

terminate the contract of the school pursuant to section 3314.07 of the Revised Code as determined necessary by the sponsor;

(6) Have in place a plan of action to be undertaken in the event the community school experiences financial difficulties or closes prior to the end of a school year.

(E) Upon the expiration of a contract entered into under this section, the sponsor of a community school may, with the approval of the governing authority of the school, renew that contract for a period of time determined by the sponsor, but not ending earlier than the end of any school year, if the sponsor finds that the school's compliance with applicable laws and terms of the contract and the school's progress in meeting the academic goals prescribed in the contract have been satisfactory. Any contract that is renewed under this division remains subject to the provisions of sections 3314.07, 3314.072, and 3314.073 of the Revised Code.

(F) If a community school fails to open for operation within one year after the contract entered into under this section is adopted pursuant to division (D) of section 3314.02 of the Revised Code or permanently closes prior to the expiration of the contract, the contract shall be void and the school shall not enter into a contract with any other sponsor. A school shall not be considered permanently closed because the operations of the school have been suspended pursuant to section 3314.072 of the Revised Code. ~~Any contract that becomes void under this division shall not count toward any statewide limit on the number of such contracts prescribed by section 3314.013 of the Revised Code.~~

Sec. 3314.05. (A) The contract between the community school and the sponsor shall specify the facilities to be used for the community school and the method of acquisition. Except as provided in ~~division~~ divisions (B)(3) and (4) of this section, no community school shall be established in more than one school district under the same contract.

(B) Division (B) of this section shall not apply to internet- or computer-based community schools.

(1) A community school may be located in multiple facilities under the same contract only if the limitations on availability of space prohibit serving all the grade levels specified in the contract in a single facility or division (B)(2) ~~or~~, (3), or (4) of this section applies to the school. The school shall not offer the same grade level classrooms in more than one facility.

(2) A community school may be located in multiple facilities under the same contract and, notwithstanding division (B)(1) of this section, may assign students in the same grade level to multiple facilities, as long as all of the following apply:

(a) The governing authority of the community school filed a copy of its contract with the school's sponsor under section 3314.03 of the Revised Code with the superintendent of public instruction on or before May 15, 2008.

(b) The school was not open for operation prior to July 1, 2008.

(c) The governing authority has entered into and maintains a contract with an operator of the type described in division (A)(2)(8)(b) of section ~~3314.014~~ 3314.02 of the Revised Code.

(d) The contract with that operator qualified the school to be established pursuant to division (A) of former section 3314.016 of the Revised Code.

(e) The school's rating under section 3302.03 of the Revised Code does not fall below "in need of continuous improvement" for two or more consecutive years.

(3) A new start-up community school may be established in two school districts under the same contract if all of the following apply:

(a) At least one of the school districts in which the school is established is a challenged school district;

(b) The school operates not more than one facility in each school district and, in accordance with division (B)(1) of this section, the school does not offer the same grade level classrooms in both facilities; and

(c) Transportation between the two facilities does not require more than thirty minutes of direct travel time as measured by school bus.

In the case of a community school to which division (B)(3) of this section applies, if only one of the school districts in which the school is established is a challenged school district, that district shall be considered the school's primary location and the district in which the school is located for the purposes of division (A)(19) of section 3314.03 and divisions (C) and (H) of section 3314.06 of the Revised Code and for all other purposes of this chapter. If both of the school districts in which the school is established are challenged school districts, the school's governing authority shall designate one of those districts to be considered the school's primary location and the district in which the school is located for the purposes of those divisions and all other purposes of this chapter and shall notify the department of education of that designation.

(4) A community school may be located in multiple facilities under the same contract and, notwithstanding division (B)(1) of this section, may assign students in the same grade level to multiple facilities, as long as both of the following apply:

(a) The facilities are all located in the same county.

(b) The governing authority has entered into and maintains a contract

with an operator.

In the case of a community school to which division (B)(4) of this section applies and that maintains facilities in more than one school district, the school's governing authority shall designate one of those districts to be considered the school's primary location and the district in which the school is located for the purposes of division (A)(19) of section 3314.03 and divisions (C) and (H) of section 3314.06 of the Revised Code and for all other purposes of this chapter and shall notify the department of that designation.

(5) Any facility used for a community school shall meet all health and safety standards established by law for school buildings.

(C) In the case where a community school is proposed to be located in a facility owned by a school district or educational service center, the facility may not be used for such community school unless the district or service center board owning the facility enters into an agreement for the community school to utilize the facility. Use of the facility may be under any terms and conditions agreed to by the district or service center board and the school.

(D) Two or more separate community schools may be located in the same facility.

(E) In the case of a community school that is located in multiple facilities, beginning July 1, 2012, the department shall assign a unique identification number to the school and to each facility maintained by the school. Each number shall be used for identification purposes only. Nothing in this division shall be construed to require the department to calculate the amount of funds paid under this chapter, or to compute any data required for the report cards issued under section 3314.012 of the Revised Code, for each facility separately. The department shall make all such calculations or computations for the school as a whole.

Sec. 3314.051. (A) When the governing authority of a community school that acquired real property from a school district pursuant to former division (G)(2) of section 3313.41 of the Revised Code decides to dispose of that property, it first shall offer that property for sale to the school district board of education from which it acquired the property, at a price that is not higher than the appraised fair market value of that property. If the district board does not accept the offer within sixty days after the offer is made, the community school may dispose of the property in another lawful manner.

(B) When a community school that acquired real property from a school district pursuant to former division (G)(2) of section 3313.41 of the Revised Code permanently closes, in distributing the school's assets under section 3314.074 of the Revised Code, that property first shall be offered for sale to

the school district board of education from which the community school acquired the property, at a price that is not higher than the appraised fair market value of that property. If the district board does not accept the offer within sixty days after the offer is made, the property may be disposed in another lawful manner.

Sec. 3314.07. (A) The expiration of the contract for a community school between a sponsor and a school shall be the date provided in the contract. A successor contract may be entered into pursuant to division (E) of section 3314.03 of the Revised Code unless the contract is terminated or not renewed pursuant to this section.

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

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

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

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

(d) Other good cause.

(2) A sponsor may choose to terminate a contract prior to its expiration if the sponsor has suspended the operation of the contract under section 3314.072 of the Revised Code.

(3) ~~At least ninety days prior to the termination or nonrenewal of a~~ Not later than the first day of February in the year in which the sponsor intends to terminate or take actions not to renew the community school's contract, the sponsor shall notify the school of the proposed action in writing. The notice shall include the reasons for the proposed action in detail, the effective date of the termination or nonrenewal, and a statement that the school may, within fourteen days of receiving the notice, request an informal hearing before the sponsor. Such request must be in writing. The informal hearing shall be held within ~~seventy~~ fourteen days of the receipt of a request for the hearing. ~~Promptly following~~ Not later than fourteen days after the informal hearing, the sponsor shall issue a written decision either affirming or rescinding the decision to terminate or not renew the contract.

(4) A decision by the sponsor to terminate a contract may be appealed to the state board of education. The notice of appeal shall be filed with the state board not later than fourteen days following receipt of the sponsor's written decision to terminate the contract. Within sixty days of receipt of the notice of appeal, the state board shall conduct a hearing and issue a written decision on the appeal. The written decision of the state board shall include

the reasons for affirming or rescinding the decision of the sponsor. The decision by the state board pertaining to an appeal under this division is final. If the sponsor is the state board, its decision to terminate a contract under division (B)(3) of this section shall be final.

(5) The termination of a contract under this section shall be effective upon the occurrence of the later of the following events:

(a) ~~Ninety days following the~~ The date the sponsor notifies the school of its decision to terminate the contract as prescribed in division (B)(3) of this section;

(b) If an informal hearing is requested under division (B)(3) of this section and as a result of that hearing the sponsor affirms its decision to terminate the contract, the effective date of the termination specified in the notice issued under division (B)(3) of this section, or if that decision is appealed to the state board under division (B)(4) of this section and the state board affirms that decision, the date established in the resolution of the state board affirming the sponsor's decision.

(6) Any community school whose contract is terminated under division (B) of this section shall close permanently at the end of the current school year or on a date specified in the notification of termination under (B)(3) of this section. Any community school whose contract is terminated under this division shall not enter into a contract with any other sponsor.

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

(D) If a community school does not intend to renew a contract with its sponsor, the community school shall notify its sponsor in writing of that fact at least one hundred eighty days prior to the expiration of the contract. Such a community school may enter into a contract with a new sponsor in accordance with section 3314.03 of the Revised Code upon the expiration of the previous contract.

(E) A sponsor of a community school and the officers, directors, or employees of such a sponsor are immune from civil liability for any action authorized under this chapter or the contract entered into with the school under section 3314.03 of the Revised Code that is taken to fulfill the sponsor's responsibility to oversee and monitor the school. The sponsor and its officers, directors, or employees are not liable in damages in a tort or

other civil action for harm allegedly arising from either of the following:

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

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

(F) As used in this section:

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

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

Sec. 3314.08. The deductions under division (C) and the payments under division (D) of this section for fiscal years ~~2010~~ 2012 and ~~2011~~ 2013 shall be made in accordance with section 3314.088 of the Revised Code.

(A) As used in this section:

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

(2) "IEP" has the same meaning as in section 3323.01 of the Revised Code.

(3) "Applicable special education weight" means the multiple specified in section 3317.013 of the Revised Code for a disability described in that section.

(4) "Applicable vocational education weight" means:

(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;

(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.

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

(6) 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.

(7) "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) to (9) 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.

(8) "All-day kindergarten" has the same meaning as in section ~~3317.029~~ 3321.05 of the Revised Code.

(9) "State education aid" has the same meaning as in section 5751.20 of the Revised Code.

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

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

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

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

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

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

(d) 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;

(e) 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) 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 school district;

(f) The number of enrolled preschool children with disabilities receiving special education services in a state-funded unit;

(g) The community school's base formula amount;

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

(i) Any poverty-based assistance reduction factor that applies to a school year.

(C) From the state education aid calculated for 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 of the amounts described in divisions (C)(1) to (9) of this section. However, when deducting payments on behalf of students enrolled in internet- or computer-based community schools, the department shall deduct only those amounts described in divisions (C)(1) and (2) of this section. Furthermore, the aggregate amount deducted under this division shall not exceed the sum of the district's state education aid and its payment under sections 321.24 and 323.156 of the Revised Code.

(1) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the number of the district's students reported under divisions (B)(2)(a), (b), and (e) of this section who are enrolled in grades one through twelve, and one-half the number of students reported under those divisions who are enrolled in kindergarten, in that community school is multiplied by the sum of the base formula amount of that community school plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code.

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

(a) For each of the district's students reported under division (B)(2)(c) of this section as enrolled in a community school in grades one through twelve and receiving special education and related services pursuant to an IEP for a disability described in section 3317.013 of the Revised Code, the product of the applicable special education weight times the community school's base formula amount;

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

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

(4) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the number of the district's students enrolled in that community school who are included in the district's poverty student count is multiplied by the per pupil amount of poverty-based assistance the school district receives that year pursuant to division (C) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of that community school. The per pupil amount of that aid for the district shall be calculated by the department.

(5) 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 of aid received under division (E) of section 3317.029 of the Revised Code, as adjusted 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 grades one through twelve in that community school;

(b) One-half of the number of the district's students enrolled in 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.

(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 grades one through twelve in that community school;

(b) One-half of the number of the district's students enrolled in 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 (D) of section 3317.0217 of the Revised Code multiplied by the sum of the number of students in grades one through twelve, and one-half of the number of students in kindergarten, who are entitled to attend school in the district and are enrolled in a community school as reported under division (B)(1) of this section.

(D) The department shall annually pay to a community school established under this chapter the sum of the amounts described in divisions (D)(1) to (10) of this section. However, the department shall calculate and pay to each internet- or computer-based community school only the amounts described in divisions (D)(1) to (3) of this section. Furthermore, the sum of the payments to all community schools under divisions (D)(1), (2), and (4) to (10) of this section for the students entitled to attend school in any particular school district shall not exceed the sum of that district's state education aid and its payment under sections 321.24 and 323.156 of the Revised Code. If the sum of the payments calculated under those divisions

for the students entitled to attend school in a particular school district exceeds the sum of that district's state education aid and its payment under sections 321.24 and 323.156 of the Revised Code, the department shall calculate and apply a proration factor to the payments to all community schools under those divisions for the students entitled to attend school in that district.

(1) ~~Subject to section 3314.085 of the Revised Code, an~~ An amount equal to the sum of the amounts obtained when the number of students enrolled in grades one through twelve, plus one-half of the kindergarten students in the school, reported under divisions (B)(2)(a), (b), and (e) of this section who are not receiving special education and related services pursuant to an IEP for a disability described in section 3317.013 of the Revised Code is multiplied by the sum of the community school's base formula amount plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code.

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

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

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

(i)(a) ~~For each student reported under division (B)(2)(c) of this section as enrolled in the school in grades one through twelve and receiving special education and related services pursuant to an IEP for a disability described in section 3317.013 of the Revised Code, the following amount:~~

(the school's base formula amount plus
the per pupil amount of the base funding supplements specified in
divisions (C)(1) to (4) of section 3317.012 of the Revised Code)
+ (the applicable special education weight X the
community school's base formula amount);

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

(3) An amount received from federal funds to provide special education and related services to students in the community school, as determined by

the superintendent of public instruction.

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

(5) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, the number of that district's students enrolled in the community school who are included in the district's poverty student count is multiplied by the per pupil amount of poverty-based assistance that school district receives that year pursuant to division (C) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of the community school. The per pupil amount of aid shall be determined as described in division (C)(4) of this section.

(6) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, the district's per pupil amount of aid received under division (E) of section 3317.029 of the Revised Code, as adjusted 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 shall be determined as described in division (C)(5) of this section.

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

school, the number of that district's students enrolled in the community school who are identified as limited-English proficient is multiplied by 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 the community school.

(8) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, 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 the community school, is multiplied by the sum of the following:

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

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

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

(9) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, 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 the community school, is multiplied by the sum of the following:

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

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

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

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

(E)(1) If a community school's costs for a fiscal year for a student

receiving special education and related services pursuant to an IEP for a disability described in divisions (B) to (F) of section 3317.013 of the Revised Code exceed the threshold catastrophic cost for serving the student as specified in division (C)(3)(b) of section 3317.022 of the Revised Code, the school may submit to the superintendent of public instruction documentation, as prescribed by the superintendent, of all its costs for that student. Upon submission of documentation for a student of the type and in the manner prescribed, the department shall pay to the community school an amount equal to the school's costs for the student in excess of the threshold catastrophic costs.

(2) The community school shall only report under division (E)(1) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may not be included in the amount.

(F) A community school may apply to the department of education for preschool children with disabilities ~~or gifted~~ unit funding the school would receive if it were a school district. Upon request of its governing authority, a community school that received such unit funding as a school district-operated school before it became a community school shall retain any units awarded to it as a school district-operated school provided the school continues to meet eligibility standards for the unit.

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

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

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

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

(J)(1)(a) A community school may borrow money to pay any necessary and actual expenses of the school in anticipation of the receipt of any portion of the payments to be received by the school pursuant to division

(D) of this section. The school may issue notes to evidence such borrowing. The proceeds of the notes shall be used only for the purposes for which the anticipated receipts may be lawfully expended by the school.

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

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

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

(L) The department of education shall adjust the amounts subtracted and paid under divisions (C) and (D) of this section to reflect any enrollment of students in community schools for less than the equivalent of a full school year. The state board of education within ninety days after April 8, 2003, shall adopt in accordance with Chapter 119. of the Revised Code rules governing the payments to community schools under this section and section 3314.13 of the Revised Code including initial payments in a school year and adjustments and reductions made in subsequent periodic payments to community schools and corresponding deductions from school district accounts as provided under divisions (C) and (D) of this section and section 3314.13 of the Revised Code. For purposes of this section and section 3314.13 of the Revised Code:

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

(2) A student shall be considered to be enrolled in a community school ~~during a school year~~ for the period of time beginning on the later of the date on which the school both has received documentation of the student's enrollment from a parent and the student has commenced participation in learning opportunities as defined in the contract with the sponsor, or thirty days prior to the date on which the student is entered into the education management information system established under section 3301.0714 of the Revised Code. For purposes of applying this division and divisions (L)(3) and (4) of this section to a community school student, "learning opportunities" shall be defined in the contract, which shall describe both classroom-based and non-classroom-based learning opportunities and shall be in compliance with criteria and documentation requirements for student participation which shall be established by the department. Any student's instruction time in non-classroom-based learning opportunities shall be certified by an employee of the community school. A student's enrollment shall be considered to cease on the date on which any of the following occur:

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

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

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

Except as otherwise specified in this paragraph, beginning in the 2011-2012 school year, any student who completed the prior school year in an internet- or computer-based community school shall be considered to be enrolled in the same school in the subsequent school year until the student's enrollment has ceased as specified in division (L)(2) of this section. The department shall continue subtracting and paying amounts for the student under divisions (C) and (D) of this section without interruption at the start of the subsequent school year. However, if the student without a legitimate excuse fails to participate in the first one hundred five consecutive hours of learning opportunities offered to the student in that subsequent school year, the student shall be considered not to have re-enrolled in the school for that school year and the department shall recalculate the payments to the school for that school year to account for the fact that the student is not enrolled.

(3) The department shall determine each community school student's percentage of full-time equivalency based on the percentage of learning opportunities offered by the community school to that student, reported either as number of hours or number of days, is of the total learning opportunities offered by the community school to a student who attends for the school's entire school year. However, no internet- or computer-based community school shall be credited for any time a student spends participating in learning opportunities beyond ten hours within any period of twenty-four consecutive hours. Whether it reports hours or days of learning opportunities, each community school shall offer not less than nine hundred twenty hours of learning opportunities during the school year.

(4) With respect to the calculation of full-time equivalency under division (L)(3) of this section, the department shall waive the number of hours or days of learning opportunities not offered to a student because the community school was closed during the school year due to disease epidemic, hazardous weather conditions, inoperability of school buses or other equipment necessary to the school's operation, damage to a school building, or other temporary circumstances due to utility failure rendering the school building unfit for school use, so long as the school was actually open for instruction with students in attendance during that school year for not less than the minimum number of hours required by this chapter. The department shall treat the school as if it were open for instruction with students in attendance during the hours or days waived under this division.

(M) The department of education shall reduce the amounts paid under division (D) of this section to reflect payments made to colleges under division (B) of section 3365.07 of the Revised Code or through alternative funding agreements entered into under rules adopted under section 3365.12 of the Revised Code.

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

(a) The student possesses or has been provided with all required hardware and software materials and all such materials are operational so that the student is capable of fully participating in the learning opportunities specified in the contract between the school and the school's sponsor as required by division (A)(23) of section 3314.03 of the Revised Code;

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

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

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

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

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

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

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

(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:

(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.

(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.

(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.

(d) Any decision made by the board under this division is final.

(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.

(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:

(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 assessments were administered under section 3301.0711 of the Revised Code but did not take one or more of the assessments 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 assessment 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. 3314.087. (A) As used in this section:

(1) "Career-technical program" means vocational programs or classes described in division (A) or (B) of section 3317.014 of the Revised Code in which a student is enrolled.

(2) "Formula ADM," "category one or two vocational education ADM," and "FTE basis" have the same meanings as in section 3317.02 of the Revised Code.

(3) "Resident school district" means the city, exempted village, or local

school district in which a student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(B) Notwithstanding anything to the contrary in this chapter or Chapter ~~3306~~ or 3317. of the Revised Code, a student enrolled in a community school may simultaneously enroll in the career-technical program operated by the student's resident school district. On an FTE basis, the student's resident school district shall count the student in the category one or two vocational education ADM for the proportion of the time the student is enrolled in the district's career-technical program and, accordingly, the department of education shall calculate funds under ~~Chapters 3306. and~~ Chapter 3317. for the district attributable to the student for the proportion of time the student attends the career-technical program. The community school shall count the student in its enrollment report under section 3314.08 of the Revised Code and shall report to the department the proportion of time that the student attends classes at the community school. The department shall pay the community school and deduct from the student's resident school district the amount computed for the student under section 3314.08 of the Revised Code in proportion to the fraction of the time on an FTE basis that the student attends classes at the community school. "Full-time equivalency" for a community school student, as defined in division (L) of section 3314.08 of the Revised Code, does not apply to the student.

Sec. 3314.088. ~~(A)~~ For purposes of applying sections 3314.08 and 3314.13 of the Revised Code to fiscal years ~~2010~~ 2012 and ~~2011~~ 2013:

~~(1)(A)~~ The base formula amount for community schools for each of fiscal year ~~2010~~ is \$5,718 and for fiscal year ~~2011~~ is \$5,703. ~~These respective amounts~~ years 2012 and 2013 is \$5,653. That amount shall be applied wherein sections 3314.08 and 3314.13 of the Revised Code the base formula amount is specified, except for deducting and paying amounts for special education weighted funding and vocational education weighted funding.

