 1597
students receiving all day kindergarten appear~~ appears reasonable, 1598
given the amounts of money the district received for that fiscal 1599

year pursuant to ~~divisions (D) and~~ division (E) of this section. 1600
If the department is unable to verify from the data available that 1601
students are receiving reasonable amounts of instructional 1602
attention ~~and all-day kindergarten~~, given the funds the district 1603
has received under this section, and that class-size reduction 1604
funds are being used in school buildings with the highest 1605
concentration of need as required by division (K) of this section, 1606
the department shall conduct a more intensive investigation to 1607
ensure that funds have been expended as required by this section. 1608
The department shall file an annual report of its findings under 1609
this division with the chairpersons of the committees in each 1610
house of the general assembly dealing with finance and education. 1611

(M)(1) ~~Each school district with a poverty index less than~~ 1612
~~1.0 that receives a payment under division (D) of this section~~ 1613
~~shall first utilize funds received under this section so that,~~ 1614
~~when combined with other funds of the district, sufficient funds~~ 1615
~~exist to provide all-day kindergarten to at least the number of~~ 1616
~~children in the district's all-day kindergarten percentage. To~~ 1617
~~satisfy this requirement, a district may use funds paid under~~ 1618
~~division (C) or (I) of this section to provide all-day~~ 1619
~~kindergarten in addition to the all-day kindergarten payment under~~ 1620
~~division (D) of this section.~~ 1621

~~(2) Except as permitted under division (M)(1) of this~~ 1622
~~section, each~~ school district with a poverty index less than 1.0 1623
that receives a payment under division (C) of this section shall 1624
use its payment under that division in accordance with all 1625
requirements of division (J)~~(6)~~(5) of this section. 1626

~~(3) Except as permitted under division (M)(1) of this~~ 1627
~~section, each~~ (2) Each school district with a poverty index less 1628
than 1.0 that receives a payment under division (I) of this 1629
section shall use its payment under that division for one or a 1630
combination of the following purposes: 1631

(a) To hire or contract for community liaison officers,	1632
attendance or truant officers, or safety and security personnel;	1633
(b) To implement programs designed to ensure that schools are	1634
free of drugs and violence and have a disciplined environment	1635
conducive to learning;	1636
(c) To implement academic intervention services described in	1637
division (J) (6) <u>(5)</u> of this section.	1638
(4) <u>(3)</u> Each school district to which division (M)(1) or (2)	1639
 or (3) of this section applies shall expend the remaining funds	1640
received under this section, and any other district with a poverty	1641
index less than 1.0 shall expend all funds received under this	1642
section, for any of the following purposes:	1643
(a) The purchase of technology for instructional purposes for	1644
remediation;	1645
(b) All-day kindergarten;	1646
(e) Reduction of class sizes in grades kindergarten through	1647
three, as described in division (J) (7) <u>(6)</u> of this section;	1648
(d) <u>(c)</u> Summer school remediation;	1649
(e) <u>(d)</u> Dropout prevention programs approved by the department	1650
of education under division (J) (4) <u>(3)</u> of this section;	1651
(f) <u>(e)</u> Guaranteeing that all third graders are ready to	1652
progress to more advanced work;	1653
(g) <u>(f)</u> Summer education and work programs;	1654
(h) <u>(g)</u> Adolescent pregnancy programs;	1655
(i) <u>(h)</u> Head start, preschool, early childhood education, or	1656
early learning programs;	1657
(j) <u>(i)</u> Reading improvement and remediation programs described	1658
by the department of education;	1659
(k) <u>(j)</u> Programs designed to ensure that schools are free of	1660

drugs and violence and have a disciplined environment conducive to learning;

~~(l)(k)~~ Furnishing, free of charge, materials used in courses of instruction, except for the necessary textbooks or electronic textbooks required to be furnished without charge pursuant to section 3329.06 of the Revised Code, to pupils living in families participating in Ohio works first in accordance with section 3313.642 of the Revised Code;

~~(m)(l)~~ School breakfasts provided pursuant to section 3313.813 of the Revised Code.

~~(N) If at any time the superintendent of public instruction determines that a school district receiving funds under division (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 of public instruction shall also withhold an appropriate amount of funds otherwise due a district for any other misuse of funds not in accordance with this section.

~~(O)(1) A district may use a portion of the funds calculated for it under division (D) of this section to modify or purchase classroom space to provide all-day kindergarten, if both of the following conditions are met:~~

~~(a) The district certifies to the department, in a manner acceptable to the department, that it has a shortage of space for providing all-day kindergarten.~~

~~(b) The district provides all-day kindergarten to the number of children in the all-day kindergarten percentage it certified under this section.~~

~~(2)~~ A district may use a portion of the funds described in 1692
division (J)~~(7)~~(6) of this section to modify or purchase classroom 1693
space to enable it to further reduce class size in grades 1694
kindergarten through two with a goal of attaining class sizes of 1695
fifteen students per licensed teacher. To do so, the district must 1696
certify its need for additional space to the department, in a 1697
manner satisfactory to the department. 1698

Sec. 3317.03. ~~Notwithstanding divisions (A)(1), (B)(1), and 1699
(C) of this section, except as provided in division (A)(2)(h) of 1700
this section, any student enrolled in kindergarten more than half 1701
time shall be reported as one half student under this section. 1702~~

(A) The superintendent of each city and exempted village 1703
school district and of each educational service center shall, for 1704
the schools under the superintendent's supervision, certify to the 1705
state board of education on or before the fifteenth day of October 1706
in each year for the first full school week in October the formula 1707
ADM. Beginning in fiscal year 2007, each superintendent also shall 1708
certify to the state board, for the schools under the 1709
superintendent's supervision, the formula ADM for the first full 1710
week in February. If a school under the superintendent's 1711
supervision is closed for one or more days during that week due to 1712
hazardous weather conditions or other circumstances described in 1713
the first paragraph of division (B) of section 3317.01 of the 1714
Revised Code, the superintendent may apply to the superintendent 1715
of public instruction for a waiver, under which the superintendent 1716
of public instruction may exempt the district superintendent from 1717
certifying the formula ADM for that school for that week and 1718
specify an alternate week for certifying the formula ADM of that 1719
school. 1720

