



Ohio Legislative Service Commission

Edward Millane

Fiscal Note & Local Impact Statement

Bill: [S.B. 9 of the 129th G.A.](#) **Date:** March 2, 2011
Status: As Reported by Senate Education **Sponsor:** Sen. Manning

Local Impact Statement Procedure Required: No

Contents: Eliminates the requirement that school districts offer all-day kindergarten

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- The bill eliminates the requirement that all school districts eventually provide all-day kindergarten. Certain districts will save the potentially significant operating and facilities costs related to providing all-day kindergarten.
- Under the bill, some districts may continue to charge tuition for all-day kindergarten. This will likely result in higher revenues for those districts.

Detailed Fiscal Analysis

Am. Sub. H.B. 1 of the 128th General Assembly requires that all school districts eventually offer all-day kindergarten to all families who want it. Districts are permitted to delay implementation of all-day kindergarten until FY 2012 and to apply for a waiver of the requirement from the Superintendent of Public Instruction. Depending on the circumstances of each district and whether or not the district would be approved for a waiver, this requirement may impose significant costs. Under the bill, the requirement is repealed, so any costs would be saved. The bill also repeals the prohibition on charging tuition for all-day kindergarten, which is to go into effect in FY 2012. In addition, the bill repeals two provisions of H.B. 1 that may have assisted districts in establishing all-day kindergarten programs. These are the authority for a district to use space in child day-care centers licensed by the Department of Job and Family Services to provide all-day kindergarten, and the authority for a district to use state funds provided by the school foundation formula to modify or purchase classroom space for all-day kindergarten.

As stated above, the potential costs of the all-day kindergarten requirement and, therefore, the potential savings under the bill, varies depending on the circumstances of each school district. Many districts provided all-day kindergarten before the H.B. 1 requirement. Districts that did not offer the service, however, will likely incur both operating and facilities costs beginning in FY 2012 if the requirement is not repealed and the district is unable to obtain a waiver. The potential operating costs may be significant as presumably switching from half-day to all-day services would be similar to doubling the number of kindergarten students served. For example, in a half-day program one full-time teacher may teach 40 children in one classroom – 20 in the morning then 20 in the afternoon. The same 40 children in an all-day program may require two teachers and two classrooms. A district may also incur operating costs associated with expanding the curriculum to cover more material.

The potential cost of facilities largely depends on each district's current capacity. A district that is losing students may already have the classroom space available. A district that is growing may need to add classroom space. Taking advantage of the H.B. 1 provision allowing the use of space in child day-care centers may be a less costly option for districts than constructing new facilities. Under the bill, both the operating and facilities costs described above may be saved.

Many districts already provided all-day kindergarten before the H.B. 1 mandate and, therefore, will likely not save the costs of the mandate as described above. Prior to FY 2010, the state provided funding for all-day kindergarten to districts with concentrations of poverty students above the state average. In FY 2009, 129 districts (21.1%) received this funding and provided approximately 50,600 kindergartners with all-day services. This represents a comparatively high percentage of statewide

kindergartners (38.2%), since many of the state's largest districts are among these 129. Under continuing law, these districts are prohibited from charging tuition. On a survey conducted by ODE, 187 additional districts that were not receiving state assistance for all-day kindergarten reported providing all-day kindergarten services to at least 50% of their kindergarten students, or approximately 22,800 kindergartners (17.2% of the statewide total). Some of these additional districts reported charging tuition for all-day kindergarten. Under the bill, these districts may continue to charge tuition, potentially resulting in higher revenues than under current law.

By eliminating the option of using space in child day-care centers, the bill may result in higher facilities costs for those districts that choose to offer all-day kindergarten, and for which the use of space in child day-care centers is a less costly option than the use of district facilities.

SB0009HR /rs