~~(2)(B)~~ The base funding supplements under section 3317.012 of the Revised Code shall be deemed in each year to be the amounts specified in that section for fiscal year 2009. Accordingly, when computing the per-pupil base funding supplements for a community school under that section for fiscal years 2012 and 2013, the department of education shall substitute \$5,732 for the "formula amount" as used in divisions (C)(2), (3), and (4) of that section.

~~(3)(C)~~ Special education additional weighted funding shall be calculated by first grouping children with disabilities into the appropriate disability

categories prescribed by section 3317.013 of the Revised Code as that section existed for fiscal year 2009, and then by multiplying the applicable weight respective multiple specified for that same fiscal year in that same version of that section 3317.013 of the Revised Code for fiscal year 2009, times \$5,732.

~~(4)~~(D) Vocational education additional weighted funding shall be calculated by multiplying the applicable weight specified in section 3317.014 of the Revised Code for fiscal year 2009 times \$5,732.

~~(5)~~(E) The per pupil amounts paid to a school district under sections 3317.029 and 3317.0217 of the Revised Code shall be deemed to be the respective per pupil amounts paid under those sections to that district for fiscal year 2009.

~~(6)~~(F) A community school may receive all-day kindergarten payments under section 3314.13 of the Revised Code only for all-day kindergarten students who are entitled to attend school in school districts that, for fiscal year 2009, met the eligibility requirements of division (D) of section 3317.029 of the Revised Code. For students entitled to attend school in such school districts that actually received payment for all-day kindergarten for fiscal year 2009, the payments to community schools under section 3314.13 of the Revised Code shall be deducted from the school district's state education aid. For students entitled to attend school in such school districts that did not receive payment for all-day kindergarten for fiscal year 2009, the payments to community schools under section 3314.13 of the Revised Code shall be paid out of the funds appropriated under appropriation item 200550, foundation funding, ~~as appropriated in section 265.10 of Am. Sub. H.B. 1 of the 128th General Assembly.~~ As used in this division, "entitled to attend school" has the same meaning as in section 3314.08 of the Revised Code.

~~(B) For purposes of applying section 3314.085 of the Revised Code to fiscal years 2010 and 2011, the minimum per pupil expenditure required for pupil instruction under that section is \$2,931, which equals the minimum amount required by that section for fiscal year 2009.~~

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

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

(2) In accordance with divisions (C)(1) and (2) of this section, it specifies qualifications, such as residing a minimum distance from the school, for students to have their transportation provided or arranged.

(3) The transportation provided by the community school is subject to all provisions of the Revised Code and all rules adopted under the Revised Code pertaining to pupil transportation.

(4) The sponsor of the community school also has signed the agreement.

(B)(1) For the school year that begins on July 1, 2007, a school district is not required to provide transportation for any native student enrolled in a community school, if the community school during the previous school year transported the students enrolled in the school or arranged for the students' transportation, even if that arrangement consisted of having parents transport their children to and from the school, but did not enter into an agreement to transport or arrange for transportation for those students under division (A) of this section, and if the governing authority of the community school by July 15, 2007, submits written notification to the district board of education stating that the governing authority is accepting responsibility for providing or arranging for the transportation of the district's native students to and from the community school.

(2) For any school year subsequent to the school year that begins on July 1, 2007, a school district is not required to provide transportation for any native student enrolled in a community school if the governing authority of the community school, by the thirty-first day of January of the previous school year, submits written notification to the district board of education stating that the governing authority is accepting responsibility for providing or arranging for the transportation of the district's native students to and from the community school. If the governing authority of the community school has previously accepted responsibility for providing or arranging for the transportation of a district's native students to and from the community school, under division (B)(1) or (2) of this section, and has since relinquished that responsibility under division (B)(3) of this section, the governing authority shall not accept that responsibility again unless the district board consents to the governing authority's acceptance of that responsibility.

(3) A governing authority's acceptance of responsibility under division (B)(1) or (2) of this section shall cover an entire school year, and shall remain in effect for subsequent school years unless the governing authority submits written notification to the district board that the governing authority

is relinquishing the responsibility. However, a governing authority shall not relinquish responsibility for transportation before the end of a school year, and shall submit the notice relinquishing responsibility by the thirty-first day of January, in order to allow the school district reasonable time to prepare transportation for its native students enrolled in the school.

(C)(1) A community school governing authority that enters into an agreement under division (A) of this section, or that accepts responsibility under division (B) of this section, shall provide or arrange transportation free of any charge for each of its enrolled students who is required to be transported under section 3327.01 of the Revised Code or who would otherwise be transported by the school district under the district's transportation policy. The governing authority shall report to the department of education the number of students transported or for whom transportation is arranged under this section in accordance with rules adopted by the state board of education.

(2) The governing authority may provide or arrange transportation for any other enrolled student who is not eligible for transportation in accordance with division (C)(1) of this section and may charge a fee for such service up to the actual cost of the service.

(3) Notwithstanding anything to the contrary in division (C)(1) or (2) of this section, a community school governing authority shall provide or arrange transportation free of any charge for any disabled student enrolled in the school for whom the student's individualized education program developed under Chapter 3323. of the Revised Code specifies transportation.

(D)(1) If a school district board and a community school governing authority elect to enter into an agreement under division (A) of this section, the department of education shall make payments to the community school according to the terms of the agreement for each student actually transported under division (C)(1) of this section.

If a community school governing authority accepts transportation responsibility under division (B) of this section, the department shall make payments to the community school for each student actually transported or for whom transportation is arranged by the community school under division (C)(1) of this section, calculated as follows:

(a) For any fiscal year which the general assembly has specified that transportation payments to school districts be based on an across-the-board percentage of the district's payment for the previous school year, the per pupil payment to the community school shall be the following quotient:

(i) The total amount calculated for the school district in which the child is entitled to attend school for student transportation other than

transportation of children with disabilities; divided by

(ii) The number of students included in the district's transportation ADM for the current fiscal year, as reported under division (B)(13) of section 3317.03 of the Revised Code, plus the number of students enrolled in the community school not counted in the district's transportation ADM who are transported under division (B)(1) or (2) of this section.

(b) For any fiscal year which the general assembly has specified that the transportation payments to school districts be calculated in accordance with section ~~3306.12~~ 3317.0212 of the Revised Code and any rules of the state board of education implementing that section, the payment to the community school shall be the amount so calculated that otherwise would be paid to the school district in which the student is entitled to attend school by the method of transportation the district would have used. The community school, however, is not required to use the same method to transport that student.

(c) Divisions (D)(1)(a) and (b) of this section do not apply to fiscal years 2012 and 2013. Rather, for each of those fiscal years, the per pupil payment to a community school for transporting a student shall be the total amount paid under former section 3306.12 of the Revised Code for fiscal year 2011 to the school district in which the child is entitled to attend school divided by that district's "qualifying ridership," as defined in that section for fiscal year 2011.

As used in this division "entitled to attend school" means entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(2) The department shall deduct the payment under division (D)(1) of this section from the state education aid, as defined in section 3314.08 of the Revised Code, and, if necessary, the payment under sections 321.14 and 323.156 of the Revised Code, that is otherwise paid to the school district in which the student enrolled in the community school is entitled to attend school. The department shall include the number of the district's native students for whom payment is made to a community school under division (D)(1) of this section in the calculation of the district's transportation payment under section ~~3306.12~~ 3317.0212 of the Revised Code and the operating appropriations act.

(3) A community school shall be paid under division (D)(1) of this section only for students who are eligible as specified in section 3327.01 of the Revised Code and division (C)(1) of this section, and whose transportation to and from school is actually provided, who actually utilized transportation arranged, or for whom a payment in lieu of transportation is made by the community school's governing authority. To qualify for the

payments, the community school shall report to the department, in the form and manner required by the department, data on the number of students transported or whose transportation is arranged, the number of miles traveled, cost to transport, and any other information requested by the department.

(4) A community school shall use payments received under this section solely to pay the costs of providing or arranging for the transportation of students who are eligible as specified in section 3327.01 of the Revised Code and division (C)(1) of this section, which may include payments to a parent, guardian, or other person in charge of a child in lieu of transportation.

(E) Except when arranged through payment to a parent, guardian, or person in charge of a child, transportation provided or arranged for by a community school pursuant to an agreement under this section is subject to all provisions of the Revised Code, and all rules adopted under the Revised Code, pertaining to the construction, design, equipment, and operation of school buses and other vehicles transporting students to and from school. The drivers and mechanics of the vehicles are subject to all provisions of the Revised Code, and all rules adopted under the Revised Code, pertaining to drivers and mechanics of such vehicles. The community school also shall comply with sections 3313.201, 3327.09, and 3327.10 of the Revised Code, division (B) of section 3327.16 of the Revised Code and, subject to division (C)(1) of this section, sections 3327.01 and 3327.02 of the Revised Code, as if it were a school district.

Sec. 3314.10. (A)(1) The governing authority of any community school established under this chapter may employ teachers and nonteaching employees necessary to carry out its mission and fulfill its contract.

(2) Except as provided under division (A)(3) of this section, employees hired under this section may organize and collectively bargain pursuant to Chapter 4117. of the Revised Code. Notwithstanding division (D)(1) of section 4117.06 of the Revised Code, a unit containing teaching and nonteaching employees employed under this section shall be considered an appropriate unit. As applicable, employment under this section is subject to either Chapter 3307. or 3309. of the Revised Code.

(3) If a school is created by converting all or part of an existing public school rather than by establishment of a new start-up school, at the time of conversion, the employees of the community school shall remain part of any collective bargaining unit in which they were included immediately prior to the conversion and shall remain subject to any collective bargaining agreement for that unit in effect on the first day of July of the year in which

the community school initially begins operation and shall be subject to any subsequent collective bargaining agreement for that unit, unless a petition is certified as sufficient under division (A)(6) of this section with regard to those employees. Any new employees of the community school shall also be included in the unit to which they would have been assigned had not the conversion taken place and shall be subject to the collective bargaining agreement for that unit unless a petition is certified as sufficient under division (A)(6) of this section with regard to those employees.

Notwithstanding division (B) of section 4117.01 of the Revised Code, the board of education of a school district and not the governing authority of a community school shall be regarded, for purposes of Chapter 4117. of the Revised Code, as the "public employer" of the employees of a conversion community school subject to a collective bargaining agreement pursuant to division (A)(3) of this section unless a petition is certified under division (A)(6) of this section with regard to those employees. Only on and after the effective date of a petition certified as sufficient under division (A)(6) of this section shall division (A)(2) of this section apply to those employees of that community school and only on and after the effective date of that petition shall Chapter 4117. of the Revised Code apply to the governing authority of that community school with regard to those employees.

(4) Notwithstanding sections 4117.03 to 4117.18 of the Revised Code and Section 4 of Amended Substitute Senate Bill No. 133 of the 115th general assembly, the employees of a conversion community school who are subject to a collective bargaining agreement pursuant to division (A)(3) of this section shall cease to be subject to that agreement and all subsequent agreements pursuant to that division and shall cease to be part of the collective bargaining unit that is subject to that and all subsequent agreements, if a majority of the employees of that community school who are subject to that collective bargaining agreement sign and submit to the state employment relations board a petition requesting all of the following:

(a) That all the employees of the community school who are subject to that agreement be removed from the bargaining unit that is subject to that agreement and be designated by the state employment relations board as a new and separate bargaining unit for purposes of Chapter 4117. of the Revised Code;

(b) That the employee organization certified as the exclusive representative of the employees of the bargaining unit from which the employees are to be removed be certified as the exclusive representative of the new and separate bargaining unit for purposes of Chapter 4117. of the Revised Code;

(c) That the governing authority of the community school be regarded as the "public employer" of these employees for purposes of Chapter 4117. of the Revised Code.

(5) Notwithstanding sections 4117.03 to 4117.18 of the Revised Code and Section 4 of Amended Substitute Senate Bill No. 133 of the 115th general assembly, the employees of a conversion community school who are subject to a collective bargaining agreement pursuant to division (A)(3) of this section shall cease to be subject to that agreement and all subsequent agreements pursuant to that division, shall cease to be part of the collective bargaining unit that is subject to that and all subsequent agreements, and shall cease to be represented by any exclusive representative of that collective bargaining unit, if a majority of the employees of the community school who are subject to that collective bargaining agreement sign and submit to the state employment relations board a petition requesting all of the following:

(a) That all the employees of the community school who are subject to that agreement be removed from the bargaining unit that is subject to that agreement;

(b) That any employee organization certified as the exclusive representative of the employees of that bargaining unit be decertified as the exclusive representative of the employees of the community school who are subject to that agreement;

(c) That the governing authority of the community school be regarded as the "public employer" of these employees for purposes of Chapter 4117. of the Revised Code.

(6) Upon receipt of a petition under division (A)(4) or (5) of this section, the state employment relations board shall check the sufficiency of the signatures on the petition. If the signatures are found sufficient, the board shall certify the sufficiency of the petition and so notify the parties involved, including the board of education, the governing authority of the community school, and any exclusive representative of the bargaining unit. The changes requested in a certified petition shall take effect on the first day of the month immediately following the date on which the sufficiency of the petition is certified under division (A)(6) of this section.

(B)(1) The board of education of each city, local, and exempted village school district sponsoring a community school and the governing board of each educational service center in which a community school is located shall adopt a policy that provides a leave of absence of at least three years to each teacher or nonteaching employee of the district or service center who is employed by a conversion or new start-up community school sponsored by

the district or located in the district or center for the period during which the teacher or employee is continuously employed by the community school. The policy shall also provide that any teacher or nonteaching employee may return to employment by the district or service center if the teacher or employee leaves or is discharged from employment with the community school for any reason, unless, in the case of a teacher, the board of the district or service center determines that the teacher was discharged for a reason for which the board would have sought to discharge the teacher under section 3319.16 of the Revised Code, in which case the board may proceed to discharge the teacher utilizing the procedures of that section. Upon termination of such a leave of absence, any seniority that is applicable to the person shall be calculated to include all of the following: all employment by the district or service center prior to the leave of absence; all employment by the community school during the leave of absence; and all employment by the district or service center after the leave of absence. The policy shall also provide that if any teacher holding valid certification returns to employment by the district or service center upon termination of such a leave of absence, the teacher shall be restored to the previous position and salary or to a position and salary similar thereto. If, as a result of teachers returning to employment upon termination of such leaves of absence, a school district or educational service center reduces the number of teachers it employs, it shall make such reductions in accordance with section ~~3319.17~~ or, if applicable, 3319.171 of the Revised Code.

Unless a collective bargaining agreement providing otherwise is in effect for an employee of a conversion community school pursuant to division (A)(3) of this section, an employee on a leave of absence pursuant to this division shall remain eligible for any benefits that are in addition to benefits under Chapter 3307. or 3309. of the Revised Code provided by the district or service center to its employees provided the employee pays the entire cost associated with such benefits, except that personal leave and vacation leave cannot be accrued for use as an employee of a school district or service center while in the employ of a community school unless the district or service center board adopts a policy expressly permitting this accrual.

(2) While on a leave of absence pursuant to division (B)(1) of this section, a conversion community school shall permit a teacher to use sick leave accrued while in the employ of the school district from which the leave of absence was taken and prior to commencing such leave. If a teacher who is on such a leave of absence uses sick leave so accrued, the cost of any salary paid by the community school to the teacher for that time shall be

reported to the department of education. The cost of employing a substitute teacher for that time shall be paid by the community school. The department of education shall add amounts to the payments made to a community school under this chapter as necessary to cover the cost of salary reported by a community school as paid to a teacher using sick leave so accrued pursuant to this section. The department shall subtract the amounts of any payments made to community schools under this division from payments made to such sponsoring school district under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code.

A school district providing a leave of absence and employee benefits to a person pursuant to this division is not liable for any action of that person while the person is on such leave and employed by a community school.

Sec. 3314.102. As used in this section, "municipal school district" and "mayor" have the same meanings as in section 3311.71 of the Revised Code.

Notwithstanding section 3314.10 and sections 4117.03 to 4117.18 of the Revised Code and Section 4 of Amended Substitute Senate Bill No. 133 of the 115th general assembly, the employees of a conversion community school that is sponsored by the board of education of a municipal school district shall cease to be subject to any future collective bargaining agreement, if the mayor submits to the board of education sponsoring the school and to the state employment relations board a statement requesting that all employees of the community school be removed from a collective bargaining unit. The employees of the community school who are covered by a collective bargaining agreement in effect on the date the mayor submits the statement shall remain subject to that collective bargaining agreement until the collective bargaining agreement expires on its terms. Upon expiration of that collective bargaining agreement, the employees of that school are not subject to Chapter 4117. of the Revised Code and may not organize or collectively bargain pursuant to that chapter.

Sec. 3314.13. Payments and deductions under this section for fiscal years ~~2010~~ 2012 and ~~2011~~ 2013 shall be made in accordance with section 3314.088 of the Revised Code.

(A) As used in this section:

(1) "All-day kindergarten" has the same meaning as in section 3317.029 of the Revised Code.

(2) "Formula amount" has the same meaning as in section 3317.02 of the Revised Code.

(B) Except as provided in division (C) of this section, the department of education annually shall pay each community school established under this chapter one-half of the formula amount for each student to whom both of the

following apply:

(1) The student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code in a school district that is eligible to receive a payment under division (D) of section 3317.029 of the Revised Code if it provides all-day kindergarten;

(2) The student is reported by the community school as enrolled in all-day kindergarten at the community school.

(C) The department shall make no payments under this section to any internet- or computer-based community school.

(D) If a student for whom payment is made under division (B) of this section is entitled to attend school in a district that receives any payment for all-day kindergarten under division (D) of section 3317.029 of the Revised Code, the department shall deduct the payment to the community school under this section from the amount paid that school district under that division. If that school district does not receive payment for all-day kindergarten under that division because it does not provide all-day kindergarten, the department shall pay the community school from state funds appropriated generally for poverty-based assistance to school districts.

(E) The department shall adjust the amounts deducted from school districts and paid to community schools under this section to reflect any enrollments of students in all-day kindergarten in community schools for less than the equivalent of a full school year.

Sec. 3314.19. The sponsor of each community school annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:

(A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the ~~state office of community schools established under section 3314.11 of the Revised Code~~ department and that any subsequent modifications to that contract will be filed with the ~~office~~ department;

(B) That the school has submitted to the sponsor a plan for providing special education and related services to students with disabilities and has demonstrated the capacity to provide those services in accordance with Chapter 3323. of the Revised Code and federal law;

(C) That the school has a plan and procedures for administering the achievement and diagnostic assessments prescribed by sections 3301.0710, 3301.0712, and 3301.0715 of the Revised Code;

(D) That school personnel have the necessary training, knowledge, and resources to properly use and submit information to all databases maintained

by the department for the collection of education data, including the education management information system established under section 3301.0714 of the Revised Code in accordance with methods and timelines established under section 3314.17 of the Revised Code;

(E) That all required information about the school has been submitted to the Ohio education directory system or any successor system;

(F) That the school will enroll at least the minimum number of students required by division (A)(11)(a) of section 3314.03 of the Revised Code in the school year for which the assurances are provided;

(G) That all classroom teachers are licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except for noncertificated persons engaged to teach up to twelve hours per week pursuant to section 3319.301 of the Revised Code;

(H) That the school's fiscal officer is in compliance with section 3314.011 of the Revised Code;

(I) That the school has complied with sections 3319.39 and 3319.391 of the Revised Code with respect to all employees and that the school has conducted a criminal records check of each of its governing authority members;

(J) That the school holds all of the following:

(1) Proof of property ownership or a lease for the facilities used by the school;

(2) A certificate of occupancy;

(3) Liability insurance for the school, as required by division (A)(11)(b) of section 3314.03 of the Revised Code, that the sponsor considers sufficient to indemnify the school's facilities, staff, and governing authority against risk;

(4) A satisfactory health and safety inspection;

(5) A satisfactory fire inspection;

(6) A valid food permit, if applicable.

(K) That the sponsor has conducted a pre-opening site visit to the school for the school year for which the assurances are provided;

(L) That the school has designated a date it will open for the school year for which the assurances are provided that is in compliance with division (A)(25) of section 3314.03 of the Revised Code;

(M) That the school has met all of the sponsor's requirements for opening and any other requirements of the sponsor.

Sec. 3314.22. (A)(1) Each child enrolled in an internet- or computer-based community school is entitled to a computer supplied by the school; however, the parent of any child enrolled in the school may waive

this entitlement in the manner specified in division (A)(3) of this section. In no case shall an internet- or computer-based community school provide a stipend or other substitute to an enrolled child or the child's parent in lieu of supplying a computer to the child. The prohibition contained in the preceding sentence is intended to clarify the meaning of this division as it existed prior to September 29, 2005, and is not intended to change that meaning in any way.