The formula ADM shall consist of the average daily membership 1721
during such week of the sum of the following: 1722

(1) On an FTE basis, the number of students in grades	1723
kindergarten through twelve receiving any educational services	1724
from the district, except that the following categories of	1725
students shall not be included in the determination:	1726
(a) Students enrolled in adult education classes;	1727
(b) Adjacent or other district students enrolled in the	1728
district under an open enrollment policy pursuant to section	1729
3313.98 of the Revised Code;	1730
(c) Students receiving services in the district pursuant to a	1731
compact, cooperative education agreement, or a contract, but who	1732
are entitled to attend school in another district pursuant to	1733
section 3313.64 or 3313.65 of the Revised Code;	1734
(d) Students for whom tuition is payable pursuant to sections	1735
3317.081 and 3323.141 of the Revised Code;	1736
(e) Students receiving services in the district through a	1737
scholarship awarded under section 3310.41 of the Revised Code.	1738
(2) On an FTE basis, except as provided in division (A)(2)(h)	1739
of this section, the number of students entitled to attend school	1740
in the district pursuant to section 3313.64 or 3313.65 of the	1741
Revised Code, but receiving educational services in grades	1742
kindergarten through twelve from one or more of the following	1743
entities:	1744
(a) A community school pursuant to Chapter 3314. of the	1745
Revised Code, including any participation in a college pursuant to	1746
Chapter 3365. of the Revised Code while enrolled in such community	1747
school;	1748
(b) An alternative school pursuant to sections 3313.974 to	1749
3313.979 of the Revised Code as described in division (I)(2)(a) or	1750
(b) of this section;	1751
(c) A college pursuant to Chapter 3365. of the Revised Code,	1752

except when the student is enrolled in the college while also 1753
enrolled in a community school pursuant to Chapter 3314. of the 1754
Revised Code; 1755

(d) An adjacent or other school district under an open 1756
enrollment policy adopted pursuant to section 3313.98 of the 1757
Revised Code; 1758

(e) An educational service center or cooperative education 1759
district; 1760

(f) Another school district under a cooperative education 1761
agreement, compact, or contract; 1762

(g) A chartered nonpublic school with a scholarship paid 1763
under section 3310.08 of the Revised Code; 1764

(h) An alternative public provider or a registered private 1765
provider with a scholarship awarded under section 3310.41 of the 1766
Revised Code. Each such scholarship student who is enrolled in 1767
kindergarten shall be counted as one full-time-equivalent student. 1768

As used in this section, "alternative public provider" and 1769
"registered private provider" have the same meanings as in section 1770
3310.41 of the Revised Code. 1771

(3) Twenty per cent of the number of students enrolled in a 1772
joint vocational school district or under a vocational education 1773
compact, excluding any students entitled to attend school in the 1774
district under section 3313.64 or 3313.65 of the Revised Code who 1775
are enrolled in another school district through an open enrollment 1776
policy as reported under division (A)(2)(d) of this section and 1777
then enroll in a joint vocational school district or under a 1778
vocational education compact; 1779

(4) The number of handicapped children, other than 1780
handicapped preschool children, entitled to attend school in the 1781
district pursuant to section 3313.64 or 3313.65 of the Revised 1782

Code who are placed by the district with a county MR/DD board, 1783
minus the number of such children placed with a county MR/DD board 1784
in fiscal year 1998. If this calculation produces a negative 1785
number, the number reported under division (A)(4) of this section 1786
shall be zero. 1787

(5) Beginning in fiscal year 2007, in the case of the report 1788
submitted for the first full week in February, or the alternative 1789
week if specified by the superintendent of public instruction, the 1790
number of students reported under division (A)(1) or (2) of this 1791
section for the first full week of the preceding October but who 1792
since that week have received high school diplomas. 1793

(B) To enable the department of education to obtain the data 1794
needed to complete the calculation of payments pursuant to this 1795
chapter, in addition to the formula ADM, each superintendent shall 1796
report separately the following student counts for the same week 1797
for which formula ADM is certified: 1798

(1) The total average daily membership in regular day classes 1799
included in the report under division (A)(1) or (2) of this 1800
section for traditional half-day kindergarten, all-day 1801
kindergarten, and each of grades one through twelve in schools 1802
under the superintendent's supervision; 1803

(2) The number of all handicapped preschool children enrolled 1804
as of the first day of December in classes in the district that 1805
are eligible for approval under division (B) of section 3317.05 of 1806
the Revised Code and the number of those classes, which shall be 1807
reported not later than the fifteenth day of December, in 1808
accordance with rules adopted under that section; 1809

(3) The number of children entitled to attend school in the 1810
district pursuant to section 3313.64 or 3313.65 of the Revised 1811
Code who are: 1812

(a) Participating in a pilot project scholarship program 1813

established under sections 3313.974 to 3313.979 of the Revised Code as described in division (I)(2)(a) or (b) of this section; 1814
1815

(b) Enrolled in a college under Chapter 3365. of the Revised Code, except when the student is enrolled in the college while also enrolled in a community school pursuant to Chapter 3314. of the Revised Code; 1816
1817
1818
1819

(c) Enrolled in an adjacent or other school district under section 3313.98 of the Revised Code; 1820
1821

(d) Enrolled in a community school established under Chapter 3314. of the Revised Code that is not an internet- or computer-based community school as defined in section 3314.02 of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in such community school; 1822
1823
1824
1825
1826
1827

(e) Enrolled in an internet- or computer-based community school, as defined in section 3314.02 of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in the school; 1828
1829
1830
1831

(f) Enrolled in a chartered nonpublic school with a scholarship paid under section 3310.08 of the Revised Code; 1832
1833

(g) Enrolled in kindergarten through grade twelve in an alternative public provider or a registered private provider with a scholarship awarded under section 3310.41 of the Revised Code; 1834
1835
1836

(h) Enrolled as a handicapped preschool child in an alternative public provider or a registered private provider with a scholarship awarded under section 3310.41 of the Revised Code; 1837
1838
1839

(i) Participating in a program operated by a county MR/DD board or a state institution. 1840
1841

(4) The number of pupils enrolled in joint vocational schools; 1842
1843

(5) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for the category one handicap described in division (A) of section 3317.013 of the Revised Code;	1844 1845 1846 1847
(6) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category two handicaps described in division (B) of section 3317.013 of the Revised Code;	1848 1849 1850 1851
(7) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category three handicaps described in division (C) of section 3317.013 of the Revised Code;	1852 1853 1854 1855
(8) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category four handicaps described in division (D) of section 3317.013 of the Revised Code;	1856 1857 1858 1859
(9) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for the category five handicap described in division (E) of section 3317.013 of the Revised Code;	1860 1861 1862 1863
(10) The combined average daily membership of handicapped children reported under division (A)(1) or (2) and under division (B)(3)(h) of this section receiving special education services for category six handicaps described in division (F) of section 3317.013 of the Revised Code, including children attending a special education program operated by an alternative public provider or a registered private provider with a scholarship awarded under section 3310.41 of the Revised Code;	1864 1865 1866 1867 1868 1869 1870 1871
(11) 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	1872 1873 1874

(A) of section 3317.014 of the Revised Code, operated by the 1875
school district or by another district, other than a joint 1876
vocational school district, or by an educational service center, 1877
excluding any student reported under division (B)(3)(e) of this 1878
section as enrolled in an internet- or computer-based community 1879
school, notwithstanding division (C) of section 3317.02 of the 1880
Revised Code and division (C)(3) of this section; 1881

(12) The average daily membership of pupils reported under 1882
division (A)(1) or (2) of this section enrolled in category two 1883
vocational education programs or services, described in division 1884
(B) of section 3317.014 of the Revised Code, operated by the 1885
school district or another school district, other than a joint 1886
vocational school district, or by an educational service center, 1887
excluding any student reported under division (B)(3)(e) of this 1888
section as enrolled in an internet- or computer-based community 1889
school, notwithstanding division (C) of section 3317.02 of the 1890
Revised Code and division (C)(3) of this section; 1891

(13) The average number of children transported by the school 1892
district on board-owned or contractor-owned and -operated buses, 1893
reported in accordance with rules adopted by the department of 1894
education; 1895

(14)(a) The number of children, other than handicapped 1896
preschool children, the district placed with a county MR/DD board 1897
in fiscal year 1998; 1898

(b) The number of handicapped children, other than 1899
handicapped preschool children, placed with a county MR/DD board 1900
in the current fiscal year to receive special education services 1901
for the category one handicap described in division (A) of section 1902
3317.013 of the Revised Code; 1903

(c) The number of handicapped children, other than 1904
handicapped preschool children, placed with a county MR/DD board 1905

in the current fiscal year to receive special education services	1906
for category two handicaps described in division (B) of section	1907
3317.013 of the Revised Code;	1908
(d) The number of handicapped children, other than	1909
handicapped preschool children, placed with a county MR/DD board	1910
in the current fiscal year to receive special education services	1911
for category three handicaps described in division (C) of section	1912
3317.013 of the Revised Code;	1913
(e) The number of handicapped children, other than	1914
handicapped preschool children, placed with a county MR/DD board	1915
in the current fiscal year to receive special education services	1916
for category four handicaps described in division (D) of section	1917
3317.013 of the Revised Code;	1918
(f) The number of handicapped children, other than	1919
handicapped preschool children, placed with a county MR/DD board	1920
in the current fiscal year to receive special education services	1921
for the category five handicap described in division (E) of	1922
section 3317.013 of the Revised Code;	1923
(g) The number of handicapped children, other than	1924
handicapped preschool children, placed with a county MR/DD board	1925
in the current fiscal year to receive special education services	1926
for category six handicaps described in division (F) of section	1927
3317.013 of the Revised Code.	1928
(C)(1) Except as otherwise provided in this section for	1929
kindergarten students, the <u>The</u> average daily membership in	1930
divisions (B)(1) to (12) of this section shall be based upon the	1931
number of full-time equivalent students. The state board of	1932
education shall adopt rules defining full-time equivalent students	1933
and for determining the average daily membership therefrom for the	1934
purposes of divisions (A), (B), and (D) of this section.	1935
(2) A student enrolled in a community school established	1936

under Chapter 3314. of the Revised Code shall be counted in the 1937
formula ADM and, if applicable, the category one, two, three, 1938
four, five, or six special education ADM of the school district in 1939
which the student is entitled to attend school under section 1940
3313.64 or 3313.65 of the Revised Code for the same proportion of 1941
the school year that the student is counted in the enrollment of 1942
the community school for purposes of section 3314.08 of the 1943
Revised Code. 1944

(3) No child shall be counted as more than a total of one 1945
child in the sum of the average daily memberships of a school 1946
district under division (A), divisions (B)(1) to (12), or division 1947
(D) of this section, except as follows: 1948

(a) A child with a handicap described in section 3317.013 of 1949
the Revised Code may be counted both in formula ADM and in 1950
category one, two, three, four, five, or six special education ADM 1951
and, if applicable, in category one or two vocational education 1952
ADM. As provided in division (C) of section 3317.02 of the Revised 1953
Code, such a child shall be counted in category one, two, three, 1954
four, five, or six special education ADM in the same proportion 1955
that the child is counted in formula ADM. 1956

(b) A child enrolled in vocational education programs or 1957
classes described in section 3317.014 of the Revised Code may be 1958
counted both in formula ADM and category one or two vocational 1959
education ADM and, if applicable, in category one, two, three, 1960
four, five, or six special education ADM. Such a child shall be 1961
counted in category one or two vocational education ADM in the 1962
same proportion as the percentage of time that the child spends in 1963
the vocational education programs or classes. 1964