(2) Notwithstanding division (A)(1) of this section, if more than one child living in a single residence is enrolled in an internet- or computer-based community school, at the option of the parent of those children, the school may supply less than one computer per child, as long as at least one computer is supplied to the residence. An internet- or computer-based community school may supply no computer at all only if the parent has waived the entitlement prescribed in division (A)(1) of this section in the manner specified in division (A)(3) of this section. The parent may amend the decision to accept less than one computer per child anytime during the school year, and, in such case, within thirty days after the parent notifies the school of such amendment, the school shall provide any additional computers requested by the parent up to the number necessary to comply with division (A)(1) of this section.

(3) The parent of any child enrolled in an internet- or computer-based community school may waive the entitlement to one computer per child, and have no computer at all supplied by the school, if the school and parent set forth that waiver in writing with both parties attesting that there is a computer available to the child in the child's residence with sufficient hardware, software, programming, and connectivity so that the child may fully participate in all of the learning opportunities offered to the child by the school. The parent may amend the decision to waive the entitlement at any time during the school year and, in such case, within thirty days after the parent notifies the school of that decision, the school shall provide any additional computers requested by the parent up to the number necessary to comply with division (A)(1) of this section, regardless of whether there is any change in the conditions attested to in the waiver.

(4) A copy of a waiver executed under division (A)(3) of this section shall be retained by the internet- or computer-based community school and the parent who attested to the conditions prescribed in that division. The school shall submit a copy of the waiver to the ~~office of community schools, established under section 3314.11 of the Revised Code, department of~~ education immediately upon execution of the waiver.

(5) The school shall notify the ~~office of community schools~~ department

of education, in the manner specified by the ~~office~~ department, of any parent's decision under division (A)(2) of this section to accept less than one computer per child or the parent's amendment to that decision, and of any parent's decision to amend the waiver executed under division (A)(3) of this section.

(B) Each internet- or computer-based community school shall provide to each parent who is considering enrolling the parent's child in the school and to the parent of each child already enrolled in the school a written notice of the provisions prescribed in division (A) of this section.

(C) If a community school that is not an internet- or computer-based community school provides any of its enrolled students with nonclassroom-based learning opportunities provided via an internet- or other computer-based instructional method and requires such students to participate in any of those learning opportunities from their residences, the school shall be subject to this section and division (C)(1) of section 3314.21 of the Revised Code relative to each such student in the same manner as an internet- or computer-based community school, unless both of the following conditions apply to the student:

(1) The nonclassroom-based learning opportunities in which the student is required to participate from the student's residence are supplemental in nature or do not constitute a significant portion of the total classroom-based and nonclassroom-based learning opportunities provided to the student by the school;

(2) The student's residence is equipped with a computer available for the student's use.

Sec. 3314.23. (A) Subject to division (B) of this section, each internet- or computer-based community school shall do the applicable one of the following:

(1) If the general assembly has enacted standards for the operation of internet- or computer-based community schools by January 1, 2013, comply with the standards so enacted;

(2) If the general assembly has not enacted such standards by that date, comply with the standards developed by the international association for K-12 online learning.

(B) Each internet- or computer-based community school that initially opens for operation on or after January 1, 2013, shall comply with the standards required by division (A) of this section at the time it opens. Each internet- or computer-based community school that initially opened for operation prior to January 1, 2013, shall comply with the standards required by division (A) of this section not later than July 1, 2013.

Sec. 3314.35. (A)(1) ~~Except as provided in division (A)(3) of this section, this section applies to any community school that meets one of the following criteria after July 1, 2008, but before July 1, 2009:~~

~~(a) The school does not offer a grade level higher than three and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for four consecutive school years.~~

~~(b) The school satisfies all of the following conditions:~~

~~(i) The school offers any of grade levels four to eight but does not offer a grade level higher than nine.~~

~~(ii) The school has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for three consecutive school years.~~

~~(iii) For two of those school years, the school showed less than one standard year of academic growth in either reading or mathematics, as determined by the department of education in accordance with rules adopted under division (A) of section 3302.021 of the Revised Code.~~

~~(c) The school satisfies all of the following conditions:~~

~~(i) The school offers any of grade levels ten to twelve.~~

~~(ii) The school has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for three consecutive school years.~~

~~(iii) For two of those school years, the school showed less than two standard years of academic growth in either reading or mathematics, as determined by the department in accordance with rules adopted under division (A) of section 3302.021 of the Revised Code.~~

(2) Except as provided in division (A)(3) of this section, this section applies to any community school that meets one of the following criteria after July 1, 2009, but before July 1, 2011:

(a) The school does not offer a grade level higher than three and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for three of the four most recent school years.

(b) The school satisfies all of the following conditions:

(i) The school offers any of grade levels four to eight but does not offer a grade level higher than nine.

(ii) The school has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for two of the three most recent school years.

(iii) In at least two of the three most recent school years, the school showed less than one standard year of academic growth in either reading or mathematics, as determined by the department of education in accordance

with rules adopted under division (A) of section 3302.021 of the Revised Code.

(c) The school offers any of grade levels ten to twelve and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for three of the four most recent school years.

(2) Except as provided in division (A)(3) of this section, this section applies to any community school that meets one of the following criteria after July 1, 2011:

(a) The school does not offer a grade level higher than three and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for two of the three most recent school years.

(b) The school satisfies all of the following conditions:

(i) The school offers any of grade levels four to eight but does not offer a grade level higher than nine.

(ii) The school has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for two of the three most recent school years.

(iii) In at least two of the three most recent school years, the school showed less than one standard year of academic growth in either reading or mathematics, as determined by the department in accordance with rules adopted under division (A) of section 3302.021 of the Revised Code.

(c) The school offers any of grade levels ten to twelve and has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for two of the three most recent school years.

(3) This section does not apply to either of the following:

(a) Any community school in which a majority of the students are enrolled in a dropout prevention and recovery program that is operated by the school and that has been granted a waiver under section 3314.36 of the Revised Code;

(b) Any community school in which a majority of the enrolled students are children with disabilities receiving special education and related services in accordance with Chapter 3323. of the Revised Code.

(B) Any community school to which this section applies shall permanently close at the conclusion of the school year in which the school first becomes subject to this section. The sponsor and governing authority of the school shall comply with all procedures for closing a community school adopted by the department under division (E) of section 3314.015 of the Revised Code. The governing authority of the school shall not enter into a contract with any other sponsor under section 3314.03 of the Revised Code after the school closes.

~~(C) Not later than July 1, 2008, the department shall determine the feasibility of using the value-added progress dimension, as defined in section 3302.01 of the Revised Code, as a factor in evaluating the academic performance of community schools described in division (A)(1)(c)(i) of this section. Notwithstanding divisions (A)(1)(c)(ii) and (iii) of this section, if the department determines that using the value-added progress dimension to evaluate community schools described in division (A)(1)(c)(i) of this section is not feasible, a community school described in that division shall be required to permanently close under this section only if it has been declared to be in a state of academic emergency under section 3302.03 of the Revised Code for four consecutive school years.~~

~~(D) In accordance with division (B) of section 3314.012 of the Revised Code, the department shall not consider the performance ratings assigned to a community school for its first two years of operation when determining whether the school meets the criteria prescribed by division (A)(1) or (2) of this section. The department shall reevaluate each community school that the department directed to close at the conclusion of the 2009-2010 school year to determine if the school still meets the criteria prescribed by division (A)(2) of this section when the school's performance ratings for its first two years of operation are not considered and, if the school no longer meets those criteria, the department shall not require the school to close at the conclusion of that school year.~~

Sec. 3314.36. (A) Section 3314.35 of the Revised Code does not apply to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program that is operated by the school and that has been granted a waiver by the department of education. The department shall grant a waiver to a dropout prevention and recovery program, within sixty days after the program applies for the waiver, if the program meets all of the following conditions:

(1) The program serves only students not younger than sixteen years of age and not older than twenty-one years of age.

(2) The program enrolls students who, at the time of their initial enrollment, either, or both, are at least one grade level behind their cohort age groups or experience crises that significantly interfere with their academic progress such that they are prevented from continuing their traditional programs.

(3) The program requires students to attain at least the applicable score designated for each of the assessments prescribed under division (B)(1) of section 3301.0710 of the Revised Code or, to the extent prescribed by rule of the state board of education under division ~~(E)~~(D)(6) of section

3301.0712 of the Revised Code, division (B)(2) of that section.

(4) The program develops an individual career plan for the student that specifies the student's matriculating to a two-year degree program, acquiring a business and industry credential, or entering an apprenticeship.

(5) The program provides counseling and support for the student related to the plan developed under division (A)(4) of this section during the remainder of the student's high school experience.

(6) Prior to receiving the waiver, the program has submitted to the department an instructional plan that demonstrates how the academic content standards adopted by the state board of education under section 3301.079 of the Revised Code will be taught and assessed.

If the department does not act either to grant the waiver or to reject the program application for the waiver within sixty days as required under this section, the waiver shall be considered to be granted.

(B) Notwithstanding division (A) of this section, the department shall not grant a waiver to any community school that did not qualify for a waiver under this section when it initially began operations, unless the state board of education approves the waiver.

Sec. 3315.01. (A) Except as provided in division (B) of this section and notwithstanding sections 3315.12 and 3315.14 of the Revised Code, the board of education of any school district may adopt a resolution requiring the treasurer of the district to credit the earnings made on the investment of the principal of the moneys specified in the resolution to the fund from which the earnings arose or any other fund of the district as the board specifies in its resolution.

(B) This section does not apply to the earnings made on the investment of the bond retirement fund, the sinking fund, a project construction fund established pursuant to sections 3318.01 to 3318.20 of the Revised Code, or the payments received by school districts pursuant to division ~~(H)~~(E) of section 3317.024 of the Revised Code.

Sec. 3316.041. (A) Notwithstanding any provision of Chapter 133. or sections 3313.483 to 3313.4811 of the Revised Code, and subject to the approval of the superintendent of public instruction, a school district that is in a state of fiscal watch declared under section 3316.03 of the Revised Code may restructure or refinance loans obtained or in the process of being obtained under section 3313.483 of the Revised Code if all of the following requirements are met:

(1) The operating deficit certified for the school district for the current or preceding fiscal year under section 3313.483 of the Revised Code exceeds fifteen per cent of the district's general revenue fund for the fiscal

year preceding the year for which the certification of the operating deficit is made.

(2) The school district voters have, during the period of the fiscal watch, approved the levy of a tax under section 718.09, 718.10, 5705.194, 5705.21, ~~or 5748.02, or 5748.09~~ of the Revised Code that is not a renewal or replacement levy, or a levy under section 5705.199 of the Revised Code, and that will provide new operating revenue.

(3) The board of education of the school district has adopted or amended the financial plan required by section 3316.04 of the Revised Code to reflect the restructured or refinanced loans, and sets forth the means by which the district will bring projected operating revenues and expenditures, and projected debt service obligations, into balance for the life of any such loan.

(B) Subject to the approval of the superintendent of public instruction, the school district may issue securities to evidence the restructuring or refinancing authorized by this section. Such securities may extend the original period for repayment not to exceed ten years, and may alter the frequency and amount of repayments, interest or other financing charges, and other terms or agreements under which the loans were originally contracted, provided the loans received under sections 3313.483 of the Revised Code are repaid from funds the district would otherwise receive under Chapter ~~3306~~, 3317, of the Revised Code, as required under division (E)(3) of section 3313.483 of the Revised Code. Securities issued for the purpose of restructuring or refinancing under this section shall be repaid in equal payments and at equal intervals over the term of the debt and are not eligible to be included in any subsequent proposal to restructure or refinance.

(C) Unless the district is declared to be in a state of fiscal emergency under division (D) of section 3316.04 of the Revised Code, a school district shall remain in a state of fiscal watch for the duration of the repayment period of any loan restructured or refinanced under this section.

Sec. 3316.06. (A) Within one hundred twenty days after the first meeting of a school district financial planning and supervision commission, the commission shall adopt a financial recovery plan regarding the school district for which the commission was created. During the formulation of the plan, the commission shall seek appropriate input from the school district board and from the community. This plan shall contain the following:

(1) Actions to be taken to:

(a) Eliminate all fiscal emergency conditions declared to exist pursuant to division (B) of section 3316.03 of the Revised Code;

(b) Satisfy any judgments, past-due accounts payable, and all past-due and payable payroll and fringe benefits;

(c) Eliminate the deficits in all deficit funds, except that any prior year deficits in the capital and maintenance fund established pursuant to section 3315.18 of the Revised Code shall be forgiven;

(d) Restore to special funds any moneys from such funds that were used for purposes not within the purposes of such funds, or borrowed from such funds by the purchase of debt obligations of the school district with the moneys of such funds, or missing from the special funds and not accounted for, if any;

(e) Balance the budget, avoid future deficits in any funds, and maintain on a current basis payments of payroll, fringe benefits, and all accounts;

(f) Avoid any fiscal emergency condition in the future;

(g) Restore the ability of the school district to market long-term general obligation bonds under provisions of law applicable to school districts generally.

(2) The management structure that will enable the school district to take the actions enumerated in division (A)(1) of this section. The plan shall specify the level of fiscal and management control that the commission will exercise within the school district during the period of fiscal emergency, and shall enumerate respectively, the powers and duties of the commission and the powers and duties of the school board during that period. The commission may elect to assume any of the powers and duties of the school board it considers necessary, including all powers related to personnel, curriculum, and legal issues in order to successfully implement the actions described in division (A)(1) of this section.

(3) The target dates for the commencement, progress upon, and completion of the actions enumerated in division (A)(1) of this section and a reasonable period of time expected to be required to implement the plan. The commission shall prepare a reasonable time schedule for progress toward and achievement of the requirements for the plan, and the plan shall be consistent with that time schedule.

(4) The amount and purpose of any issue of debt obligations that will be issued, together with assurances that any such debt obligations that will be issued will not exceed debt limits supported by appropriate certifications by the fiscal officer of the school district and the county auditor. Debt obligations issued pursuant to section 133.301 of the Revised Code shall include assurances that such debt shall be in an amount not to exceed the amount certified under division (B) of such section. If the commission considers it necessary in order to maintain or improve educational

opportunities of pupils in the school district, the plan may include a proposal to restructure or refinance outstanding debt obligations incurred by the board under section 3313.483 of the Revised Code contingent upon the approval, during the period of the fiscal emergency, by district voters of a tax levied under section 718.09, 718.10, 5705.194, 5705.21, 5748.02, ~~or 5748.08, or 5748.09~~ of the Revised Code that is not a renewal or replacement levy, or a levy under section 5705.199 of the Revised Code, and that will provide new operating revenue. Notwithstanding any provision of Chapter 133. or sections 3313.483 to 3313.4811 of the Revised Code, following the required approval of the district voters and with the approval of the commission, the school district may issue securities to evidence the restructuring or refinancing. Those securities may extend the original period for repayment, not to exceed ten years, and may alter the frequency and amount of repayments, interest or other financing charges, and other terms of agreements under which the debt originally was contracted, at the discretion of the commission, provided that any loans received pursuant to section 3313.483 of the Revised Code shall be paid from funds the district would otherwise receive under Chapter ~~3306.~~ 3317. of the Revised Code, as required under division (E)(3) of section 3313.483 of the Revised Code. The securities issued for the purpose of restructuring or refinancing the debt shall be repaid in equal payments and at equal intervals over the term of the debt and are not eligible to be included in any subsequent proposal for the purpose of restructuring or refinancing debt under this section.

(B) Any financial recovery plan may be amended subsequent to its adoption. Each financial recovery plan shall be updated annually.

(C) Each school district financial planning and supervision commission shall submit the financial recovery plan it adopts or updates under this section to the state superintendent of public instruction for approval immediately following its adoption or updating. The state superintendent shall evaluate the plan and either approve or disapprove it within thirty calendar days from the date of its submission. If the plan is disapproved, the state superintendent shall recommend modifications that will render it acceptable. No financial planning and supervision commission shall implement a financial recovery plan that is adopted or updated on or after April 10, 2001, unless the state superintendent has approved it.

Sec. 3316.08. During a school district's fiscal emergency period, the auditor of state shall determine annually, or at any other time upon request of the financial planning and supervision commission, whether the school district will incur an operating deficit. If the auditor of state determines that a school district will incur an operating deficit, the auditor of state shall

certify that determination to the superintendent of public instruction, the financial planning and supervision commission, and the board of education of the school district. Upon receiving the auditor of state's certification, the commission shall adopt a resolution requesting that the board of education work with the county auditor or tax commissioner to estimate the amount and rate of a tax levy that is needed under section 5705.194, 5709.199, or 5705.21 or Chapter 5748. of the Revised Code to produce a positive fund balance not later than the fifth year of the five-year forecast submitted under section 5705.391 of the Revised Code.

The board of education shall recommend to the commission whether the board supports or opposes a tax levy under section 5705.194, 5709.199, or 5705.21 or Chapter 5748. of the Revised Code and shall provide supporting documentation to the commission of its recommendation.

After considering the board of education's recommendation and supporting documentation, the commission shall adopt a resolution to either submit a ballot question proposing a tax levy or not to submit such a question.

Except as otherwise provided in this division, the tax shall be levied in the manner prescribed for a tax levied under section 5705.194, 5709.199, or 5705.21 or under Chapter 5748. of the Revised Code. If the commission decides that a tax should be levied, the tax shall be levied for the purpose of paying current operating expenses of the school district. The rate of a property tax levied under section 5705.194, 5709.199, ~~or~~ 5705.21, or 5748.09 of the Revised Code shall be determined by the county auditor, and the rate of a an income tax levied under section 5748.02 ~~or~~, 5748.08, or 5748.09 of the Revised Code shall be determined by the tax commissioner, upon the request of the commission. The commission, in consultation with the board of education, shall determine the election at which the question of the tax shall appear on the ballot, and the commission shall submit a copy of its resolution to the board of elections not later than ninety days prior to the day of that election. The board of elections conducting the election shall certify the results of the election to the board of education and to the financial planning and supervision commission.

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

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

school district shared resource account, which shall consist of money appropriated to it by the general assembly. The money in the account shall be used solely for solvency assistance to school districts that have been declared under division (B) of section 3316.03 of the Revised Code to be in a state of fiscal emergency.

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

(a) Solvency assistance to school districts that have been declared under division (B) of section 3316.03 of the Revised Code to be in a state of fiscal emergency, in the event that all money in the shared resource account is utilized for solvency assistance;

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

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

The fund shall be reimbursed for any solvency assistance amounts paid under division (A)(2) or (3)(a) of this section not later than the end of the second fiscal year following the fiscal year in which the solvency assistance payment was made, except that, upon the approval of the director of budget and management and the superintendent of public instruction, the fund may be reimbursed in another fiscal year designated by the director and superintendent that is not later than the end of the tenth fiscal year following the fiscal year in which the solvency assistance payment was made. If not made directly by the school district, such reimbursement shall be made by the director of budget and management from the amounts the school district would otherwise receive pursuant to Chapter ~~3306~~. 3317, of the Revised Code, or from any other funds appropriated for the district by the general assembly. Reimbursements shall be credited to the respective account from which the solvency assistance paid to the district was deducted.

(C) The superintendent of public instruction may make recommendations, and the controlling board may grant money from the catastrophic expenditures account to any school district that suffers an unforeseen catastrophic event that severely depletes the district's financial resources. The superintendent shall make recommendations for the grants in accordance with rules adopted by the director of budget and management,

after consulting with the superintendent. A school district shall not be required to repay any grant awarded to the district under this division, unless the district receives money from this state or a third party, including an agency of the government of the United States, specifically for the purpose of compensating the district for revenue lost or expenses incurred as a result of the unforeseen catastrophic event. If a school district receives a grant from the catastrophic expenditures account on the basis of the same circumstances for which an adjustment or recomputation is authorized under section 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, or 3317.0211 of the Revised Code, the department of education shall reduce the adjustment or recomputation by an amount not to exceed the total amount of the grant, and an amount equal to the reduction shall be transferred, from the funding source from which the adjustment or recomputation would be paid, to the catastrophic expenditures account. Any adjustment or recomputation under such sections that is in excess of the total amount of the grant shall be paid to the school district.

Sec. 3317.01. As used in this section ~~and section 3317.011 of the Revised Code~~, "school district," unless otherwise specified, means any city, local, exempted village, joint vocational, or cooperative education school district and any educational service center.

This chapter shall be administered by the state board of education. The superintendent of public instruction shall calculate the amounts payable to each school district and shall certify the amounts payable to each eligible district to the treasurer of the district as provided by this chapter. As soon as possible after such amounts are calculated, the superintendent shall certify to the treasurer of each school district the district's adjusted charge-off increase, as defined in section 5705.211 of the Revised Code. No moneys shall be distributed pursuant to this chapter without the approval of the controlling board.

The state board of education shall, in accordance with appropriations made by the general assembly, meet the financial obligations of this chapter.

Moneys distributed pursuant to this chapter shall be calculated and paid on a fiscal year basis, beginning with the first day of July and extending through the thirtieth day of June. The moneys appropriated for each fiscal year shall be distributed periodically to each school district unless otherwise provided for. The state board, in June of each year, shall submit ~~a yearly distribution plan~~ to the controlling board ~~at its first meeting in July~~. ~~The state board shall submit any proposed midyear revision of the plan to the controlling board in January. Any year-end revision of the plan shall be submitted to the controlling board in June. If moneys appropriated for each~~

~~fiscal year are distributed other than monthly, such distribution shall be on the same basis for each school district the state board's year-end distributions pursuant to this chapter.~~

Except as otherwise provided, payments under this chapter shall be made only to those school districts in which:

(A) The school district, except for any educational service center and any joint vocational or cooperative education school district, levies for current operating expenses at least twenty mills. Levies for joint vocational or cooperative education school districts or county school financing districts, limited to or to the extent apportioned to current expenses, shall be included in this qualification requirement. School district income tax levies under Chapter 5748. of the Revised Code, limited to or to the extent apportioned to current operating expenses, shall be included in this qualification requirement to the extent determined by the tax commissioner under division (D) of section 3317.021 of the Revised Code.

(B) The school year next preceding the fiscal year for which such payments are authorized meets the requirement of section 3313.48 or 3313.481 of the Revised Code, with regard to the minimum number of days or hours school must be open for instruction with pupils in attendance, for individualized parent-teacher conference and reporting periods, and for professional meetings of teachers. This requirement shall be waived by the superintendent of public instruction if it had been necessary for a school to be closed because of disease epidemic, hazardous weather conditions, inoperability of school buses or other equipment necessary to the school's operation, damage to a school building, or other temporary circumstances due to utility failure rendering the school building unfit for school use, provided that for those school districts operating pursuant to section 3313.48 of the Revised Code the number of days the school was actually open for instruction with pupils in attendance and for individualized parent-teacher conference and reporting periods is not less than one hundred seventy-five, or for those school districts operating on a trimester plan the number of days the school was actually open for instruction with pupils in attendance not less than seventy-nine days in any trimester, for those school districts operating on a quarterly plan the number of days the school was actually open for instruction with pupils in attendance not less than fifty-nine days in any quarter, or for those school districts operating on a pentamester plan the number of days the school was actually open for instruction with pupils in attendance not less than forty-four days in any pentamester.

A school district shall not be considered to have failed to comply with this division or section 3313.481 of the Revised Code because schools were

open for instruction but either twelfth grade students were excused from attendance for up to three days or only a portion of the kindergarten students were in attendance for up to three days in order to allow for the gradual orientation to school of such students.

The superintendent of public instruction shall waive the requirements of this section with reference to the minimum number of days or hours school must be in session with pupils in attendance for the school year succeeding the school year in which a board of education initiates a plan of operation pursuant to section 3313.481 of the Revised Code. The minimum requirements of this section shall again be applicable to such a district beginning with the school year commencing the second July succeeding the initiation of one such plan, and for each school year thereafter.

A school district shall not be considered to have failed to comply with this division or section 3313.48 or 3313.481 of the Revised Code because schools were open for instruction but the length of the regularly scheduled school day, for any number of days during the school year, was reduced by not more than two hours due to hazardous weather conditions.

~~(C) The school district has on file, and is paying in accordance with, a teachers' salary schedule which complies with section 3317.13 of the Revised Code.~~

A board of education or governing board of an educational service center which has not conformed with other law and the rules pursuant thereto, shall not participate in the distribution of funds authorized by sections 3317.022 to 3317.0211, 3317.11, 3317.16, 3317.17, and 3317.19 of the Revised Code this chapter, except for good and sufficient reason established to the satisfaction of the state board of education and the state controlling board.

All funds allocated to school districts under this chapter, except those specifically allocated for other purposes, shall be used to pay current operating expenses only.

Sec. 3317.013. Except for a preschool child with a disability for whom a scholarship has been awarded under section 3310.41 of the Revised Code, this section does not apply to preschool children with disabilities.

Analysis of special education cost data has resulted in a finding that the average special education additional cost per pupil, including the costs of related services, can be expressed as a multiple of the ~~base cost per pupil calculated under section 3317.012 of the Revised Code~~ formula amount. The multiples for the following categories of special education programs, as these programs are defined for purposes of Chapter 3323. of the Revised Code, and adjusted as provided in this section, are as follows:

(A) A multiple of ~~0.2892~~ 0.2906 for students whose primary or only identified disability is a speech and language disability, as this term is defined pursuant to Chapter 3323. of the Revised Code;

(B) A multiple of ~~0.3694~~ 0.7374 for students identified as specific learning disabled or developmentally disabled, as these terms are defined pursuant to Chapter 3323. of the Revised Code, or as having an other health impairment-minor;

(C) A multiple of ~~1.7695~~ 1.7716 for students identified as hearing disabled, ~~vision impaired~~, or severe behavior disabled, as these terms are defined pursuant to Chapter 3323. of the Revised Code;

(D) A multiple of ~~2.3646~~ 2.3643 for students identified as ~~orthopedically disabled~~ vision impaired, as this term is defined pursuant to Chapter 3323. of the Revised Code, or as having an other health impairment-major;

(E) A multiple of ~~3.1129~~ 3.2022 for students identified as orthopedically disabled or as having multiple disabilities, as ~~this term is~~ these terms are defined pursuant to Chapter 3323. of the Revised Code;

(F) A multiple of ~~4.7342~~ 4.7205 for students identified as autistic, having traumatic brain injuries, or as both visually and hearing impaired, as these terms are defined pursuant to Chapter 3323. of the Revised Code.

In fiscal years 2008, 2009, 2010, ~~and~~ 2011, 2012, and 2013, the multiples specified in divisions (A) to (F) of this section shall be adjusted by multiplying them by 0.90.

~~Not later than the thirtieth day of December in 2007, 2008, and 2009, the department of education shall submit to the office of budget and management a report that specifies for each city, local, exempted village, and joint vocational school district the fiscal year allocation of the state and local shares of special education and related services additional weighted funding and federal special education funds passed through to the district.~~

Sec. 3317.014. The ~~average~~ vocational education additional cost per pupil can be expressed as a multiple of the ~~base cost per pupil calculated under section 3317.012 of the Revised Code~~ formula amount. The multiples for the following categories of vocational education programs are as follows:

(A) A multiple of 0.57 for students enrolled in vocational education job-training and workforce development programs approved by the department of education in accordance with rules adopted under section 3313.90 of the Revised Code.

(B) A multiple of 0.28 for students enrolled in vocational education classes other than job-training and workforce development programs.

Vocational education associated services costs can be expressed as a multiple of 0.05 of the ~~base cost per pupil calculated under section 3317.012 of the Revised Code~~ formula amount.

~~By the thirtieth day of each December, the department of education shall report to the office of budget and management and the general assembly the amount of weighted funding for vocational education and associated services that was spent by each city, local, exempted village, and joint vocational school district specifically for vocational educational and associated services during the previous fiscal year.~~

Sec. 3317.018. (A) The department of education shall make no calculations or payments under ~~Chapter 3317. of the Revised Code~~ this chapter for any fiscal year except as prescribed in this section. The payments authorized under this section are in addition to payments computed and paid for fiscal years 2012 and 2013 under the section of H.B. 153 of the 129th general assembly entitled "FUNDING FOR CITY, EXEMPTED VILLAGE, AND LOCAL SCHOOL DISTRICTS."

(B) School districts shall report student enrollment data as prescribed by section 3317.03 of the Revised Code, which data the department shall use to make payments under ~~Chapters 3306. and 3317. of the Revised Code.~~ this chapter and the section of H.B. 153 of the 129th general assembly entitled "FUNDING FOR CITY, EXEMPTED VILLAGE, AND LOCAL SCHOOL DISTRICTS."

(C) The tax commissioner shall report data regarding tax valuation and receipts for school districts as prescribed by sections 3317.015, 3317.021, 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, 3317.0211, and 3317.08 and by division ~~(M)(K)~~ of section 3317.02 of the Revised Code, which data the department shall use to make payments under ~~Chapters 3306. and 3317. of the Revised Code.~~ this chapter and the section of H.B. 153 of the 129th general assembly entitled "FUNDING FOR CITY, EXEMPTED VILLAGE, AND LOCAL SCHOOL DISTRICTS."

(D) Unless otherwise specified by another provision of law, ~~in addition to the payments prescribed by Chapter 3306. of the Revised Code,~~ the department shall continue to make payments to or adjustments for school districts in fiscal years after fiscal year 2009 under the following provisions of ~~Chapter 3317. of the Revised Code~~ this chapter:

(1) The catastrophic cost reimbursement under division (C)(3) of section 3317.022 of the Revised Code; however, when computing that payment, the department shall use the disability categories and multiples specified in section 3317.013 of the Revised Code as that section existed prior to the effective date of this amendment. No other payments shall be made under

that section 3317.022 of the Revised Code.

(2) All payments or adjustments under section 3317.023 of the Revised Code, ~~except no payments or adjustments shall be made under divisions (B), (C), and (D) of that section;~~

(3) All payments or adjustments under section 3317.024 of the Revised Code, ~~except no payments or adjustments shall be made under divisions (F) and (N) of that section for fiscal years after fiscal year 2009 or under division (L) of that section for fiscal years 2010 and 2011;~~

(4) All payments and adjustments under sections 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, and 3317.0211 of the Revised Code;

(5) ~~Payments under section 3317.04 of the Revised Code;~~

(6) Unit payments under sections 3317.05, 3317.051, 3317.052, and 3317.053 of the Revised Code, except that no units for gifted funding are authorized ~~for after fiscal years 2010 and 2011~~ year 2009.

(7)(6) Payments under sections 3317.06, 3317.063, and 3317.064 of the Revised Code;

(8) ~~Payments under section 3317.07 of the Revised Code;~~

(9)(7) Payments to educational service centers under section 3317.11 of the Revised Code;

(10)(8) The catastrophic cost reimbursement under division (E) of section 3317.16 of the Revised Code and excess cost reimbursements under division (G) of that section; however, when computing that payment, the department shall use the disability categories and multiples specified in section 3317.013 of the Revised Code as that section existed prior to the effective date of this amendment. No other payments shall be made under ~~that section;~~ 3317.16 of the Revised Code.

(11) ~~Payments under section 3317.17 of the Revised Code;~~

(12)(9) Adjustments under section 3317.18 of the Revised Code;

(13)(10) Payments to cooperative education school districts under section 3317.19 of the Revised Code;

(14)(11) Payments to county ~~MR/DD~~ DD boards under section 3317.20 of the Revised Code;

(15)(12) Payments to state institutions for weighted special education funding under section 3317.201 of the Revised Code.

(E) ~~Sections 3317.016 and 3317.017 shall not apply to fiscal years after fiscal year 2009.~~

(F) This section does not affect the provisions of sections 3317.031, 3317.032, 3317.033, 3317.035, 3317.061, 3317.08, 3317.081, 3317.082, 3317.09, 3317.12, 3317.13, 3317.14, 3317.141, 3317.15, 3317.50, and 3317.51, ~~3317.62, 3317.63, and 3317.64~~ of the Revised Code.

(F) The department shall make no payments for fiscal years 2012 or 2013 under section 3317.0212 of the Revised Code.

Sec. 3317.02. As used in this chapter:

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

(B) "Formula amount" means ~~\$5,732~~ \$5,653 for fiscal year ~~2010~~ 2012 and fiscal year ~~2011~~ 2013.

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

(D)~~(1)~~ "Formula ADM" means, for a city, local, or exempted village school district, ~~"formula ADM" as defined in section 3306.02 of the Revised Code. the average daily membership described in division (A) of section 3317.03 of the Revised Code, as verified by the superintendent of public instruction and adjusted if so ordered under division (K) of that section, and as further adjusted by the department of education, as follows:~~

(a) Count only twenty per cent of the number of joint vocational school district students counted under division (A)(3) of section 3317.03 of the Revised Code;

(b) Add twenty per cent of the number of students who are entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code and are enrolled in another school district under a career-technical educational compact.

(2) "Formula ADM" means, for a joint vocational school district, the final number verified by the superintendent of public instruction, based on the number reported pursuant to division (D) of section 3317.03 of the Revised Code, as adjusted, if so ordered, under division (K) of that section. For purposes of the calculation of payments to or adjustments for a city, exempted village, local, or joint vocational school district under this chapter or under Chapter 3306. of the Revised Code, calculations required under Chapter 3318. of the Revised Code, or adjustments required under Chapter 3365. of the Revised Code, the department of education shall use the district's formula ADM for the previous fiscal year, unless the district's average daily membership reported and verified for the current fiscal year is at least two per cent greater than the formula ADM reported for the previous fiscal year, in which case the department shall use the district's formula

~~ADM for the current fiscal year.~~

(E) "Three-year average formula ADM" means the average of formula ADMs for the preceding three fiscal years.

(F)(1) "Category one special education ADM" means the average daily membership of children with disabilities receiving special education services for the disability specified in division ~~(D)(1)(A)~~ of section ~~3306.02~~ 3317.013 of the Revised Code and reported under division (B)(5) or (D)(2)(b) of section 3317.03 of the Revised Code.

(2) "Category two special education ADM" means the average daily membership of children with disabilities receiving special education services for those disabilities specified in division ~~(D)(2)(B)~~ of section ~~3306.02~~ 3317.013 of the Revised Code and reported under division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised Code.

(3) "Category three special education ADM" means the average daily membership of students receiving special education services for those disabilities specified in division ~~(D)(3)(C)~~ of section ~~3306.02~~ 3317.013 of the Revised Code, and reported under division (B)(7) or (D)(2)(d) of section 3317.03 of the Revised Code.

(4) "Category four special education ADM" means the average daily membership of students receiving special education services for those disabilities specified in division (D)(4) of section ~~3306.02~~ 3317.013 of the Revised Code and reported under division (B)(8) or (D)(2)(e) of section 3317.03 of the Revised Code.

(5) "Category five special education ADM" means the average daily membership of students receiving special education services for the disabilities specified in division ~~(D)(5)(E)~~ of section ~~3306.02~~ 3317.013 of the Revised Code and reported under division (B)(9) or (D)(2)(f) of section 3317.03 of the Revised Code.

(6) "Category six special education ADM" means the average daily membership of students receiving special education services for the disabilities specified in division ~~(D)(6)(F)~~ of section ~~3306.02~~ 3317.013 of the Revised Code and reported under division (B)(10) or (D)(2)(g) of section 3317.03 of the Revised Code.

(7) "Category one vocational education ADM" means the average daily membership of students receiving vocational education services described in division (A) of section 3317.014 of the Revised Code and reported under division (B)(11) or (D)(2)(h) of section 3317.03 of the Revised Code.

(8) "Category two vocational education ADM" means the average daily membership of students receiving vocational education services described in division (B) of section 3317.014 of the Revised Code and reported under

division (B)(12) or (D)(2)(i) of section 3317.03 of the Revised Code.

(G) "Preschool child with a disability" means a child with a disability, as defined in section 3323.01 of the Revised Code, who is at least age three but is not of compulsory school age, as defined in section 3321.01 of the Revised Code, and who is not currently enrolled in kindergarten.

(H) "County DD board" means a county board of developmental disabilities.

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

~~(J) "Transportation ADM" means the number of children reported under division (B)(13) of section 3317.03 of the Revised Code.~~

~~(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.~~

~~(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.

~~(M)~~(K) "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.

~~(N)~~(L) "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.

~~(O)~~(M) "Potential value" of a school district means the recognized valuation of a school district plus the tax exempt value of the district.

~~(P)~~(N) "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 and the office of budget and management 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.

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

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

~~(S)~~(Q) "Medically fragile child" means a child to whom all of the following apply:

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

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

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

~~(T)~~(R) A child may be identified as having an "other health impairment-major" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, and if either of the following apply:

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

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

~~(U)~~(S) A child may be identified as having an "other health impairment-minor" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, but the child's condition does not meet either of the conditions specified in division ~~(T)~~(R)(1) or (2) of this section.

~~(V)~~(T) "State education aid" has the same meaning as in section 5751.20 of the Revised Code.

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

~~(X)~~(V) "Internet- or computer-based community school" has the same meaning as in section 3314.02 of the Revised Code.

~~(Y)~~(W) "State share percentage" ~~has the same meaning as in,~~ for a city, exempted village, or local school district, for fiscal years 2012 and 2013, means the district's state share percentage as computed for fiscal year 2011 under former section 3306.02 of the Revised Code. "State share percentage," for a joint vocational school district, for fiscal years 2012 and 2013, means the district's state share percentage as computed for fiscal year 2009 under section 3317.16 of the Revised Code as that section existed for that fiscal year.

Sec. 3317.021. ~~The information certified under this section shall be used to calculate payments under this chapter and Chapter 3306. of the Revised Code.~~

(A) On or before the first day of June of each year, the tax commissioner shall certify to the department of education and the office of budget and management the information described in divisions (A)(1) to (7) of this section for each city, exempted village, and local school district, and the information required by divisions (A)(1) and (2) of this section for each joint vocational school district, and it shall be used, along with the information certified under division (B) of this section, in making the computations for the district under this chapter ~~and Chapter 3306. of the Revised Code.~~

(1) The taxable value of real and public utility real property in the school district subject to taxation in the preceding tax year, by class and by county of location.

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

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

(b) The portion of the amount of taxes charged and payable reported for each city, local, and exempted village school district under division (A)(3)(a) of this section attributable to a joint vocational school district.

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

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

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

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

(6) The sum of the school district compensation value as indicated on the list of exempted property for the preceding tax year under section 5713.08 of the Revised Code as if such property had been assessed for

taxation that year and the other compensation value for the school district, minus the amounts described in divisions (A)(6)(c) to (i) of this section. The portion of school district compensation value or other compensation value attributable to an incentive district exemption may be subtracted only once even if that incentive district satisfies more than one of the criteria in divisions (A)(6)(c) to (i) of this section.

(a) "School district compensation value" means the aggregate value of real property in the school district exempted from taxation pursuant to an ordinance or resolution adopted under division (C) of section 5709.40, division (C) of section 5709.73, or division (B) of section 5709.78 of the Revised Code to the extent that the exempted value results in the charging of payments in lieu of taxes required to be paid to the school district under division (D)(1) or (2) of section 5709.40, division (D) of section 5709.73, or division (C) of section 5709.78 of the Revised Code.

(b) "Other compensation value" means the quotient that results from dividing (i) the dollar value of compensation received by the school district during the preceding tax year pursuant to division (B), (C), or (D) of section 5709.82 of the Revised Code and the amounts received pursuant to an agreement as specified in division (D)(2) of section 5709.40, division (D) of section 5709.73, or division (C) of section 5709.78 of the Revised Code to the extent those amounts were not previously reported or included in division (A)(6)(a) of this section, and so that any such amount is reported only once under division (A)(6)(b) of this section, in relation to exemptions from taxation granted pursuant to an ordinance or resolution adopted under division (C) of section 5709.40, division (C) of section 5709.73, or division (B) of section 5709.78 of the Revised Code, by (ii) the real property tax rate in effect for the preceding tax year for nonresidential/agricultural real property after making the reductions required by section 319.301 of the Revised Code.

(c) The portion of school district compensation value or other compensation value that was exempted from taxation pursuant to such an ordinance or resolution for the preceding tax year, if the ordinance or resolution is adopted prior to January 1, 2006, and the legislative authority or board of township trustees or county commissioners, prior to January 1, 2006, executes a contract or agreement with a developer, whether for-profit or not-for-profit, with respect to the development of a project undertaken or to be undertaken and identified in the ordinance or resolution, and upon which parcels such project is being, or will be, undertaken;

(d) The portion of school district compensation value that was exempted from taxation for the preceding tax year and for which payments in lieu of

taxes for the preceding tax year were provided to the school district under division (D)(1) of section 5709.40 of the Revised Code.

(e) The portion of school district compensation value that was exempted from taxation for the preceding tax year pursuant to such an ordinance or resolution, if and to the extent that, on or before April 1, 2006, the fiscal officer of the municipal corporation that adopted the ordinance, or of the township or county that adopted the resolution, certifies and provides appropriate supporting documentation to the tax commissioner and the director of development that, based on hold-harmless provisions in any agreement between the school district and the legislative authority of the municipal corporation, board of township trustees, or board of county commissioners that was entered into on or before June 1, 2005, the ability or obligation of the municipal corporation, township, or county to repay bonds, notes, or other financial obligations issued or entered into prior to January 1, 2006, will be impaired, including obligations to or of any other body corporate and politic with whom the legislative authority of the municipal corporation or board of township trustees or county commissioners has entered into an agreement pertaining to the use of service payments derived from the improvements exempted;

(f) The portion of school district compensation value that was exempted from taxation for the preceding tax year pursuant to such an ordinance or resolution, if the ordinance or resolution is adopted prior to January 1, 2006, in a municipal corporation with a population that exceeds one hundred thousand, as shown by the most recent federal decennial census, that includes a major employment center and that is adjacent to historically distressed neighborhoods, if the legislative authority of the municipal corporation that exempted the property prepares an economic analysis that demonstrates that all taxes generated within the incentive district accruing to the state by reason of improvements constructed within the district during its existence exceed the amount the state pays the school district under section 3317.022 of the Revised Code attributable to such property exemption from the school district's recognized valuation. The analysis shall be submitted to and approved by the department of development prior to January 1, 2006, and the department shall not unreasonably withhold approval.