(4) Based on the information reported under this section, the 1965
department of education shall determine the total student count, 1966
as defined in section 3301.011 of the Revised Code, for each 1967
school district. 1968

(D)(1) The superintendent of each joint vocational school 1969
district shall certify to the superintendent of public instruction 1970
on or before the fifteenth day of October in each year for the 1971
first full school week in October the formula ADM. Beginning in 1972
fiscal year 2007, each superintendent also shall certify to the 1973
state superintendent the formula ADM for the first full week in 1974
February. If a school operated by the joint vocational school 1975
district is closed for one or more days during that week due to 1976
hazardous weather conditions or other circumstances described in 1977
the first paragraph of division (B) of section 3317.01 of the 1978
Revised Code, the superintendent may apply to the superintendent 1979
of public instruction for a waiver, under which the superintendent 1980
of public instruction may exempt the district superintendent from 1981
certifying the formula ADM for that school for that week and 1982
specify an alternate week for certifying the formula ADM of that 1983
school. 1984

The formula ADM, except as otherwise provided in this 1985
division, shall consist of the average daily membership during 1986
such week, on an FTE basis, of the number of students receiving 1987
any educational services from the district, including students 1988
enrolled in a community school established under Chapter 3314. of 1989
the Revised Code who are attending the joint vocational district 1990
under an agreement between the district board of education and the 1991
governing authority of the community school and are entitled to 1992
attend school in a city, local, or exempted village school 1993
district whose territory is part of the territory of the joint 1994
vocational district. Beginning in fiscal year 2007, in the case of 1995
the report submitted for the first week in February, or the 1996
alternative week if specified by the superintendent of public 1997
instruction, the superintendent of the joint vocational school 1998
district may include the number of students reported under 1999
division (D)(1) of this section for the first full week of the 2000
preceding October but who since that week have received high 2001

school diplomas.	2002
The following categories of students shall not be included in the determination made under division (D)(1) of this section:	2003 2004
(a) Students enrolled in adult education classes;	2005
(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;	2006 2007 2008
(c) Students receiving services in the district pursuant to a compact, cooperative education agreement, or a contract, but who are entitled to attend school in a city, local, or exempted village school district whose territory is not part of the territory of the joint vocational district;	2009 2010 2011 2012 2013
(d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code.	2014 2015
(2) To enable the department of education to obtain the data needed to complete the calculation of payments pursuant to this chapter, in addition to the formula ADM, each superintendent shall report separately the average daily membership included in the report under division (D)(1) of this section for each of the following categories of students for the same week for which formula ADM is certified:	2016 2017 2018 2019 2020 2021 2022
(a) Students enrolled in each grade included in the joint vocational district schools;	2023 2024
(b) Handicapped children receiving special education services for the category one handicap described in division (A) of section 3317.013 of the Revised Code;	2025 2026 2027
(c) Handicapped children receiving special education services for the category two handicaps described in division (B) of section 3317.013 of the Revised Code;	2028 2029 2030
(d) Handicapped children receiving special education services	2031

for category three handicaps described in division (C) of section	2032
3317.013 of the Revised Code;	2033
(e) Handicapped children receiving special education services	2034
for category four handicaps described in division (D) of section	2035
3317.013 of the Revised Code;	2036
(f) Handicapped children receiving special education services	2037
for the category five handicap described in division (E) of	2038
section 3317.013 of the Revised Code;	2039
(g) Handicapped children receiving special education services	2040
for category six handicaps described in division (F) of section	2041
3317.013 of the Revised Code;	2042
(h) Students receiving category one vocational education	2043
services, described in division (A) of section 3317.014 of the	2044
Revised Code;	2045
(i) Students receiving category two vocational education	2046
services, described in division (B) of section 3317.014 of the	2047
Revised Code.	2048
The superintendent of each joint vocational school district	2049
shall also indicate the city, local, or exempted village school	2050
district in which each joint vocational district pupil is entitled	2051
to attend school pursuant to section 3313.64 or 3313.65 of the	2052
Revised Code.	2053
(E) In each school of each city, local, exempted village,	2054
joint vocational, and cooperative education school district there	2055
shall be maintained a record of school membership, which record	2056
shall accurately show, for each day the school is in session, the	2057
actual membership enrolled in regular day classes. For the purpose	2058
of determining average daily membership, the membership figure of	2059
any school shall not include any pupils except those pupils	2060
described by division (A) of this section. The record of	2061
membership for each school shall be maintained in such manner that	2062

no pupil shall be counted as in membership prior to the actual 2063
date of entry in the school and also in such manner that where for 2064
any cause a pupil permanently withdraws from the school that pupil 2065
shall not be counted as in membership from and after the date of 2066
such withdrawal. There shall not be included in the membership of 2067
any school any of the following: 2068

(1) Any pupil who has graduated from the twelfth grade of a 2069
public or nonpublic high school; 2070

(2) Any pupil who is not a resident of the state; 2071

(3) Any pupil who was enrolled in the schools of the district 2072
during the previous school year when tests were administered under 2073
section 3301.0711 of the Revised Code but did not take one or more 2074
of the tests required by that section and was not excused pursuant 2075
to division (C)(1) or (3) of that section; 2076

(4) Any pupil who has attained the age of twenty-two years, 2077
except for veterans of the armed services whose attendance was 2078
interrupted before completing the recognized twelve-year course of 2079
the public schools by reason of induction or enlistment in the 2080
armed forces and who apply for reenrollment in the public school 2081
system of their residence not later than four years after 2082
termination of war or their honorable discharge. 2083

If, however, any veteran described by division (E)(4) of this 2084
section elects to enroll in special courses organized for veterans 2085
for whom tuition is paid under the provisions of federal laws, or 2086
otherwise, that veteran shall not be included in average daily 2087
membership. 2088