(g) The portion of school district compensation value that was exempted from taxation for the preceding tax year under such an ordinance or resolution, if the ordinance or resolution is adopted prior to January 1, 2006, and if service payments have been pledged to be used for mixed-use riverfront entertainment development in any county with a population that exceeds six hundred thousand, as shown by the most recent federal

decennial census;

(h) The portion of school district compensation value that was exempted from taxation for the preceding tax year under such an ordinance or resolution, if, prior to January 1, 2006, the legislative authority of a municipal corporation, board of township trustees, or board of county commissioners has pledged service payments for a designated transportation capacity project approved by the transportation review advisory council under Chapter 5512. of the Revised Code;

(i) The portion of school district compensation value that was exempted from taxation for the preceding tax year under such an ordinance or resolution if the legislative authority of a municipal corporation, board of township trustees, or board of county commissioners have, by January 1, 2006, pledged proceeds for designated transportation improvement projects that involve federal funds for which the proceeds are used to meet a local share match requirement for such funding.

As used in division (A)(6) of this section, "project" has the same meaning as in section 5709.40 of the Revised Code.

(7) The aggregate value of real property in the school district for which an exemption from taxation is granted by an ordinance or resolution adopted on or after January 1, 2006, under Chapter 725. or 1728., sections 3735.65 to 3735.70, or section 5709.62, 5709.63, 5709.632, 5709.84, or 5709.88 of the Revised Code, as indicated on the list of exempted property for the preceding tax year under section 5713.08 of the Revised Code and as if such property had been assessed for taxation that year, minus the product determined by multiplying (a) the aggregate value of the real property in the school district exempted from taxation for the preceding tax year under any of the chapters or sections specified in this division, by (b) a fraction, the numerator of which is the difference between (i) the amount of anticipated revenue such school district would have received for the preceding tax year if the real property exempted from taxation had not been exempted from taxation and (ii) the aggregate amount of payments in lieu of taxes on the exempt real property for the preceding tax year and other compensation received for the preceding tax year by the school district pursuant to any agreements entered into on or after January 1, 2006, under section 5709.82 of the Revised Code between the school district and the legislative authority of a political subdivision that acted under the authority of a chapter or statute specified in this division, that were entered into in relation to such exemption, and the denominator of which is the amount of anticipated revenue such school district would have received in the preceding fiscal year if the real property exempted from taxation had not been exempted.

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

(C) If a public utility has properly and timely filed a petition for reassessment under section 5727.47 of the Revised Code with respect to an assessment issued under section 5727.23 of the Revised Code affecting taxable property apportioned by the tax commissioner to a school district, the taxable value of public utility tangible personal property included in the certification under divisions (A)(2) and (B) of this section for the school district shall include only the amount of taxable value on the basis of which the public utility paid tax for the preceding year as provided in division (B)(1) or (2) of section 5727.47 of the Revised Code.

(D) If on the basis of the information certified under division (A) of this section, the department determines that any district fails in any year to meet the qualification requirement specified in ~~division (A)(1) of section 3306.01~~ and division (A) of section 3317.01 of the Revised Code, the department shall immediately request the tax commissioner to determine the extent to which any school district income tax levied by the district under Chapter 5748. of the Revised Code shall be included in meeting that requirement. Within five days of receiving such a request from the department, the tax commissioner shall make the determination required by this division and report the quotient obtained under division (D)(3) of this section to the department and the office of budget and management. This quotient represents the number of mills that the department shall include in determining whether the district meets the qualification requirement of ~~division (A)(1) of section 3306.01~~ and division (A) of section 3317.01 of the Revised Code.

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

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

(2) Estimate the total amount of tax liability for the current tax year under taxes levied by Chapter 5748. of the Revised Code that are apportioned to current operating expenses of the district, excluding any income tax receipts allocated for the project cost, debt service, or maintenance set-aside associated with a state-assisted classroom facilities project as authorized by section 3318.052 of the Revised Code;

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

(E)(1) On or before June 1, 2006, and the first day of April of each year thereafter, the director of development shall report to the department of education, the tax commissioner, and the director of budget and management the total amounts of payments received by each city, local, exempted village, or joint vocational school district for the preceding tax year pursuant to division (D) of section 5709.40, division (D) of section 5709.73, division (C) of section 5709.78, or division (B)(1), (B)(2), (C), or (D) of section 5709.82 of the Revised Code in relation to exemptions from taxation granted pursuant to an ordinance adopted by the legislative authority of a municipal corporation under division (C) of section 5709.40 of the Revised Code, or a resolution adopted by a board of township trustees or board of county commissioners under division (C) of section 5709.73 or division (B) of section 5709.78 of the Revised Code, respectively. On or before April 1, 2006, and the first day of March of each year thereafter, the treasurer of each city, local, exempted village, or joint vocational school district that has entered into such an agreement shall report to the director of development the total amounts of such payments the district received for the preceding tax year as provided in this section. The state board of education, in accordance with sections 3319.31 and 3319.311 of the Revised Code, may suspend or revoke the license of a treasurer found to have willfully reported erroneous, inaccurate, or incomplete data under this division.

(2) On or before April 1, 2007, and the first day of April of each year thereafter, the director of development shall report to the department of education, the tax commissioner, and the director of budget and management the total amounts of payments received by each city, local, exempted village, or joint vocational school district for the preceding tax year pursuant to divisions (B), (C), and (D) of section 5709.82 of the Revised Code in relation to exemptions from taxation granted pursuant to ordinances or resolutions adopted on or after January 1, 2006, under Chapter 725. or 1728., sections 3735.65 to 3735.70, or section 5709.62, 5709.63, 5709.632, 5709.84, or 5709.88 of the Revised Code. On or before March 1, 2007, and the first day of March of each year thereafter, the treasurer of each city, local, exempted village, or joint vocational school district that has entered into such an agreement shall report to the director of development the total amounts of such payments the district received for the preceding tax year as provided by this section. The state board of education, in accordance with sections 3319.31 and 3319.311 of the Revised Code, may suspend or revoke the license of a treasurer found to have willfully reported

erroneous, inaccurate, or incomplete data under this division.

Sec. 3317.022. (A)(1) The department of education shall compute and distribute state base cost funding to each eligible school district for the fiscal year, using the information obtained under section 3317.021 of the Revised Code in the calendar year in which the fiscal year begins, according to the following formula:

$$\begin{aligned} & \{[\text{the formula amount X (formula ADM +} \\ & \quad \text{preschool scholarship ADM)}] + \\ & \quad \text{the sum of the base funding supplements} \\ & \quad \text{prescribed in divisions (C)(1) to (4)} \\ & \quad \text{of section 3317.012 of the Revised Code}] - \\ & \quad [.023 \times (\text{the sum of recognized valuation} \\ & \quad \text{and property exemption value})] + \\ & \quad \text{the amounts calculated for the district under} \\ & \quad \text{sections 3317.029 and 3317.0217 of the Revised Code} \end{aligned}$$

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

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

(b) For each school district to which division (A)(2)(a) of this section applies, the department shall adjust the recognized valuation used in the calculation under division (A)(1) of this section by subtracting from it the amount calculated under division (A)(2)(a) of this section.

(B) As used in this section:

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

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

(b) The district's category two special education ADM multiplied by the multiple specified in division (B) of section 3317.013 of the Revised Code;

(c) The district's category three special education ADM multiplied by the multiple specified in division (C) of section 3317.013 of the Revised Code;

(d) The district's category four special education ADM multiplied by the multiple specified in division (D) of section 3317.013 of the Revised Code;

(e) The district's category five special education ADM multiplied by the multiple specified in division (E) of section 3317.013 of the Revised Code;

(f) The district's category six special education ADM multiplied by the multiple specified in division (F) of section 3317.013 of the Revised Code.

(2) "Related services" includes:

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

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

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

(d) Any service included in units funded under former division (O)(1) of section 3317.024 of the Revised Code;

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

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

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

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

(4) "Preschool scholarship ADM" means the number of preschool children with disabilities reported under division (B)(3)(h) of section 3317.03 of the Revised Code.

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

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

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

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

(3)(a) The department shall compute and pay in accordance with this division additional state aid to school districts for students in categories two through six special education ADM. If a district's costs for the fiscal year for a student in its categories two through six special education ADM exceed the threshold catastrophic cost for serving the student, the district may submit to the superintendent of public instruction documentation, as prescribed by the superintendent, of all its costs for that student. Upon submission of documentation for a student of the type and in the manner prescribed, the department shall pay to the district an amount equal to the sum of the following:

(i) One-half of the district's costs for the student in excess of the threshold catastrophic cost;

(ii) The product of one-half of the district's costs for the student in excess of the threshold catastrophic cost multiplied by the district's state share percentage.

(b) For purposes of division (C)(3)(a) of this section, the threshold catastrophic cost for serving a student equals:

(i) For a student in the school district's category two, three, four, or five special education ADM, twenty-seven thousand three hundred seventy-five dollars;

(ii) For a student in the district's category six special education ADM, thirty-two thousand eight hundred fifty dollars.

(c) The district shall only report under division (C)(3)(a) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may not be included in the amount.

(4)(a) As used in this division, the "personnel allowance" means thirty thousand dollars in fiscal years 2008 and 2009.

(b) For the provision of speech language pathology services to students, including students who do not have individualized education programs prepared for them under Chapter 3323. of the Revised Code, and for no other purpose, the department of education shall pay each school district an amount calculated under the following formula:

(formula ADM divided by 2000) X
the personnel allowance X
the state share percentage

(5) In any fiscal year, a school district shall spend for purposes that the department designates as approved for special education and related services expenses at least the amount calculated as follows:

(formula amount X the sum of categories
one through six special education ADM) +
(total special education weight X formula amount)

The purposes approved by the department for special education expenses shall include, but shall not be limited to, identification of children with disabilities, compliance with state rules governing the education of children with disabilities and prescribing the continuum of program options for children with disabilities, provision of speech language pathology services, and the portion of the school district's overall administrative and overhead costs that are attributable to the district's special education student population.

The scholarships deducted from the school district's account under section 3310.41 of the Revised Code shall be considered to be an approved special education and related services expense for the purpose of the school district's compliance with division (C)(5) of this section.

The department shall require school districts to report data annually to allow for monitoring compliance with division (C)(5) of this section. The department shall annually report to the governor and the general assembly the amount of money spent by each school district for special education and related services.

(6) In any fiscal year, a school district shall spend for the provision of speech language pathology services not less than the sum of the amount calculated under division (C)(1) of this section for the students in the district's category one special education ADM and the amount calculated under division (C)(4) of this section.

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

(a) ~~"Daily bus miles per student" equals the number of bus miles traveled per day, divided by transportation base.~~

(b) ~~"Transportation base" equals total student count as defined in section 3301.011 of the Revised Code, minus the number of students enrolled in units for preschool children with disabilities, plus the number of nonpublic school students included in transportation ADM.~~

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

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

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

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

The department of education shall annually determine the average efficient transportation use cost per student in accordance with the principles stated in division (D)(2) of this section, updating the intercept and regression coefficients of the regression formula modeled in this division, based on an annual statewide analysis of each school district's daily bus miles per student, transported student percentage, and transportation cost per student data. The department shall conduct the annual update using data, including daily bus miles per student, transported student percentage, and transportation cost per student data, from the prior fiscal year. The department shall notify the office of budget and management of such update by the fifteenth day of February of each year.

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

FISCAL YEAR	PERCENTAGE
2000	52.5%
2001	55%
2002	57.5%
2003 and thereafter	The greater of 60% or the district's state share percentage

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

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

following apply:

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

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

(5) The rough road subsidy paid to each district meeting the qualifications of division (D)(4) of this section shall be calculated in accordance with the following formula:

$$\frac{(\text{per rough mile subsidy} \times \text{total rough road miles})}{\text{density multiplier}}$$

where:

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

$$0.75 - \{0.75 \times [(\text{maximum rough road percentage} - \text{county rough road percentage}) / (\text{maximum rough road percentage} - \text{statewide rough road percentage})]\}$$

(i) "Maximum rough road percentage" means the highest county rough road percentage in the state.

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

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

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

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

$$1 - [(\text{minimum student density} - \text{district student density}) / (\text{minimum student density} - \text{statewide student density})]$$

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

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

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

school districts.

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

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

$$\frac{\text{state share percentage} \times \text{the formula amount}}{\text{total vocational education weight}}$$

In any fiscal year, a school district receiving funds under division ~~(E)(D)~~(1) of this section shall spend those funds only for the purposes that the department designates as approved for vocational education expenses. Vocational educational expenses approved by the department shall include only expenses connected to the delivery of career-technical programming to career-technical students. The department shall require the school district to report data annually so that the department may monitor the district's compliance with the requirements regarding the manner in which funding received under division ~~(E)(D)~~(1) of this section may be spent.

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

$$\frac{\text{state share percentage} \times .05 \times \text{the formula amount}}{\text{the sum of categories one and two vocational education ADM}}$$

In any fiscal year, a school district receiving funds under division ~~(E)(D)~~(2) of this section, or through a transfer of funds pursuant to division ~~(L)(I)~~ of section 3317.023 of the Revised Code, shall spend those funds only for the purposes that the department designates as approved for vocational education associated services expenses, which may include such purposes as apprenticeship coordinators, coordinators for other vocational education services, vocational evaluation, and other purposes designated by the department. The department may deny payment under division ~~(E)(D)~~(2) of this section to any district that the department determines is not operating those services or is using funds paid under division ~~(E)(D)~~(2) of this section, or through a transfer of funds pursuant to division ~~(L)(I)~~ of section 3317.023 of the Revised Code, for other purposes.

~~(F)(E)~~ The actual local share in any fiscal year for the combination of

special education and related services additional weighted costs funding calculated under division (C)(1) of this section, transportation ~~funding base payment~~ calculated under divisions ~~(D)(2) and (3)~~ division (E) of this section 3317.0212 of the Revised Code, and vocational education and associated services additional weighted costs funding calculated under divisions ~~(E)(D)~~(1) and (2) of this section shall not exceed for any school district the product of three and three-tenths mills times the district's recognized valuation. The department annually shall pay each school district as an excess cost supplement any amount by which the sum of the district's attributed local shares for that funding exceeds that product. For purposes of calculating the excess cost supplement:

(1) The attributed local share for special education and related services additional weighted costs funding is the amount specified in division (C)(2) of this section.

(2) The attributed local share of the district's transportation ~~funding base payment~~ equals the difference of the total amount calculated for the district ~~using the formula developed~~ under division ~~(D)(2)(E)~~ of this section 3317.0212 of the Revised Code minus the actual amount paid to the district after applying the percentage specified in division ~~(D)(E)~~(3) of ~~this~~ that section.

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

$$\begin{aligned} & (1 - \text{state share percentage}) \times \\ & [(\text{total vocational education weight} \times \\ & \text{the formula amount}) + \text{the payment under} \\ & \text{division } \del{(E)(D)}(2) \text{ of this section}] \end{aligned}$$

Sec. 3317.023. (A) The amounts required to be paid to a district under this chapter ~~and Chapter 3306. of the Revised Code~~ shall be adjusted by the amount of the computations made under divisions (B) to ~~(N)(K)~~ of this section. ~~The department of education shall not make payments or adjustments under divisions (B), (C), and (D) of this section for any fiscal year after fiscal year 2009.~~

As used in this section:

(1) ~~"Classroom teacher" means a licensed employee who provides direct instruction to pupils, excluding teachers funded from money paid to the district from federal sources; educational service personnel; and vocational and special education teachers.~~

(2) ~~"Educational service personnel" shall not include such specialists funded from money paid to the district from federal sources or assigned~~

~~full time to vocational or special education students and classes and may only include those persons employed in the eight specialist areas in a pattern approved by the department of education under guidelines established by the state board of education.~~

~~(3) "Annual salary" means the annual base salary stated in the state minimum salary schedule for the performance of the teacher's regular teaching duties that the teacher earns for services rendered for the first full week of October of the fiscal year for which the adjustment is made under division (C) of this section. It shall not include any salary payments for supplemental teachers contracts.~~

~~(4) "Regular student population" means the formula ADM plus the number of students reported as enrolled in the district pursuant to division (A)(1) of section 3313.981 of the Revised Code; minus the number of students reported under division (A)(2) of section 3317.03 of the Revised Code; minus the FTE of students reported under division (B)(6), (7), (8), (9), (10), (11), or (12) of that section who are enrolled in a vocational education class or receiving special education; and minus twenty per cent of the students enrolled concurrently in a joint vocational school district.~~

~~(5) "VEPD" means a school district or group of school districts designated by the department of education as being responsible for the planning for and provision of vocational education services to students within the district or group.~~

~~(6)(2) "Lead district" means a school district, including a joint vocational school district, designated by the department as a VEPD, or designated to provide primary vocational education leadership within a VEPD composed of a group of districts.~~

~~(B) If the district employs less than one full-time equivalent classroom teacher for each twenty-five pupils in the regular student population in any school district, deduct the sum of the amounts obtained from the following computations:~~

~~(1) Divide the number of the district's full-time equivalent classroom teachers employed by one twenty-fifth;~~

~~(2) Subtract the quotient in (1) from the district's regular student population;~~

~~(3) Multiply the difference in (2) by seven hundred fifty-two dollars.~~

~~(C) If a positive amount, add one-half of the amount obtained by multiplying the number of full-time equivalent classroom teachers by:~~

~~(1) The mean annual salary of all full-time equivalent classroom teachers employed by the district at their respective training and experience levels minus;~~

~~(2) The mean annual salary of all such teachers at their respective levels in all school districts receiving payments under this section.~~

~~The number of full-time equivalent classroom teachers used in this computation shall not exceed one twenty-fifth of the district's regular student population. In calculating the district's mean salary under this division, those full-time equivalent classroom teachers with the highest training level shall be counted first, those with the next highest training level second, and so on, in descending order. Within the respective training levels, teachers with the highest years of service shall be counted first, the next highest years of service second, and so on, in descending order.~~

~~(D) This division does not apply to a school district that has entered into an agreement under division (A) of section 3313.42 of the Revised Code. Deduct the amount obtained from the following computations if the district employs fewer than five full-time equivalent educational service personnel, including elementary school art, music, and physical education teachers, counselors, librarians, visiting teachers, school social workers, and school nurses for each one thousand pupils in the regular student population:~~

~~(1) Divide the number of full-time equivalent educational service personnel employed by the district by five one thousandths;~~

~~(2) Subtract the quotient in (1) from the district's regular student population;~~

~~(3) Multiply the difference in (2) by ninety-four dollars.~~

~~(E) If a local school district, or a city or exempted village school district to which a governing board of an educational service center provides services pursuant to section 3313.843 of the Revised Code, deduct the amount of the payment required for the reimbursement of the governing board under section 3317.11 of the Revised Code.~~

~~(F)(C)(1) If the district is required to pay to or entitled to receive tuition from another school district under division (C)(2) or (3) of section 3313.64 or section 3313.65 of the Revised Code, or if the superintendent of public instruction is required to determine the correct amount of tuition and make a deduction or credit under section 3317.08 of the Revised Code, deduct and credit such amounts as provided in division (J) of section 3313.64 or section 3317.08 of the Revised Code.~~

~~(2) For each child for whom the district is responsible for tuition or payment under division (A)(1) of section 3317.082 or section 3323.091 of the Revised Code, deduct the amount of tuition or payment for which the district is responsible.~~

~~(G)(D) If the district has been certified by the superintendent of public instruction under section 3313.90 of the Revised Code as not in compliance~~

with the requirements of that section, deduct an amount equal to ten per cent of the amount computed for the district under ~~Chapter 3306. of the Revised Code~~ this chapter.

~~(H)~~(E) If the district has received a loan from a commercial lending institution for which payments are made by the superintendent of public instruction pursuant to division (E)(3) of section 3313.483 of the Revised Code, deduct an amount equal to such payments.

~~(H)~~(F)(1) If the district is a party to an agreement entered into under division (D), (E), or (F) of section 3311.06 or division (B) of section 3311.24 of the Revised Code and is obligated to make payments to another district under such an agreement, deduct an amount equal to such payments if the district school board notifies the department in writing that it wishes to have such payments deducted.

(2) If the district is entitled to receive payments from another district that has notified the department to deduct such payments under division ~~(H)~~(F)(1) of this section, add the amount of such payments.

~~(H)~~(G) If the district is required to pay an amount of funds to a cooperative education district pursuant to a provision described by division (B)(4) of section 3311.52 or division (B)(8) of section 3311.521 of the Revised Code, deduct such amounts as provided under that provision and credit those amounts to the cooperative education district for payment to the district under division (B)(1) of section 3317.19 of the Revised Code.