Notwithstanding division (E)(3) of this section, the 2089
membership of any school may include a pupil who did not take a 2090
test required by section 3301.0711 of the Revised Code if the 2091
superintendent of public instruction grants a waiver from the 2092
requirement to take the test to the specific pupil and a parent is 2093

not paying tuition for the pupil pursuant to section 3313.6410 of 2094
the Revised Code. The superintendent may grant such a waiver only 2095
for good cause in accordance with rules adopted by the state board 2096
of education. 2097

Except as provided in divisions (B)(2) and (F) of this 2098
section, the average daily membership figure of any local, city, 2099
exempted village, or joint vocational school district shall be 2100
determined by dividing the figure representing the sum of the 2101
number of pupils enrolled during each day the school of attendance 2102
is actually open for instruction during the week for which the 2103
formula ADM is being certified by the total number of days the 2104
school was actually open for instruction during that week. For 2105
purposes of state funding, "enrolled" persons are only those 2106
pupils who are attending school, those who have attended school 2107
during the current school year and are absent for authorized 2108
reasons, and those handicapped children currently receiving home 2109
instruction. 2110

The average daily membership figure of any cooperative 2111
education school district shall be determined in accordance with 2112
rules adopted by the state board of education. 2113

(F)(1) If the formula ADM for the first full school week in 2114
February is at least three per cent greater than that certified 2115
for the first full school week in the preceding October, the 2116
superintendent of schools of any city, exempted village, or joint 2117
vocational school district or educational service center shall 2118
certify such increase to the superintendent of public instruction. 2119
Such certification shall be submitted no later than the fifteenth 2120
day of February. For the balance of the fiscal year, beginning 2121
with the February payments, the superintendent of public 2122
instruction shall use the increased formula ADM in calculating or 2123
recalculating the amounts to be allocated in accordance with 2124
section 3317.022 or 3317.16 of the Revised Code. In no event shall 2125

the superintendent use an increased membership certified to the 2126
superintendent after the fifteenth day of February. Division 2127
(F)(1) of this section does not apply after fiscal year 2006. 2128

(2) If on the first school day of April the total number of 2129
classes or units for handicapped preschool children that are 2130
eligible for approval under division (B) of section 3317.05 of the 2131
Revised Code exceeds the number of units that have been approved 2132
for the year under that division, the superintendent of schools of 2133
any city, exempted village, or cooperative education school 2134
district or educational service center shall make the 2135
certifications required by this section for that day. If the 2136
department determines additional units can be approved for the 2137
fiscal year within any limitations set forth in the acts 2138
appropriating moneys for the funding of such units, the department 2139
shall approve additional units for the fiscal year on the basis of 2140
such average daily membership. For each unit so approved, the 2141
department shall pay an amount computed in the manner prescribed 2142
in section 3317.052 or 3317.19 and section 3317.053 of the Revised 2143
Code. 2144

(3) If a student attending a community school under Chapter 2145
3314. of the Revised Code is not included in the formula ADM 2146
certified for the school district in which the student is entitled 2147
to attend school under section 3313.64 or 3313.65 of the Revised 2148
Code, the department of education shall adjust the formula ADM of 2149
that school district to include the community school student in 2150
accordance with division (C)(2) of this section, and shall 2151
recalculate the school district's payments under this chapter for 2152
the entire fiscal year on the basis of that adjusted formula ADM. 2153
This requirement applies regardless of whether the student was 2154
enrolled, as defined in division (E) of this section, in the 2155
community school during the week for which the formula ADM is 2156
being certified. 2157

(4) If a student awarded an educational choice scholarship is not included in the formula ADM of the school district from which the department deducts funds for the scholarship under section 3310.08 of the Revised Code, the department shall adjust the formula ADM of that school district to include the student to the extent necessary to account for the deduction, and shall recalculate the school district's payments under this chapter for the entire fiscal year on the basis of that adjusted formula ADM. This requirement applies regardless of whether the student was enrolled, as defined in division (E) of this section, in the chartered nonpublic school, the school district, or a community school during the week for which the formula ADM is being certified.

(G)(1)(a) The superintendent of an institution operating a special education program pursuant to section 3323.091 of the Revised Code shall, for the programs under such superintendent's supervision, certify to the state board of education, in the manner prescribed by the superintendent of public instruction, both of the following:

(i) The average daily membership of all handicapped children other than handicapped preschool children receiving services at the institution for each category of handicap described in divisions (A) to (F) of section 3317.013 of the Revised Code;

(ii) The average daily membership of all handicapped preschool children in classes or programs approved annually by the department of education for unit funding under section 3317.05 of the Revised Code.

(b) The superintendent of an institution with vocational education units approved under division (A) of section 3317.05 of the Revised Code shall, for the units under the superintendent's supervision, certify to the state board of education the average daily membership in those units, in the manner prescribed by the

superintendent of public instruction. 2190

(2) The superintendent of each county MR/DD board that 2191
maintains special education classes under section 3317.20 of the 2192
Revised Code or units approved pursuant to section 3317.05 of the 2193
Revised Code shall do both of the following: 2194

(a) Certify to the state board, in the manner prescribed by 2195
the board, the average daily membership in classes under section 2196
3317.20 of the Revised Code for each school district that has 2197
placed children in the classes; 2198

(b) Certify to the state board, in the manner prescribed by 2199
the board, the number of all handicapped preschool children 2200
enrolled as of the first day of December in classes eligible for 2201
approval under division (B) of section 3317.05 of the Revised 2202
Code, and the number of those classes. 2203

(3)(a) If on the first school day of April the number of 2204
classes or units maintained for handicapped preschool children by 2205
the county MR/DD board that are eligible for approval under 2206
division (B) of section 3317.05 of the Revised Code is greater 2207
than the number of units approved for the year under that 2208
division, the superintendent shall make the certification required 2209
by this section for that day. 2210

(b) If the department determines that additional classes or 2211
units can be approved for the fiscal year within any limitations 2212
set forth in the acts appropriating moneys for the funding of the 2213
classes and units described in division (G)(3)(a) of this section, 2214
the department shall approve and fund additional units for the 2215
fiscal year on the basis of such average daily membership. For 2216
each unit so approved, the department shall pay an amount computed 2217
in the manner prescribed in sections 3317.052 and 3317.053 of the 2218
Revised Code. 2219

(H) Except as provided in division (I) of this section, when 2220

any city, local, or exempted village school district provides 2221
instruction for a nonresident pupil whose attendance is 2222
unauthorized attendance as defined in section 3327.06 of the 2223
Revised Code, that pupil's membership shall not be included in 2224
that district's membership figure used in the calculation of that 2225
district's formula ADM or included in the determination of any 2226
unit approved for the district under section 3317.05 of the 2227
Revised Code. The reporting official shall report separately the 2228
average daily membership of all pupils whose attendance in the 2229
district is unauthorized attendance, and the membership of each 2230
such pupil shall be credited to the school district in which the 2231
pupil is entitled to attend school under division (B) of section 2232
3313.64 or section 3313.65 of the Revised Code as determined by 2233
the department of education. 2234

(I)(1) A city, local, exempted village, or joint vocational 2235
school district admitting a scholarship student of a pilot project 2236
district pursuant to division (C) of section 3313.976 of the 2237
Revised Code may count such student in its average daily 2238
membership. 2239

(2) In any year for which funds are appropriated for pilot 2240
project scholarship programs, a school district implementing a 2241
state-sponsored pilot project scholarship program that year 2242
pursuant to sections 3313.974 to 3313.979 of the Revised Code may 2243
count in average daily membership: 2244

(a) All children residing in the district and utilizing a 2245
scholarship to attend kindergarten in any alternative school, as 2246
defined in section 3313.974 of the Revised Code; 2247

(b) All children who were enrolled in the district in the 2248
preceding year who are utilizing a scholarship to attend any such 2249
alternative school. 2250

(J) The superintendent of each cooperative education school 2251

district shall certify to the superintendent of public 2252
instruction, in a manner prescribed by the state board of 2253
education, the applicable average daily memberships for all 2254
students in the cooperative education district, also indicating 2255
the city, local, or exempted village district where each pupil is 2256
entitled to attend school under section 3313.64 or 3313.65 of the 2257
Revised Code. 2258

Sec. 5727.84. (A) As used in this section and sections 2259
5727.85, 5727.86, and 5727.87 of the Revised Code: 2260

(1) "School district" means a city, local, or exempted 2261
village school district. 2262

(2) "Joint vocational school district" means a joint 2263
vocational school district created under section 3311.16 of the 2264
Revised Code, and includes a cooperative education school district 2265
created under section 3311.52 or 3311.521 of the Revised Code and 2266
a county school financing district created under section 3311.50 2267
of the Revised Code. 2268

(3) "Local taxing unit" means a subdivision or taxing unit, 2269
as defined in section 5705.01 of the Revised Code, a park district 2270
created under Chapter 1545. of the Revised Code, or a township 2271
park district established under section 511.23 of the Revised 2272
Code, but excludes school districts and joint vocational school 2273
districts. 2274

(4) "State education aid," for a school district, means the 2275
sum of state aid amounts computed for the district under divisions 2276
(A), (C)(1), (C)(4), (D), (E), and (F) of section 3317.022; 2277
divisions (B), (C), and (D) of section 3317.023; divisions (G), 2278
(L), and (N) of section 3317.024; and sections 3317.029, 2279
3317.0216, 3317.0217, 3317.04, 3317.05, 3317.052, and 3317.053 of 2280
the Revised Code; and the adjustments required by: division (C) of 2281
section 3310.08; division (C) of section 3314.08; ~~division (D) of~~ 2282

~~section 3314.13;~~ divisions (E), (K), (L), (M), (N), and (O) of 2283
section 3317.023; division (C) of section 3317.20; and sections 2284
3313.979 and 3313.981 of the Revised Code. However, when 2285
calculating state education aid for a school district for fiscal 2286
years 2006 and 2007, include the amount computed for the district 2287
under Section 206.09.21 of Am. Sub. H.B. 66 of the 126th general 2288
assembly, as subsequently amended, instead of division (D) of 2289
section 3317.022 of the Revised Code; include amounts calculated 2290
under Section 206.09.39 of that act, as subsequently amended; and 2291
account for adjustments under division (C)(2) of section 3310.41 2292
of the Revised Code. 2293

(5) "State education aid," for a joint vocational school 2294
district, means the sum of the state aid amounts computed for the 2295
district under division (N) of section 3317.024 and section 2296
3317.16 of the Revised Code. However, when calculating state 2297
education aid for a joint vocational school district for fiscal 2298
years 2006 and 2007, include the amount computed for the district 2299
under Section 206.09.42 of Am. Sub. H.B. 66 of the 126th general 2300
assembly, as subsequently amended. 2301

(6) "State education aid offset" means the amount determined 2302
for each school district or joint vocational school district under 2303
division (A)(1) of section 5727.85 of the Revised Code. 2304

(7) "Recognized valuation" has the same meaning as in section 2305
3317.02 of the Revised Code. 2306

(8) "Electric company tax value loss" means the amount 2307
determined under division (D) of this section. 2308

(9) "Natural gas company tax value loss" means the amount 2309
determined under division (E) of this section. 2310

(10) "Tax value loss" means the sum of the electric company 2311
tax value loss and the natural gas company tax value loss. 2312

(11) "Fixed-rate levy" means any tax levied on property other 2313

than a fixed-sum levy. 2314

(12) "Fixed-rate levy loss" means the amount determined under 2315
division (G) of this section. 2316

(13) "Fixed-sum levy" means a tax levied on property at 2317
whatever rate is required to produce a specified amount of tax 2318
money or levied in excess of the ten-mill limitation to pay debt 2319
charges, and includes school district emergency levies imposed 2320
pursuant to section 5705.194 of the Revised Code. 2321