~~(K)~~(H)(1) If a district is educating a student entitled to attend school in another district pursuant to a shared education contract, compact, or cooperative education agreement other than an agreement entered into pursuant to section 3313.842 of the Revised Code, credit to that educating district on an FTE basis both of the following:

(a) An amount equal to the formula amount.

(b) An amount equal to ~~the current formula amount~~ \$5,732 times the state share percentage times any multiple applicable to the student for fiscal year 2009 pursuant to section ~~3306.11~~ 3317.013 or 3317.014 of the Revised Code, as those sections existed for that fiscal year.

(2) Deduct any amount credited pursuant to division ~~(K)~~(H)(1) of this section from amounts paid to the school district in which the student is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.

(3) If the district is required by a shared education contract, compact, or cooperative education agreement to make payments to an educational service center, deduct the amounts from payments to the district and add them to the amounts paid to the service center pursuant to section 3317.11

of the Revised Code.

~~(L)~~(I)(1) If a district, including a joint vocational school district, is a lead district of a VEPD, credit to that district the following amounts calculated for all the school districts within that VEPD ~~pursuant to:~~

(a) In any fiscal year except fiscal year 2012 or 2013, the amount computed under division ~~(E)~~(D)(2) of section 3317.022 of the Revised Code;

(b) In fiscal years 2012 and 2013, an amount equal to the following:
state share percentage X .05 X \$5,732 X
the sum of categories one
and two vocational education ADM

(2) Deduct from each appropriate district that is not a lead district, the amount attributable to that district that is credited to a lead district under division ~~(L)~~(I)(1) of this section.

~~(M)~~(J) If the department pays a joint vocational school district under division (G)(4) of section 3317.16 of the Revised Code for excess costs of providing special education and related services to a student with a disability, as calculated under division (G)(2) of that section, the department shall deduct the amount of that payment from the city, local, or exempted village school district that is responsible as specified in that section for the excess costs.

~~(N)~~(K)(1) If the district reports an amount of excess cost for special education services for a child under division (C) of section 3323.14 of the Revised Code, the department shall pay that amount to the district.

(2) If the district reports an amount of excess cost for special education services for a child under division (C) of section 3323.14 of the Revised Code, the department shall deduct that amount from the district of residence of that child.

Sec. 3317.024. The following shall be distributed monthly, quarterly, or annually as may be determined by the state board of education, ~~except that the department of education shall not make payments under divisions (F) and (N) of this section for any fiscal year after fiscal year 2009 or under division (L) of this section for fiscal year 2010 or 2011:~~

(A) An amount for each island school district and each joint state school district for the operation of each high school and each elementary school maintained within such district and for capital improvements for such schools. Such amounts shall be determined on the basis of standards adopted by the state board of education. However, for fiscal years 2012 and 2013, an island district shall receive the lesser of its actual cost of operation, as certified to the department of education, or ninety-three per cent of the

amount the district received in state operating funding for fiscal year 2011. If an island district received no funding for fiscal year 2011, it shall receive no funding for either of fiscal year 2012 or 2013.

~~(B) An amount for each school district operating classes for children of migrant workers who are unable to be in attendance in an Ohio school during the entire regular school year. The amounts shall be determined on the basis of standards adopted by the state board of education, except that payment shall be made only for subjects regularly offered by the school district providing the classes.~~

~~(C) An amount for each school district with guidance, testing, and counseling programs approved by the state board of education. The amount shall be determined on the basis of standards adopted by the state board of education.~~

~~(D) An amount for the emergency purchase of school buses as provided for in section 3317.07 of the Revised Code;~~

~~(E) An amount for each school district required to pay tuition for a child in an institution maintained by the department of youth services pursuant to section 3317.082 of the Revised Code, provided the child was not included in the calculation of the district's average daily membership for the preceding school year.~~

~~(F) An amount for adult basic literacy education for each district participating in programs approved by the state board of education. The amount shall be determined on the basis of standards adopted by the state board of education.~~

~~(G)~~(C) An amount for the approved cost of transporting eligible pupils with disabilities attending a special education program approved by the department of education whom it is impossible or impractical to transport by regular school bus in the course of regular route transportation provided by the school district or educational service center. No district or service center is eligible to receive a payment under this division for the cost of transporting any pupil whom it transports by regular school bus and who is included in the district's transportation ADM. The state board of education shall establish standards and guidelines for use by the department of education in determining the approved cost of such transportation for each district or service center.

~~(H)~~(D) An amount to each school district, including each cooperative education school district, pursuant to section 3313.81 of the Revised Code to assist in providing free lunches to needy children and ~~an amount to assist needy school districts in purchasing necessary equipment for food preparation.~~ The amounts shall be determined on the basis of rules adopted

by the state board of education.

~~(H)~~(E) An amount to each school district, for each pupil attending a chartered nonpublic elementary or high school within the district. The amount shall equal the amount appropriated for the implementation of section 3317.06 of the Revised Code divided by the average daily membership in grades kindergarten through twelve in nonpublic elementary and high schools within the state as determined during the first full week in October of each school year.

~~(J)~~(F) An amount for each county DD board, distributed on the basis of standards adopted by the state board of education, for the approved cost of transportation required for children attending special education programs operated by the county DD board under section 3323.09 of the Revised Code;

~~(K)~~ An amount for each school district that establishes a mentor teacher program that complies with rules of the state board of education. No school district shall be required to establish or maintain such a program in any year unless sufficient funds are appropriated to cover the district's total costs for the program.

~~(L)~~ An amount to each school district or educational service center for the total number of gifted units approved pursuant to section 3317.05 of the Revised Code. The amount for each such unit shall be the sum of the minimum salary for the teacher of the unit, calculated on the basis of the teacher's training level and years of experience pursuant to the salary schedule prescribed in the version of section 3317.13 of the Revised Code in effect prior to July 1, 2001, plus fifteen per cent of that minimum salary amount, plus two thousand six hundred seventy-eight dollars.

~~(M)~~(G) An amount to each institution defined under section 3317.082 of the Revised Code providing elementary or secondary education to children other than children receiving special education under section 3323.091 of the Revised Code. This amount for any institution in any fiscal year shall equal the total of all tuition amounts required to be paid to the institution under division (A)(1) of section 3317.082 of the Revised Code.

~~(N)~~ A grant to each school district and joint vocational school district that operates a "graduation, reality, and dual role skills" (GRADS) program for pregnant and parenting students that is approved by the department. The amount of the payment shall be the district's state share percentage, as defined in section 3317.022 or 3317.16 of the Revised Code, times the GRADS personnel allowance times the full-time equivalent number of GRADS teachers approved by the department. The GRADS personnel allowance is \$47,555 in fiscal years 2008 and 2009. The GRADS program

~~shall include instruction on adoption as an option for unintended pregnancies.~~

The state board of education or any other board of education or governing board may provide for any resident of a district or educational service center territory any educational service for which funds are made available to the board by the United States under the authority of public law, whether such funds come directly or indirectly from the United States or any agency or department thereof or through the state or any agency, department, or political subdivision thereof.

Sec. 3317.025. On or before the first day of June of each year, the tax commissioner shall certify the following information to the department of education and the office of budget and management, for each school district in which the value of the property described under division (A) of this section exceeds one per cent of the taxable value of all real and tangible personal property in the district or in which is located tangible personal property designed for use or used in strip mining operations, whose taxable value exceeds five million dollars, and the taxes upon which the district is precluded from collecting by virtue of legal proceedings to determine the value of such property:

(A) The total taxable value of all property in the district owned by a public utility or railroad that has filed a petition for reorganization under the "Bankruptcy Act," 47 Stat. 1474 (1898), 11 U.S.C. 205, as amended, and all tangible personal property in the district designed for use or used in strip mining operations whose taxable value exceeds five million dollars upon which have not been paid in full on or before the first day of April of that calendar year all real and tangible personal property taxes levied for the preceding calendar year and which the district was precluded from collecting by virtue of proceedings under section 205 of said act or by virtue of legal proceedings to determine the tax liability of such strip mining equipment;

(B) The percentage of the total operating taxes charged and payable for school district purposes levied against such valuation for the preceding calendar year that have not been paid by such date;

(C) The product obtained by multiplying the value certified under division (A) of this section by the percentage certified under division (B) of this section. If the value certified under division (A) of this section includes taxable property owned by a public utility or railroad that has filed a petition for reorganization under the bankruptcy act, the amount used in making the calculation under this division shall be reduced by one per cent of the total value of all real and tangible personal property in the district or the value of

the utility's or railroad's property, whichever is less.

Upon receipt of the certification, the department shall recompute the payments required under ~~Chapter 3306. of the Revised Code~~ this chapter in the manner the payments would have been computed if:

(1) The amount certified under division (C) of this section was not subject to taxation by the district and was not included in the certification made under division (A)(1), (A)(2), or (D) of section 3317.021 of the Revised Code.

(2) The amount of taxes charged and payable and unpaid and used to make the computation under division (B) of this section had not been levied and had not been used in the computation required by division (B) of section 3317.021 of the Revised Code. The department shall pay the district that amount in the ensuing fiscal year in lieu of the amounts computed under ~~Chapter 3306. of the Revised Code~~ this chapter.

If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0210. (A) As used in this section:

(1) "Bankruptcy Reform Act" means the "Bankruptcy Reform Act of 1978," 92 Stat. 2558, 11 U.S.C. 301, as amended.

(2) "Chapter 11 corporation" means a corporation, company, or other business organization that has filed a petition for reorganization under Chapter 11 of the "Bankruptcy Reform Act," 92 Stat. 2626, 11 U.S.C. 1101, as amended.

(3) "Uncollectable taxes" means property taxes payable in a calendar year by a Chapter 11 corporation on its property that a school district is precluded from collecting by virtue of proceedings under the Bankruptcy Reform Act.

(4) "Basic state aid" means ~~the~~ a school district's state education aid calculated for a school district under Chapter 3306. of the Revised Code.

(5) "Effective value" means the amount obtained by multiplying the total taxable value certified in a calendar year under section 3317.021 of the Revised Code by a fraction, the numerator of which is the total taxes charged and payable in that calendar year exclusive of the uncollectable taxes payable in that year, and the denominator of which is the total taxes charged and payable in that year.

(6) "Total taxes charged and payable" has the same meaning given

"taxes charged and payable" in section 3317.02 of the Revised Code.

(B)(1) Between the first day of January and the first day of February of any year, a school district shall notify the department of education if it has uncollectable taxes payable in the preceding calendar year from one Chapter 11 corporation.

(2) The department shall verify whether the district has such uncollectable taxes from such a corporation, and if the district does, shall immediately request the tax commissioner to certify the district's total taxes charged and payable in the preceding calendar year, and the tax commissioner shall certify that information to the department within thirty days after receiving the request. For the purposes of this section, taxes are payable in the calendar year that includes the day prescribed by law for their payment, including any lawful extension thereof.

(C) Upon receiving the certification from the tax commissioner, the department shall determine whether the amount of uncollectable taxes from the corporation equals at least one per cent of the total taxes charged and payable as certified by the tax commissioner. If it does, the department shall compute the district's effective value and shall recompute the basic state aid payable to the district for the current fiscal year using the effective value in lieu of the total taxable value used to compute the basic state aid for the current fiscal year. The difference between the basic state aid amount originally computed for the district for the current fiscal year and the recomputed amount shall be paid to the district from the lottery profits education fund before the end of the current fiscal year.

(D) Except as provided in division (E) of this section, amounts received by a school district under division (C) of this section shall be repaid to the department of education in any future year to the extent the district receives payments of uncollectable taxes in such future year. The district shall notify the department of any amount owed under this division.

(E) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0211. (A) As used in this section:

(1) "Port authority" means any port authority as defined in section 4582.01 or 4582.21 of the Revised Code.

(2) "Real property" includes public utility real property and "personal property" includes public utility personal property.

(3) "Uncollected taxes" means property taxes charged and payable against the property of a port authority for a tax year that a school district has not collected.

(4) "Basic state aid" means ~~the~~ a school district's state education aid calculated for a school district under Chapter 3306. of the Revised Code.

(5) "Effective value" means the sum of the effective residential/agricultural real property value, the effective nonresidential/agricultural real property value, and the effective personal value.

(6) "Effective residential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of residential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the residential/agricultural real property subject to taxation in the district, exclusive of the uncollected taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the residential/agricultural real property subject to taxation in the district.

(7) "Effective nonresidential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of nonresidential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district, exclusive of the uncollected taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district.

(8) "Effective personal value" means, for a tax year, the amount obtained by multiplying the value for that year certified under division (A)(2) of section 3317.021 of the Revised Code by a fraction, the numerator of which is the total taxes charged and payable for that year against personal property subject to taxation in the district, exclusive of the uncollected taxes for that year on that property, and the denominator of which is the total taxes charged and payable for that year against personal property subject to taxation in the district.

(9) "Nonresidential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district for that year under division (B)(2)(a) of this section, and "residential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district under division (B)(2)(b) of this section.

(10) "Taxes charged and payable against real property" means the taxes charged and payable against that property after making the reduction required by section 319.301 of the Revised Code.

(11) "Total taxes charged and payable" has the same meaning given "taxes charged and payable" in section 3317.02 of the Revised Code.

(B)(1) By the first day of August of any calendar year, a school district shall notify the department of education if it has any uncollected taxes from one port authority for the second preceding tax year whose taxes charged and payable represent at least one-half of one per cent of the district's total taxes charged and payable for that tax year.

(2) The department shall verify whether the district has such uncollected taxes by the first day of September, and if the district does, shall immediately request the county auditor of each county in which the school district has territory to certify the following information concerning the district's property values and taxes for the second preceding tax year, and each such auditor shall certify that information to the department within thirty days of receiving the request:

(a) The value of the property subject to taxation in the district that was classified as nonresidential/agricultural real property pursuant to section 5713.041 of the Revised Code, and the taxes charged and payable on that property; and

(b) The value of the property subject to taxation in the district that was classified as residential/agricultural real property under section 5713.041 of the Revised Code.

(C) By the fifteenth day of November, the department shall compute the district's effective nonresidential/agricultural real property value, effective residential/agricultural real property value, effective personal value, and effective value, and shall determine whether the school district's effective value for the second preceding tax year is at least one per cent less than its total value for that year certified under divisions (A)(1) and (2) of section 3317.021 of the Revised Code. If it is, the department shall recompute the basic state aid payable to the district for the immediately preceding fiscal year using the effective value in lieu of the amounts previously certified under section 3317.021 of the Revised Code. The difference between the original basic state aid amount computed for the district for the preceding fiscal year and the recomputed amount shall be paid to the district from the lottery profits education fund before the end of the current fiscal year.

(D) Except as provided in division (E) of this section, amounts received by a school district under division (C) of this section shall be repaid to the department of education in any future year to the extent the district receives

payments of uncollectable taxes in such future year. The department shall notify a district of any amount owed under this division.

(E) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. ~~3306.12~~ 3317.0212. (A) The department of education shall make no payments under this section for fiscal year 2012 or 2013.

(A) As used in this section:

(1) "Assigned bus" means a school bus used to transport qualifying riders.

(2) "Nontraditional ridership" means the average number of qualifying riders who are enrolled in a community school established under Chapter 3314. of the Revised Code, in a STEM school established under Chapter 3326. of the Revised Code, or in a nonpublic school and are provided school bus service by a school district during the first full week of October.

(3) "Qualifying riders" means resident students enrolled in regular education in grades kindergarten to twelve who are provided school bus service by a school district and who live more than one mile from the school they attend, including students with dual enrollment in a joint vocational school district or a cooperative education school district, and students enrolled in a community school, STEM school, or nonpublic school.

(4) "Qualifying ridership" means the average number of qualifying riders who are provided school bus service by a school district during the first full week of October.

(5) "Rider density" means the number of qualifying riders per square mile of a school district.

(6) "School bus service" means a school district's transportation of qualifying riders in any of the following types of vehicles:

- (a) School buses owned or leased by the district;
- (b) School buses operated by a private contractor hired by the district;
- (c) School buses operated by another school district or entity with which the district has contracted, either as part of a consortium for the provision of transportation or otherwise.

(B) Not later than the fifteenth day of October each year, each city, local, and exempted village school district shall report to the department of education its qualifying ridership, nontraditional ridership, number of qualifying riders per assigned bus, and any other information requested by

the department. Subsequent adjustments to the reported numbers shall be made only in accordance with rules adopted by the department.

(C) The department shall calculate the statewide transportation cost per student as follows:

(1) Determine each city, local, and exempted village school district's transportation cost per student by dividing the district's total costs for school bus service in the previous fiscal year by its qualifying ridership in the previous fiscal year.

(2) After excluding districts that do not provide school bus service and the ten districts with the highest transportation costs per student and the ten districts with the lowest transportation costs per student, divide the aggregate cost for school bus service for the remaining districts in the previous fiscal year by the aggregate qualifying ridership of those districts in the previous fiscal year.

(D) The department shall calculate the statewide transportation cost per mile as follows:

(1) Determine each city, local, and exempted village school district's transportation cost per mile by dividing the district's total costs for school bus service in the previous fiscal year by its total number of miles driven for school bus service in the previous fiscal year.

(2) After excluding districts that do not provide school bus service and the ten districts with the highest transportation costs per mile and the ten districts with the lowest transportation costs per mile, divide the aggregate cost for school bus service for the remaining districts in the previous fiscal year by the aggregate miles driven for school bus service in those districts in the previous fiscal year.

(E) The department shall calculate each city, local, and exempted village school district's transportation base payment as follows:

(1) Multiply the statewide transportation cost per student by the district's qualifying ridership for the current fiscal year.

(2) Multiply the statewide transportation cost per mile by the district's total number of miles driven for school bus service in the current fiscal year.

(3) Multiply the greater of the amounts calculated under divisions (E)(1) and (2) of this section by the greater of sixty per cent or the district's state share percentage, as defined in section 3317.02 of the Revised Code.

(F) The department shall calculate each city, local, and exempted village school district's nontraditional ridership adjustment according to the following formula:

$$\begin{aligned} & \text{(nontraditional ridership for the current fiscal year /} \\ & \text{qualifying ridership for the current fiscal year)} \times 0.1 \times \end{aligned}$$

transportation base payment

(G) If a city, local, ~~and~~ or exempted village school district offers school bus service to all resident students who are enrolled in regular education in district schools in grades nine to twelve and who live more than one mile from the school they attend, the department shall calculate the district's high school ridership adjustment according to the following formula:

0.025 X transportation base payment

(H) If a city, local, ~~and~~ or exempted village school district offers school bus service to students enrolled in grades kindergarten to eight who live more than one mile, but two miles or less, from the school they attend, the department shall calculate an additional adjustment according to the following formula:

0.025 X transportation base payment

(I)(1) The department annually shall establish a target number of qualifying riders per assigned bus for each city, local, and exempted village school district. The department shall use the most recently available data in establishing the target number. The target number shall be based on the statewide median number of qualifying riders per assigned bus as adjusted to reflect the district's rider density in comparison to the rider density of all other districts. The department shall post on the department's web site each district's target number of qualifying riders per assigned bus and a description of how the target number was determined.

(2) The department shall determine each school district's efficiency index by dividing the district's median number of qualifying riders per assigned bus by its target number of qualifying riders per assigned bus.

(3) The department shall determine each city, local, and exempted village school district's efficiency adjustment as follows:

(a) If the district's efficiency index is equal to or greater than 1.5, the efficiency adjustment shall be calculated according to the following formula:

0.1 X transportation base payment

(b) If the district's efficiency index is less than 1.5 but equal to or greater than 1.0, the efficiency adjustment shall be calculated according to the following formula:

$[(\text{efficiency index} - 1) / 5] \times \text{transportation base payment}$

(c) If the district's efficiency index is less than 1.0, the efficiency adjustment shall be zero.

(J) The department shall pay each city, local, and exempted village school district the lesser of the following:

(1) The sum of the amounts calculated under divisions (E) to (H) and

(I)(3) of this section;

(2) The district's total costs for school bus service for the prior fiscal year.

(K) In addition to funds paid under division (J) of this section, each city, local, and exempted village district shall receive in accordance with rules adopted by the state board of education a payment for students transported by means other than school bus service and whose transportation is not funded under division ~~(G)(C)~~ of section 3317.024 of the Revised Code. The rules shall include provisions for school district reporting of such students.