(14) "Fixed-sum levy loss" means the amount determined under 2322
division (H) of this section. 2323

(15) "Consumer price index" means the consumer price index 2324
(all items, all urban consumers) prepared by the bureau of labor 2325
statistics of the United States department of labor. 2326

(B) The kilowatt-hour tax receipts fund is hereby created in 2327
the state treasury and shall consist of money arising from the tax 2328
imposed by section 5727.81 of the Revised Code. All money in the 2329
kilowatt-hour tax receipts fund shall be credited as follows: 2330

(1) Fifty-nine and nine hundred seventy-six one-thousandths 2331
per cent, shall be credited to the general revenue fund. 2332

(2) Two and six hundred forty-six one-thousandths per cent 2333
shall be credited to the local government fund, for distribution 2334
in accordance with section 5747.50 of the Revised Code. 2335

(3) Three hundred seventy-eight one-thousandths per cent 2336
shall be credited to the local government revenue assistance fund, 2337
for distribution in accordance with section 5747.61 of the Revised 2338
Code. 2339

(4) Twenty-five and four-tenths per cent shall be credited to 2340
the school district property tax replacement fund, which is hereby 2341
created in the state treasury for the purpose of making the 2342
payments described in section 5727.85 of the Revised Code. 2343

(5) Eleven and six-tenths per cent shall be credited to the local government property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments described in section 5727.86 of the Revised Code.

(C) The natural gas tax receipts fund is hereby created in the state treasury and shall consist of money arising from the tax imposed by section 5727.811 of the Revised Code. All money in the fund shall be credited as follows:

(1) Sixty-eight and seven-tenths per cent shall be credited to the school district property tax replacement fund for the purpose of making the payments described in section 5727.85 of the Revised Code.

(2) Thirty-one and three-tenths per cent shall be credited to the local government property tax replacement fund for the purpose of making the payments described in section 5727.86 of the Revised Code.

(D) Not later than January 1, 2002, the tax commissioner shall determine for each taxing district its electric company tax value loss, which is the sum of the applicable amounts described in divisions (D)(1) to (3) of this section:

(1) The difference obtained by subtracting the amount described in division (D)(1)(b) from the amount described in division (D)(1)(a) of this section.

(a) The value of electric company and rural electric company tangible personal property as assessed by the tax commissioner for tax year 1998 on a preliminary assessment, or an amended preliminary assessment if issued prior to March 1, 1999, and as apportioned to the taxing district for tax year 1998;

(b) The value of electric company and rural electric company tangible personal property as assessed by the tax commissioner for tax year 1998 had the property been apportioned to the taxing

district for tax year 2001, and assessed at the rates in effect	2375
for tax year 2001.	2376
(2) The difference obtained by subtracting the amount	2377
described in division (D)(2)(b) from the amount described in	2378
division (D)(2)(a) of this section.	2379
(a) The three-year average for tax years 1996, 1997, and 1998	2380
of the assessed value from nuclear fuel materials and assemblies	2381
assessed against a person under Chapter 5711. of the Revised Code	2382
from the leasing of them to an electric company for those	2383
respective tax years, as reflected in the preliminary assessments;	2384
(b) The three-year average assessed value from nuclear fuel	2385
materials and assemblies assessed under division (D)(2)(a) of this	2386
section for tax years 1996, 1997, and 1998, as reflected in the	2387
preliminary assessments, using an assessment rate of twenty-five	2388
per cent.	2389
(3) In the case of a taxing district having a nuclear power	2390
plant within its territory, any amount, resulting in an electric	2391
company tax value loss, obtained by subtracting the amount	2392
described in division (D)(1) of this section from the difference	2393
obtained by subtracting the amount described in division (D)(3)(b)	2394
of this section from the amount described in division (D)(3)(a) of	2395
this section.	2396
(a) The value of electric company tangible personal property	2397
as assessed by the tax commissioner for tax year 2000 on a	2398
preliminary assessment, or an amended preliminary assessment if	2399
issued prior to March 1, 2001, and as apportioned to the taxing	2400
district for tax year 2000;	2401
(b) The value of electric company tangible personal property	2402
as assessed by the tax commissioner for tax year 2001 on a	2403
preliminary assessment, or an amended preliminary assessment if	2404
issued prior to March 1, 2002, and as apportioned to the taxing	2405

district for tax year 2001. 2406

(E) Not later than January 1, 2002, the tax commissioner 2407
shall determine for each taxing district its natural gas company 2408
tax value loss, which is the sum of the amounts described in 2409
divisions (E)(1) and (2) of this section: 2410

(1) The difference obtained by subtracting the amount 2411
described in division (E)(1)(b) from the amount described in 2412
division (E)(1)(a) of this section. 2413

(a) The value of all natural gas company tangible personal 2414
property, other than property described in division (E)(2) of this 2415
section, as assessed by the tax commissioner for tax year 1999 on 2416
a preliminary assessment, or an amended preliminary assessment if 2417
issued prior to March 1, 2000, and apportioned to the taxing 2418
district for tax year 1999; 2419

(b) The value of all natural gas company tangible personal 2420
property, other than property described in division (E)(2) of this 2421
section, as assessed by the tax commissioner for tax year 1999 had 2422
the property been apportioned to the taxing district for tax year 2423
2001, and assessed at the rates in effect for tax year 2001. 2424

(2) The difference in the value of current gas obtained by 2425
subtracting the amount described in division (E)(2)(b) from the 2426
amount described in division (E)(2)(a) of this section. 2427

(a) The three-year average assessed value of current gas as 2428
assessed by the tax commissioner for tax years 1997, 1998, and 2429
1999 on a preliminary assessment, or an amended preliminary 2430
assessment if issued prior to March 1, 2001, and as apportioned in 2431
the taxing district for those respective years; 2432