~~(L)(1) In fiscal years 2010 and 2011, the department shall pay each district a pro rata portion of the amounts calculated under division (J) of this section and described in division (K) of this section, based on state appropriations.~~

~~(2) In addition to the prorated payment under division (L)(1) of this section, in fiscal years 2010 and 2011, the department shall pay each school district that meets the conditions prescribed in division (L)(3) of this section an additional amount equal to the following product:~~

~~(a) The difference of (i) the amounts calculated under division (J) of this section and prescribed in division (K) of this section minus (ii) that prorated payment; times~~

~~(b) 0.30 in fiscal year 2010 and 0.70 in fiscal year 2011.~~

~~(3) Division (L)(2) of this section applies to each school district that meets all of the following conditions:~~

~~(a) The district qualifies for the calculation of a payment under division (J) of this section because it transports students on board-owned or contractor-owned school buses.~~

~~(b) The district's local wealth per pupil, calculated as prescribed in section 3317.0217 of the Revised Code, is at or below the median local wealth per pupil of all districts that qualify for calculation of a payment under division (J) of this section.~~

~~(c) The district's rider density is at or below the median rider density of all districts that qualify for calculation of a payment under division (J) of this section.~~

~~Sec. 3317.03. The information certified and verified under this section shall be used to calculate payments under this chapter and Chapter 3306. of the Revised Code.~~

(A) The superintendent of each city, local, and exempted village school district and of each educational service center shall, for the schools under the superintendent's supervision, certify to the state board of education on or before the fifteenth day of October in each year for the first full school week

in October the average daily membership of students receiving services from schools under the superintendent's supervision, and the numbers of other students entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code the superintendent is required to report under this section, so that the department of education can calculate the district's formula ADM. If a school under the superintendent's supervision is closed for one or more days during that week due to hazardous weather conditions or other circumstances described in the first paragraph of division (B) of section 3317.01 of the Revised Code, the superintendent may apply to the superintendent of public instruction for a waiver, under which the superintendent of public instruction may exempt the district superintendent from certifying the average daily membership for that school for that week and specify an alternate week for certifying the average daily membership of that school.

The average daily membership during such week shall consist of the sum of the following:

(1) On an FTE basis, the number of students in grades kindergarten through twelve receiving any educational services from the district, except that the following categories of students shall not be included in the determination:

- (a) Students enrolled in adult education classes;
- (b) Adjacent or other district students enrolled in the district under an open enrollment policy pursuant to section 3313.98 of the Revised Code;
- (c) Students receiving services in the district pursuant to a compact, cooperative education agreement, or a contract, but who are entitled to attend school in another district pursuant to section 3313.64 or 3313.65 of the Revised Code;
- (d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code;
- (e) Students receiving services in the district through a scholarship awarded under either section 3310.41 or sections 3310.51 to 3310.64 of the Revised Code.

(2) On an FTE basis, the number of students entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code, but receiving educational services in grades kindergarten through twelve from one or more of the following entities:

- (a) A community school pursuant to Chapter 3314. of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in such community school;
- (b) An alternative school pursuant to sections 3313.974 to 3313.979 of

the Revised Code as described in division (I)(2)(a) or (b) of this section;

(c) A college pursuant to 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. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code;

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

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

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

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

(h) An alternative public provider or a registered private provider with a scholarship awarded under either section 3310.41 or sections 3310.51 to 3310.64 of the Revised Code.

As used in this section, "alternative public provider" and "registered private provider" have the same meanings as in section 3310.41 or 3310.51 of the Revised Code, as applicable.

(i) A science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in the school;

(j) A college-preparatory boarding school established under Chapter 3328. of the Revised Code.

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

(4) The number of children with disabilities, other than preschool children with disabilities, entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code who are placed by the district with a county DD board, minus the number of such children placed with a county DD board in fiscal year 1998. If this calculation produces a negative number, the number reported under division (A)(4) of this section shall be zero.

(B) To enable the department of education to obtain the data needed to complete the calculation of payments pursuant to this chapter ~~and Chapter~~

~~3306. of the Revised Code~~, in addition to the average daily membership, each superintendent shall report separately the following student counts for the same week for which average daily membership is certified:

(1) The total average daily membership in regular learning day classes included in the report under division (A)(1) or (2) of this section for each of the individual grades kindergarten through twelve in schools under the superintendent's supervision;

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

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

(a) Participating in a pilot project scholarship program established under sections 3313.974 to 3313.979 of the Revised Code as described in division (I)(2)(a) or (b) of this section;

(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. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code;

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

(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;

(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;

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

(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;

(h) Enrolled as a preschool child with a disability in an alternative public provider or a registered private provider with a scholarship awarded

under section 3310.41 of the Revised Code;

(i) Participating in a program operated by a county DD board or a state institution;

(j) Enrolled in a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code, including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in the school;

(k) Enrolled in a college-preparatory boarding school established under Chapter 3328. of the Revised Code.

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

(5) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for the category one disability described in division ~~(D)(1)(A)~~ of section ~~3306.02~~ 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 sections 3310.51 to 3310.64 of the Revised Code;

(6) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for category two disabilities described in division ~~(D)(2)(B)~~ of section ~~3306.02~~ 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 sections 3310.51 to 3310.64 of the Revised Code;

(7) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for category three disabilities described in division ~~(D)(3)(C)~~ of section ~~3306.02~~ 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 sections 3310.51 to 3310.64 of the Revised Code;

(8) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for category four disabilities described in division ~~(D)(4)~~ of section ~~3306.02~~ 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 sections 3310.51 to 3310.64 of the Revised Code;

(9) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) of this section receiving special education services for the category five disabilities described in division ~~(D)(5)(E)~~ of section ~~3306.02~~ 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 sections 3310.51 to 3310.64 of the Revised Code;

(10) The combined average daily membership of children with disabilities reported under division (A)(1) or (2) and under division (B)(3)(h) of this section receiving special education services for category six disabilities described in division ~~(D)(6)(F)~~ of section ~~3306.02~~ 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 either section 3310.41 or sections 3310.51 to 3310.64 of the Revised Code;

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

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

Beginning with fiscal year 2010, vocational education ADM shall not be used to calculate a district's funding but shall be reported under divisions (B)(11) and (12) of this section for statistical purposes.

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

(14)(a) The number of children, other than preschool children with disabilities, the district placed with a county DD board in fiscal year 1998;

(b) The number of children with disabilities, other than preschool children with disabilities, placed with a county DD board in the current fiscal year to receive special education services for the category one disability described in division ~~(D)(1)(A)~~ of section ~~3306.02~~ 3317.013 of the Revised Code;

(c) The number of children with disabilities, other than preschool children with disabilities, placed with a county DD board in the current fiscal year to receive special education services for category two disabilities described in division ~~(D)(2)(B)~~ of section ~~3306.02~~ 3317.013 of the Revised Code;

(d) The number of children with disabilities, other than preschool children with disabilities, placed with a county DD board in the current fiscal year to receive special education services for category three disabilities described in division ~~(D)(3)(C)~~ of section ~~3306.02~~ 3317.013 of the Revised Code;

(e) The number of children with disabilities, other than preschool children with disabilities, placed with a county DD board in the current fiscal year to receive special education services for category four disabilities described in division ~~(D)(4)~~ of section ~~3306.02~~ 3317.013 of the Revised Code;

(f) The number of children with disabilities, other than preschool children with disabilities, placed with a county DD board in the current fiscal year to receive special education services for the category five disabilities described in division ~~(D)(5)(E)~~ of section ~~3306.02~~ 3317.013 of the Revised Code;

(g) The number of children with disabilities, other than preschool children with disabilities, placed with a county DD board in the current fiscal year to receive special education services for category six disabilities described in division ~~(D)(6)(F)~~ of section ~~3306.02~~ 3317.013 of the Revised Code.

(C)(1) The average daily membership in divisions (B)(1) to (12) of this section shall be based upon the number of full-time equivalent students. The state board of education shall adopt rules defining full-time equivalent students and for determining the average daily membership therefrom for the purposes of divisions (A), (B), and (D) of this section. Each student enrolled in kindergarten shall be counted as one full-time equivalent student regardless of whether the student is enrolled in a part-day or all-day kindergarten class.

(2) A student enrolled in a community school established under Chapter 3314. ~~or~~, a science, technology, engineering, and mathematics school established under Chapter 3326., or a college-preparatory boarding school established under Chapter 3328. of the Revised Code shall be counted in the formula ADM and, if applicable, the category one, two, three, four, five, or six special education ADM of the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code for the same proportion of the school year that the student is counted in the enrollment of the community school ~~or~~, the science, technology, engineering, and mathematics school, or the college-preparatory boarding school for purposes of section 3314.08 ~~or~~, 3326.33, or 3328.24 of the Revised Code. Notwithstanding the number of students reported pursuant to division (B)(3)(d), (e), ~~or (j), or (k)~~ of this section, the department may adjust the formula ADM of a school district to account for students entitled to attend school in the district under section 3313.64 or 3313.65 of the Revised Code who are enrolled in a community school ~~or~~, a science, technology, engineering, and mathematics school, or a college-preparatory boarding school for only a portion of the school year.

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

(a) A child with a disability described in ~~division (D) of section 3306.02~~ 3317.013 of the Revised Code may be counted both in formula ADM and in category one, two, three, four, five, or six special education ADM and, if applicable, in category one or two vocational education ADM. As provided in division (C) of section 3317.02 of the Revised Code, such a child shall be counted in category one, two, three, four, five, or six special education ADM in the same proportion that the child is counted in formula ADM.

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

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

(D)(1) The superintendent of each joint vocational school district shall

certify to the superintendent of public instruction on or before the fifteenth day of October in each year for the first full school week in October the formula ADM, for purposes of section 3318.42 of the Revised Code and for any other purpose prescribed by law for which "formula ADM" of the joint vocational district is a factor. If a school operated by the joint vocational school district is closed for one or more days during that week due to hazardous weather conditions or other circumstances described in the first paragraph of division (B) of section 3317.01 of the Revised Code, the superintendent may apply to the superintendent of public instruction for a waiver, under which the superintendent of public instruction may exempt the district superintendent from certifying the formula ADM for that school for that week and specify an alternate week for certifying the formula ADM of that school.

The formula ADM, except as otherwise provided in this division, shall consist of the average daily membership during such week, on an FTE basis, of the number of students receiving any educational services from the district, including students enrolled in a community school established under Chapter 3314. or a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code who are attending the joint vocational district under an agreement between the district board of education and the governing authority of the community school or the governing body of the science, technology, engineering, and mathematics school 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.

The following categories of students shall not be included in the determination made under division (D)(1) of this section:

- (a) Students enrolled in adult education classes;
- (b) Adjacent or other district joint vocational students enrolled in the district under an open enrollment policy pursuant to section 3313.98 of the Revised Code;
- (c) Students receiving services in the district pursuant to a 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;
- (d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code.

(2) ~~In~~ 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:

(a) Students enrolled in each individual grade included in the joint vocational district schools;

(b) Children with disabilities receiving special education services for the category one disability described in division ~~(D)(1)(A)~~ of section ~~3306.02 3317.013~~ of the Revised Code;

(c) Children with disabilities receiving special education services for the category two disabilities described in division ~~(D)(2)(B)~~ of section ~~3306.02 3317.013~~ of the Revised Code;

(d) Children with disabilities receiving special education services for category three disabilities described in division ~~(D)(3)(C)~~ of section ~~3306.02 3317.013~~ of the Revised Code;

(e) Children with disabilities receiving special education services for category four disabilities described in division ~~(D)(4)~~ of section ~~3306.02 3317.013~~ of the Revised Code;

(f) Children with disabilities receiving special education services for the category five disabilities described in division ~~(D)(5)(E)~~ of section ~~3306.02 3317.013~~ of the Revised Code;

(g) Children with disabilities receiving special education services for category six disabilities described in division ~~(D)(6)(F)~~ of section ~~3306.02 3317.013~~ of the Revised Code;

(h) Students receiving category one vocational education services, described in division (A) of section 3317.014 of the Revised Code;

(i) Students receiving category two vocational education services, described in division (B) of section 3317.014 of the Revised Code.

The superintendent of each joint vocational school district shall also indicate the city, local, or exempted village school district in which each joint vocational district pupil is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.

(E) In each school of each city, local, exempted village, joint vocational, and cooperative education school district there shall be maintained a record of school membership, which record shall accurately show, for each day the school is in session, the actual membership enrolled in regular day classes. For the purpose of determining average daily membership, the membership figure of any school shall not include any pupils except those pupils described by division (A) of this section. The record of membership for each school shall be maintained in such manner that no pupil shall be counted as in membership prior to the actual date of entry in the school and also in such

manner that where for any cause a pupil permanently withdraws from the school that pupil shall not be counted as in membership from and after the date of such withdrawal. There shall not be included in the membership of any school any of the following:

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

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

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

(4) Any pupil 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 reenrollment in the public school system of their residence not later than four years after termination of war or their honorable discharge.

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

Notwithstanding division (E)(3) of this section, the membership of any school may include a pupil who did not take an assessment required by section 3301.0711 of the Revised Code if the superintendent of public instruction grants a waiver from the requirement to take the assessment to the specific pupil and a parent is not paying tuition for the pupil pursuant to section 3313.6410 of the Revised Code. The superintendent may grant such a waiver only for good cause in accordance with rules adopted by the state board of education.

Except as provided in divisions (B)(2) and (F) of this section, the average daily membership figure of any local, city, exempted village, or joint vocational school district shall be determined by dividing the figure representing the sum of the number of pupils enrolled during each day the school of attendance is actually open for instruction during the week for which the average daily membership is being certified by the total number of days the school was actually open for instruction during that week. For purposes of state funding, "enrolled" persons are only those pupils who are attending school, those who have attended school during the current school year and are absent for authorized reasons, and those children with

disabilities currently receiving home instruction.

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

(F)(1) If the formula ADM for the first full school week in February is at least three per cent greater than that certified for the first full school week in the preceding October, the superintendent of schools of any city, exempted village, or joint vocational school district or educational service center shall certify such increase to the superintendent of public instruction. Such certification shall be submitted no later than the fifteenth day of February. For the balance of the fiscal year, beginning with the February payments, the superintendent of public instruction shall use the increased formula ADM in calculating or recalculating the amounts to be allocated in accordance with section 3317.022 or 3317.16 of the Revised Code. In no event shall the superintendent use an increased membership certified to the superintendent after the fifteenth day of February. Division (F)(1) of this section does not apply after fiscal year 2006.

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

(3) If a student attending a community school under Chapter 3314. ~~or~~, a science, technology, engineering, and mathematics school established under Chapter 3326., or a college-preparatory boarding school established under Chapter 3328. of the Revised Code is not included in the formula ADM certified for the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code, the department of education shall adjust the formula ADM of that school district to include the student in accordance with division (C)(2) of this section, and shall recalculate the school district's payments under this chapter ~~and Chapter 3306. of the Revised Code~~ 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 community school ~~or~~, the science, technology, engineering, and mathematics school, or the college-preparatory boarding school during the week for which the formula ADM is being certified.

(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 ~~and Chapter 3306. of the Revised Code~~ 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.

(5) If a student awarded a scholarship under the Jon Peterson special needs scholarship program is not included in the formula ADM of the school district from which the department deducts funds for the scholarship under section 3310.55 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 an alternative public provider, a registered private provider, or the school district 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 children with disabilities other than preschool children with disabilities receiving services at the institution for each category of disability described in divisions ~~(D)(1) to (6)(A)~~ (D)(1) to (6)(A) to (F) of section ~~3306.02~~ 3317.013 of the Revised Code;

(ii) The average daily membership of all preschool children with disabilities 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.

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

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

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

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

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

(H) Except as provided in division (I) of this section, when any city, local, or exempted village school district provides instruction for a nonresident pupil whose attendance is unauthorized attendance as defined in section 3327.06 of the Revised Code, that pupil's membership shall not be included in that district's membership figure used in the calculation of that district's formula ADM or included in the determination of any unit approved for the district under section 3317.05 of the Revised Code. The reporting official shall report separately the average daily membership of all pupils whose attendance in the district is unauthorized attendance, and the membership of each such pupil shall be credited to the school district in

which the pupil is entitled to attend school under division (B) of section 3313.64 or section 3313.65 of the Revised Code as determined by the department of education.

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

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

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

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

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

(K) If the superintendent of public instruction determines that a component of the average daily membership certified or reported by a district superintendent, or other reporting entity, is not correct, the superintendent of public instruction may order that the formula ADM used for the purposes of payments under any section of Title XXXIII of the Revised Code be adjusted in the amount of the error.

Sec. 3317.031. A membership record shall be kept by grade level in each city, local, exempted village, joint vocational, and cooperative education school district and such a record shall be kept by grade level in each educational service center that provides academic instruction to pupils, classes for pupils with disabilities, or any other direct instructional services to pupils. Such membership record shall show the following information for each pupil enrolled: Name, date of birth, name of parent, date entered school, date withdrawn from school, days present, days absent, and the number of days school was open for instruction while the pupil was enrolled. At the end of the school year this membership record shall show the total days present, the total days absent, and the total days due for all

pupils in each grade. Such membership record shall show the pupils that are transported to and from school and it shall also show the pupils that are transported living within one mile of the school attended. This membership record shall also show any other information prescribed by the state board of education.

This membership record shall be kept intact for at least five years and shall be made available to the state board of education or its representative in making an audit of the average daily membership or the transportation of the district or educational service center. ~~The membership records of local school districts shall be filed at the close of each school year in the office of the educational service center superintendent.~~

The state board of education may withhold any money due any school district or educational service center under this chapter ~~and Chapter 3306 of the Revised Code~~ until it has satisfactory evidence that the board of education or educational service center governing board has fully complied with all of the provisions of this section.

Nothing in this section shall require any person to release, or to permit access to, public school records in violation of section 3319.321 of the Revised Code.

Sec. 3317.05. (A) For the purpose of calculating payments under sections 3317.052 and 3317.053 of the Revised Code, the department of education shall determine for each institution, by the last day of January of each year and based on information certified under section 3317.03 of the Revised Code, the number of vocational education units or fractions of units approved by the department on the basis of standards and rules adopted by the state board of education. As used in this division, "institution" means an institution operated by a department specified in section 3323.091 of the Revised Code and that provides vocational education programs under the supervision of the division of vocational education of the department that meet the standards and rules for these programs, including licensure of professional staff involved in the programs, as established by the state board.

(B) For the purpose of calculating payments under sections 3317.052, 3317.053, 3317.11, and 3317.19 of the Revised Code, the department shall determine, based on information certified under section 3317.03 of the Revised Code, the following by the last day of January of each year for each educational service center, for each school district, including each cooperative education school district, for each institution eligible for payment under section 3323.091 of the Revised Code, and for each county DD board: the number of classes operated by the school district, service

center, institution, or county DD board for preschool children with disabilities, or fraction thereof, including in the case of a district or service center that is a funding agent, classes taught by a licensed teacher employed by that district or service center under section 3313.841 of the Revised Code, approved annually by the department on the basis of standards and rules adopted by the state board.

(C) For the purpose of calculating payments under sections 3317.052, 3317.053, 3317.11, and 3317.19 of the Revised Code, the department shall determine, based on information certified under section 3317.03 of the Revised Code, the following by the last day of January of each year for each school district, including each cooperative education school district, for each institution eligible for payment under section 3323.091 of the Revised Code, and for each county DD board: the number of units for related services, as defined in section 3323.01 of the Revised Code, for preschool children with disabilities approved annually by the department on the basis of standards and rules adopted by the state board.

(D) All of the arithmetical calculations made under this section shall be carried to the second decimal place. The total number of units for school districts, service centers, and institutions approved annually under this section shall not exceed the number of units included in the estimate of cost for these units and appropriations made for them by the general assembly.

In the case of units for preschool children with disabilities described in division (B) of this section, the department shall approve only preschool units for children who are under age six on the thirtieth day of September of the academic year, or on the first day of August of the academic year if the school district in which the child is enrolled has adopted a resolution under division (A)(3) of section 3321.01 of the Revised Code, but not less than age three on the first day of December of the academic year, except that such a unit may include one or more children who are under age three or are age six or over on the applicable date, as reported under division (B)(2) or (G)(2)(b) of section 3317.03 of the Revised Code, if such children have been admitted to the unit pursuant to rules of the state board. The number of units for county DD boards and institutions eligible for payment under section 3323.091 of the Revised Code approved under this section shall not exceed the number that can be funded with appropriations made for such purposes by the general assembly.

No unit shall be approved under divisions (B) and (C) of this section unless a plan has been submitted and approved under Chapter 3323. of the Revised Code.

~~(E) The department shall approve units or fractions thereof for gifted~~

children on the basis of standards and rules adopted by the state board.

Sec. 3317.051. ~~(A)(1) Notwithstanding sections 3317.05 and 3317.11 of the Revised Code, a unit funded pursuant to division (L) of section 3317.024 or division (A)(2) of section 3317.052 of the Revised Code shall not be approved for state funding in one school district, including any cooperative education school district or any educational service center, to the extent that such unit provides programs in or services to another district which receives payment pursuant to section 3317.04 of the Revised Code.~~

(2) Any city, local, exempted village, or cooperative education school district or any educational service center may combine partial unit eligibility for programs for preschool children with disabilities pursuant to section 3317.05 of the Revised Code, and such combined partial units may be approved for state funding in one school district or service center.