(b) The three-year average assessed value from current gas 2433
under division (E)(2)(a) of this section for tax years 1997, 1998, 2434
and 1999, as reflected in the preliminary assessment, using an 2435
assessment rate of twenty-five per cent. 2436

(F) The tax commissioner may request that natural gas 2437
companies, electric companies, and rural electric companies file a 2438
report to help determine the tax value loss under divisions (D) 2439
and (E) of this section. The report shall be filed within thirty 2440
days of the commissioner's request. A company that fails to file 2441
the report or does not timely file the report is subject to the 2442
penalty in section 5727.60 of the Revised Code. 2443

(G) Not later than January 1, 2002, the tax commissioner 2444
shall determine for each school district, joint vocational school 2445
district, and local taxing unit its fixed-rate levy loss, which is 2446
the sum of its electric company tax value loss multiplied by the 2447
tax rate in effect in tax year 1998 for fixed-rate levies and its 2448
natural gas company tax value loss multiplied by the tax rate in 2449
effect in tax year 1999 for fixed-rate levies. 2450

(H) Not later than January 1, 2002, the tax commissioner 2451
shall determine for each school district, joint vocational school 2452
district, and local taxing unit its fixed-sum levy loss, which is 2453
the amount obtained by subtracting the amount described in 2454
division (H)(2) of this section from the amount described in 2455
division (H)(1) of this section: 2456

(1) The sum of the electric company tax value loss multiplied 2457
by the tax rate in effect in tax year 1998, and the natural gas 2458
company tax value loss multiplied by the tax rate in effect in tax 2459
year 1999, for fixed-sum levies for all taxing districts within 2460
each school district, joint vocational school district, and local 2461
taxing unit. For the years 2002 through 2006, this computation 2462
shall include school district emergency levies that existed in 2463
1998 in the case of the electric company tax value loss, and 1999 2464
in the case of the natural gas company tax value loss, and all 2465
other fixed-sum levies that existed in 1998 in the case of the 2466
electric company tax value loss and 1999 in the case of the 2467
natural gas company tax value loss and continue to be charged in 2468

the tax year preceding the distribution year. For the years 2007 2469
through 2016 in the case of school district emergency levies, and 2470
for all years after 2006 in the case of all other fixed-sum 2471
levies, this computation shall exclude all fixed-sum levies that 2472
existed in 1998 in the case of the electric company tax value loss 2473
and 1999 in the case of the natural gas company tax value loss, 2474
but are no longer in effect in the tax year preceding the 2475
distribution year. For the purposes of this section, an emergency 2476
levy that existed in 1998 in the case of the electric company tax 2477
value loss, and 1999 in the case of the natural gas company tax 2478
value loss, continues to exist in a year beginning on or after 2479
January 1, 2007, but before January 1, 2017, if, in that year, the 2480
board of education levies a school district emergency levy for an 2481
annual sum at least equal to the annual sum levied by the board in 2482
tax year 1998 or 1999, respectively, less the amount of the 2483
payment certified under this division for 2002. 2484

(2) The total taxable value in tax year 1999 less the tax 2485
value loss in each school district, joint vocational school 2486
district, and local taxing unit multiplied by one-fourth of one 2487
mill. 2488

If the amount computed under division (H) of this section for 2489
any school district, joint vocational school district, or local 2490
taxing unit is greater than zero, that amount shall equal the 2491
fixed-sum levy loss reimbursed pursuant to division (E) of section 2492
5727.85 of the Revised Code or division (A)(2) of section 5727.86 2493
of the Revised Code, and the one-fourth of one mill that is 2494
subtracted under division (H)(2) of this section shall be 2495
apportioned among all contributing fixed-sum levies in the 2496
proportion of each levy to the sum of all fixed-sum levies within 2497
each school district, joint vocational school district, or local 2498
taxing unit. 2499

(I) Notwithstanding divisions (D), (E), (G), and (H) of this 2500

section, in computing the tax value loss, fixed-rate levy loss, 2501
and fixed-sum levy loss, the tax commissioner shall use the 2502
greater of the 1998 tax rate or the 1999 tax rate in the case of 2503
levy losses associated with the electric company tax value loss, 2504
but the 1999 tax rate shall not include for this purpose any tax 2505
levy approved by the voters after June 30, 1999, and the tax 2506
commissioner shall use the greater of the 1999 or the 2000 tax 2507
rate in the case of levy losses associated with the natural gas 2508
company tax value loss. 2509

(J) Not later than January 1, 2002, the tax commissioner 2510
shall certify to the department of education the tax value loss 2511
determined under divisions (D) and (E) of this section for each 2512
taxing district, the fixed-rate levy loss calculated under 2513
division (G) of this section, and the fixed-sum levy loss 2514
calculated under division (H) of this section. The calculations 2515
under divisions (G) and (H) of this section shall separately 2516
display the levy loss for each levy eligible for reimbursement. 2517

(K) Not later than September 1, 2001, the tax commissioner 2518
shall certify the amount of the fixed-sum levy loss to the county 2519
auditor of each county in which a school district with a fixed-sum 2520
levy loss has territory. 2521

Section 2. That existing sections 3314.08, 3314.084, 2522
3317.016, 3317.017, 3317.02, 3317.029, 3317.03, and 5727.84 and 2523
section 3314.13 of the Revised Code are hereby repealed. 2524

Section 3. Sections 1 and 2 of this act take effect July 1, 2525
2007. 2526

Section 4. Section 3317.03 of the Revised Code is presented 2527
in this act as a composite of the section as amended by both Am. 2528
Sub. H.B. 79 and Am. Sub. H.B. 699 of the 126th General Assembly. 2529
The General Assembly, applying the principle stated in division 2530

(B) of section 1.52 of the Revised Code that amendments are to be	2531
harmonized if reasonably capable of simultaneous operation, finds	2532
that the composite is the resulting version of the section in	2533
effect prior to the effective date of the section as presented in	2534
this act.	2535