~~(B) After units have been initially approved for any fiscal year under section 3317.05 of the Revised Code, no unit shall be subsequently transferred from a school district or educational service center to another city, exempted village, local, or cooperative education school district or educational service center or to an institution or county DD board solely for the purpose of reducing the financial obligations of the school district in a fiscal year it receives payment pursuant to section 3317.04 of the Revised Code.~~

Sec. 3317.053. (A) As used in this section:

(1) "State share percentage" has the same meaning as in section 3317.022 of the Revised Code.

(2) "Dollar amount" means the amount shown in the following table for the corresponding type of unit:

TYPE OF UNIT	DOLLAR AMOUNT
Division (B) of section 3317.05 of the Revised Code	\$8,334
Division (C) of that section	\$3,234
Division (E) of that section	\$5,550

(3) "Average unit amount" means the amount shown in the following table for the corresponding type of unit:

TYPE OF UNIT	AVERAGE UNIT AMOUNT
Division (B) of section 3317.05 of the Revised Code	\$7,799
Division (C) of that section	\$2,966
Division (E) of that section	\$5,251

(B) In the case of each unit described in division (B); or (C); ~~or (E)~~ of

section 3317.05 of the Revised Code and allocated to a city, local, or exempted village school district, the department of education, in addition to the amounts specified in ~~division (L) of section 3317.024 and~~ sections 3317.052 and 3317.19 of the Revised Code, shall pay a supplemental unit allowance equal to the sum of the following amounts:

- (1) An amount equal to 50% of the average unit amount for the unit;
- (2) An amount equal to the percentage of the dollar amount for the unit that equals the district's state share percentage.

If, prior to the fifteenth day of May of a fiscal year, a school district's aid computed under section 3317.022 of the Revised Code is recomputed pursuant to section 3317.027 or 3317.028 of the Revised Code, the department shall also recompute the district's entitlement to payment under this section utilizing a new state share percentage. Such new state share percentage shall be determined using the district's recomputed basic aid amount pursuant to section 3317.027 or 3317.028 of the Revised Code. During the last six months of the fiscal year, the department shall pay the district a sum equal to one-half of the recomputed payment in lieu of one-half the payment otherwise calculated under this section.

(C)(1) In the case of each unit allocated to an institution pursuant to division (A) of section 3317.05 of the Revised Code, the department, in addition to the amount specified in section 3317.052 of the Revised Code, shall pay a supplemental unit allowance of \$7,227.

(2) In the case of each unit described in division (B) of section 3317.05 of the Revised Code that is allocated to any entity other than a city, exempted village, or local school district, the department, in addition to the amount specified in section 3317.052 of the Revised Code, shall pay a supplemental unit allowance of \$7,799.

(3) In the case of each unit described in division (C) of section 3317.05 of the Revised Code and allocated to any entity other than a city, exempted village, or local school district, the department, in addition to the amounts specified in section 3317.052 of the Revised Code, shall pay a supplemental unit allowance of \$2,966.

~~(4) In the case of each unit described in division (E) of section 3317.05 of the Revised Code and allocated to an educational service center, the department, in addition to the amounts specified in division (L) of section 3317.024 of the Revised Code, shall pay a supplemental unit allowance of \$5,251.~~

Sec. 3317.06. Moneys paid to school districts under division ~~(H)~~(E) of section 3317.024 of the Revised Code shall be used for the following independent and fully severable purposes:

(A) To purchase such secular textbooks or electronic textbooks as have been approved by the superintendent of public instruction for use in public schools in the state and to loan such textbooks or electronic textbooks to pupils attending nonpublic schools within the district or to their parents and to hire clerical personnel to administer such lending program. Such loans shall be based upon individual requests submitted by such nonpublic school pupils or parents. Such requests shall be submitted to the school district in which the nonpublic school is located. Such individual requests for the loan of textbooks or electronic textbooks shall, for administrative convenience, be submitted by the nonpublic school pupil or the pupil's parent to the nonpublic school, which shall prepare and submit collective summaries of the individual requests to the school district. As used in this section:

(1) "Textbook" means any book or book substitute that a pupil uses as a consumable or nonconsumable text, text substitute, or text supplement in a particular class or program in the school the pupil regularly attends.

(2) "Electronic textbook" means ~~computer software, interactive videodisc, magnetic media, CD-ROM, computer courseware, local and remote computer assisted instruction, on-line service, electronic medium, or other means of conveying information to the student or otherwise contributing~~ any book or book substitute that a student accesses through the use of a computer or other electronic medium or that is available through an internet-based provider of course content, or any other material that contributes to the learning process through electronic means.

(B) To provide speech and hearing diagnostic services to pupils attending nonpublic schools within the district. Such service shall be provided in the nonpublic school attended by the pupil receiving the service.

(C) To provide physician, nursing, dental, and optometric services to pupils attending nonpublic schools within the district. Such services shall be provided in the school attended by the nonpublic school pupil receiving the service.

(D) To provide diagnostic psychological services to pupils attending nonpublic schools within the district. Such services shall be provided in the school attended by the pupil receiving the service.

(E) To provide therapeutic psychological and speech and hearing services to pupils attending nonpublic schools within the district. Such services shall be provided in the public school, in nonpublic schools, in public centers, or in mobile units located on or off of the nonpublic premises. If such services are provided in the public school or in public centers, transportation to and from such facilities shall be provided by the school district in which the nonpublic school is located.

(F) To provide guidance, counseling, and social work services to pupils attending nonpublic schools within the district. Such services shall be provided in the public school, in nonpublic schools, in public centers, or in mobile units located on or off of the nonpublic premises. If such services are provided in the public school or in public centers, transportation to and from such facilities shall be provided by the school district in which the nonpublic school is located.

(G) To provide remedial services to pupils attending nonpublic schools within the district. Such services shall be provided in the public school, in nonpublic schools, in public centers, or in mobile units located on or off of the nonpublic premises. If such services are provided in the public school or in public centers, transportation to and from such facilities shall be provided by the school district in which the nonpublic school is located.

(H) To supply for use by pupils attending nonpublic schools within the district such standardized tests and scoring services as are in use in the public schools of the state;

(I) To provide programs for children who attend nonpublic schools within the district and are children with disabilities as defined in section 3323.01 of the Revised Code or gifted children. Such programs shall be provided in the public school, in nonpublic schools, in public centers, or in mobile units located on or off of the nonpublic premises. If such programs are provided in the public school or in public centers, transportation to and from such facilities shall be provided by the school district in which the nonpublic school is located.

(J) To hire clerical personnel to assist in the administration of programs pursuant to divisions (B), (C), (D), (E), (F), (G), and (I) of this section and to hire supervisory personnel to supervise the providing of services and textbooks pursuant to this section.

(K) To purchase or lease any secular, neutral, and nonideological computer application software ~~(including designed to assist students in performing a single task or multiple related tasks, device management software, learning management software, site-licensing), prerecorded video laserdiscs, digital video on demand (DVD), compact discs, and video cassette cartridges,~~ wide area connectivity and related technology as it relates to internet access, mathematics or science equipment and materials, instructional materials, and school library materials that are in general use in the public schools of the state and loan such items to pupils attending nonpublic schools within the district or to their parents, and to hire clerical personnel to administer the lending program. Only such items that are incapable of diversion to religious use and that are susceptible of loan to

individual pupils and are furnished for the use of individual pupils shall be purchased and loaned under this division. As used in this section, "instructional materials" means prepared learning materials that are secular, neutral, and nonideological in character and are of benefit to the instruction of school children, and may include educational resources and services developed by the eTech Ohio commission.

(L) To purchase or lease instructional equipment, including computer hardware and related equipment in general use in the public schools of the state, for use by pupils attending nonpublic schools within the district and to loan such items to pupils attending nonpublic schools within the district or to their parents, and to hire clerical personnel to administer the lending program. "Computer hardware and related equipment" includes desktop computers and workstations; laptop computers, computer tablets, and other mobile handheld devices; and their operating systems and accessories.

(M) To purchase mobile units to be used for the provision of services pursuant to divisions (E), (F), (G), and (I) of this section and to pay for necessary repairs and operating costs associated with these units.

(N) To reimburse costs the district incurred to store the records of a chartered nonpublic school that closes. Reimbursements under this division shall be made one time only for each chartered nonpublic school that closes.

(O) To purchase life-saving medical or other emergency equipment for placement in nonpublic schools within the district or to maintain such equipment.

Clerical and supervisory personnel hired pursuant to division (J) of this section shall perform their services in the public schools, in nonpublic schools, public centers, or mobile units where the services are provided to the nonpublic school pupil, except that such personnel may accompany pupils to and from the service sites when necessary to ensure the safety of the children receiving the services.

All services provided pursuant to this section may be provided under contract with educational service centers, the department of health, city or general health districts, or private agencies whose personnel are properly licensed by an appropriate state board or agency.

Transportation of pupils provided pursuant to divisions (E), (F), (G), and (I) of this section shall be provided by the school district from its general funds and not from moneys paid to it under division ~~(H)~~(E) of section 3317.024 of the Revised Code unless a special transportation request is submitted by the parent of the child receiving service pursuant to such divisions. If such an application is presented to the school district, it may pay for the transportation from moneys paid to it under division ~~(H)~~(E) of

section 3317.024 of the Revised Code.

No school district shall provide health or remedial services to nonpublic school pupils as authorized by this section unless such services are available to pupils attending the public schools within the district.

Materials, equipment, computer hardware or software, textbooks, electronic textbooks, and health and remedial services provided for the benefit of nonpublic school pupils pursuant to this section and the admission of pupils to such nonpublic schools shall be provided without distinction as to race, creed, color, or national origin of such pupils or of their teachers.

No school district shall provide services, materials, or equipment that contain religious content for use in religious courses, devotional exercises, religious training, or any other religious activity.

As used in this section, "parent" includes a person standing in loco parentis to a child.

Notwithstanding section 3317.01 of the Revised Code, payments shall be made under this section to any city, local, or exempted village school district within which is located one or more nonpublic elementary or high schools and any payments made to school districts under division ~~(H)~~(E) of section 3317.024 of the Revised Code for purposes of this section may be disbursed without submission to and approval of the controlling board.

The allocation of payments for materials, equipment, textbooks, electronic textbooks, health services, and remedial services to city, local, and exempted village school districts shall be on the basis of the state board of education's estimated annual average daily membership in nonpublic elementary and high schools located in the district.

Payments made to city, local, and exempted village school districts under this section shall be equal to specific appropriations made for the purpose. All interest earned by a school district on such payments shall be used by the district for the same purposes and in the same manner as the payments may be used.

The department of education shall adopt guidelines and procedures under which such programs and services shall be provided, under which districts shall be reimbursed for administrative costs incurred in providing such programs and services, and under which any unexpended balance of the amounts appropriated by the general assembly to implement this section may be transferred to the auxiliary services personnel unemployment compensation fund established pursuant to section 4141.47 of the Revised Code. The department shall also adopt guidelines and procedures limiting the purchase and loan of the items described in division (K) of this section to items that are in general use in the public schools of the state, that are

incapable of diversion to religious use, and that are susceptible to individual use rather than classroom use. Within thirty days after the end of each biennium, each board of education shall remit to the department all moneys paid to it under division ~~(H)~~(E) of section 3317.024 of the Revised Code and any interest earned on those moneys that are not required to pay expenses incurred under this section during the biennium for which the money was appropriated and during which the interest was earned. If a board of education subsequently determines that the remittal of moneys leaves the board with insufficient money to pay all valid expenses incurred under this section during the biennium for which the remitted money was appropriated, the board may apply to the department of education for a refund of money, not to exceed the amount of the insufficiency. If the department determines the expenses were lawfully incurred and would have been lawful expenditures of the refunded money, it shall certify its determination and the amount of the refund to be made to the director of job and family services who shall make a refund as provided in section 4141.47 of the Revised Code.

Each school district shall label materials, equipment, computer hardware or software, textbooks, and electronic textbooks purchased or leased for loan to a nonpublic school under this section, acknowledging that they were purchased or leased with state funds under this section. However, a district need not label materials, equipment, computer hardware or software, textbooks, or electronic textbooks that the district determines are consumable in nature or have a value of less than two hundred dollars.

Sec. 3317.061. The superintendent of each school district, including each cooperative education and joint vocational school district and the superintendent of each educational service center, shall, on forms prescribed and furnished by the state board of education, certify to the state board of education, on or before the fifteenth day of October of each year, the name of each licensed employee employed, on an annual salary, in each school under such superintendent's supervision during the first full school week of said month of October, the number of years of recognized college training such licensed employee has completed, the college degrees from a recognized college earned by such licensed employee, the type of teaching license held by such licensed employee, the number of months such licensed employee is employed in the school district, the annual salary of such licensed employee, and such other information as the state board of education may request. For the purposes of ~~Chapters 3306. and~~ Chapter 3317. of the Revised Code, a licensed employee is any employee in a position that requires a license issued pursuant to sections 3319.22 to

3319.31 of the Revised Code.

Pursuant to standards adopted by the state board of education, experience of vocational teachers in trade and industry shall be recognized by such board for the purpose of complying with the requirements of recognized college training provided by ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code.

~~Sec. 3317.07. The state board of education shall establish rules for the purpose of distributing subsidies for the purchase of school buses under division (D) of section 3317.024 of the Revised Code.~~

~~No school bus subsidy payments shall be paid to any district unless such district can demonstrate that pupils residing more than one mile from the school could not be transported without such additional aid.~~

~~The amount paid to a county DD board for buses purchased for transportation of children in special education programs operated by the board shall be based on a per pupil allocation for eligible students.~~

~~The amount paid to a school district for buses purchased for transportation of pupils with disabilities and nonpublic school pupils shall be determined by a per pupil allocation based on the number of special education and nonpublic school pupils for whom transportation is provided.~~

~~The state board of education shall adopt a formula to determine the amount of payments that shall be distributed to school districts to purchase school buses for pupils other than pupils with disabilities or nonpublic school pupils.~~

~~If any district or county DD board obtains bus services for pupil transportation pursuant to a contract, such district or board may use payments received under this section to defray the costs of contracting for bus services in lieu of for purchasing buses.~~

If the department of education determines that a county DD board no longer needs a school bus because the board no longer transports children to a special education program operated by the board, or if the department determines that a school district no longer needs a school bus to transport pupils to a nonpublic school or special education program, the department may reassign a bus that was funded with payments provided pursuant to the version of this section in effect prior to the effective date of this amendment for the purpose of transporting such pupils. The department may reassign a bus to a county DD board or school district that transports children to a special education program designated in the children's individualized education plans, or to a school district that transports pupils to a nonpublic school, and needs an additional school bus.

Sec. 3317.08. A board of education may admit to its schools a child it is

not required by section 3313.64 or 3313.65 of the Revised Code to admit, if tuition is paid for the child.

Unless otherwise provided by law, tuition shall be computed in accordance with this section. A district's tuition charge for a school year shall be one of the following:

(A) For any child, except a preschool child with a disability described in division (B) of this section, the quotient obtained by dividing the sum of the amounts described in divisions (A)(1) and (2) of this section by the district's formula ADM.

(1) The district's total taxes charged and payable for current expenses for the tax year preceding the tax year in which the school year begins as certified under division (A)(3) of section 3317.021 of the Revised Code.

(2) The district's total taxes collected for current expenses under a school district income tax adopted pursuant to section 5748.03 ~~or~~ 5748.08, or 5748.09 of the Revised Code that are disbursed to the district during the fiscal year, excluding any income tax receipts allocated for the project cost, debt service, or maintenance set-aside associated with a state-assisted classroom facilities project as authorized by section 3318.052 of the Revised Code. On or before the first day of June of each year, the tax commissioner shall certify the amount to be used in the calculation under this division for the next fiscal year to the department of education and the office of budget and management for each city, local, and exempted village school district that levies a school district income tax.

(B) For any preschool child with a disability not included in a unit approved under division (B) of section 3317.05 of the Revised Code, an amount computed for the school year as follows:

(1) For each type of special education service provided to the child for whom tuition is being calculated, determine the amount of the district's operating expenses in providing that type of service to all preschool children with disabilities not included in units approved under division (B) of section 3317.05 of the Revised Code;

(2) For each type of special education service for which operating expenses are determined under division (B)(1) of this section, determine the amount of such operating expenses that was paid from any state funds received under this chapter;

(3) For each type of special education service for which operating expenses are determined under division (B)(1) of this section, divide the difference between the amount determined under division (B)(1) of this section and the amount determined under division (B)(2) of this section by the total number of preschool children with disabilities not included in units

approved under division (B) of section 3317.05 of the Revised Code who received that type of service;

(4) Determine the sum of the quotients obtained under division (B)(3) of this section for all types of special education services provided to the child for whom tuition is being calculated.

The state board of education shall adopt rules defining the types of special education services and specifying the operating expenses to be used in the computation under this section.

If any child for whom a tuition charge is computed under this section for any school year is enrolled in a district for only part of that school year, the amount of the district's tuition charge for the child for the school year shall be computed in proportion to the number of school days the child is enrolled in the district during the school year.

Except as otherwise provided in division (J) of section 3313.64 of the Revised Code, whenever a district admits a child to its schools for whom tuition computed in accordance with this section is an obligation of another school district, the amount of the tuition shall be certified by the treasurer of the board of education of the district of attendance, to the board of education of the district required to pay tuition for its approval and payment. If agreement as to the amount payable or the district required to pay the tuition cannot be reached, or the board of education of the district required to pay the tuition refuses to pay that amount, the board of education of the district of attendance shall notify the superintendent of public instruction. The superintendent shall determine the correct amount and the district required to pay the tuition and shall deduct that amount, if any, under division ~~(G)~~(D) of section 3317.023 of the Revised Code, from the district required to pay the tuition and add that amount to the amount allocated to the district attended under such division. The superintendent of public instruction shall send to the district required to pay the tuition an itemized statement showing such deductions at the time of such deduction.

When a political subdivision owns and operates an airport, welfare, or correctional institution or other project or facility outside its corporate limits, the territory within which the facility is located is exempt from taxation by the school district within which such territory is located, and there are school age children residing within such territory, the political subdivision owning such tax exempt territory shall pay tuition to the district in which such children attend school. The tuition for these children shall be computed as provided for in this section.

Sec. 3317.081. (A) Tuition shall be computed in accordance with this section if:

(1) The tuition is required by division (C)(3)(b) of section 3313.64 of the Revised Code; or

(2) Neither the child nor the child's parent resides in this state and tuition is required by section 3327.06 of the Revised Code.

(B) Tuition computed in accordance with this section shall equal the attendance district's tuition rate computed under section 3317.08 of the Revised Code plus the amount in state education aid that district would have received for the child ~~pursuant to Chapter 3306, and sections 3317.023 and 3317.025 to 3317.0211 of the Revised Code~~ during the school year had the attendance district been authorized to count the child in its formula ADM for that school year under section 3317.03 of the Revised Code.

Sec. 3317.082. As used in this section, "institution" means a residential facility that receives and cares for children maintained by the department of youth services and that operates a school chartered by the state board of education under section 3301.16 of the Revised Code.

(A) On or before the thirty-first day of each January and July, the superintendent of each institution that during the six-month period immediately preceding each January or July provided an elementary or secondary education for any child, other than a child receiving special education under section 3323.091 of the Revised Code, shall prepare and submit to the department of education, a statement for each such child indicating the child's name, any school district responsible to pay tuition for the child as determined by the superintendent in accordance with division (C)(2) or (3) of section 3313.64 of the Revised Code, and the period of time during that six-month period that the child received an elementary or secondary education. If any school district is responsible to pay tuition for any such child, the department of education, no later than the immediately succeeding last day of February or August, as applicable, shall calculate the amount of the tuition of the district under section 3317.08 of the Revised Code for the period of time indicated on the statement and do one of the following:

(1) If the tuition amount is equal to or less than the ~~amount of state basic aid funds payable to the district under Chapter 3306, and section 3317.023 of the Revised Code~~ district's state education aid, pay to the institution submitting the statement an amount equal to the tuition amount, as provided under division ~~(M)~~(G) of section 3317.024 of the Revised Code, and deduct the tuition amount from the state basic aid funds payable to the district, as provided under division ~~(F)~~(C)(2) of section 3317.023 of the Revised Code;

(2) If the tuition amount is greater than the ~~amount of state basic aid funds payable to the district under Chapter 3306, and section 3317.023 of~~

~~the Revised Code~~ district's state education aid, require the district to pay to the institution submitting the statement an amount equal to the tuition amount.

(B) In the case of any disagreement about the school district responsible to pay tuition for a child pursuant to this section, the superintendent of public instruction shall make the determination in any such case in accordance with division (C)(2) or (3) of section 3313.64 of the Revised Code.

Sec. 3317.09. All moneys distributed to a school district, including any cooperative education or joint vocational school district and all moneys distributed to any educational service center, by the state whether from a state or federal source, shall be accounted for by the division of school finance of the department of education. All moneys distributed shall be coded as to county, school district or educational service center, source, and other pertinent information, and at the end of each month, a report of such distribution shall be made by such division of school finance to each school district and educational service center. If any board of education fails to make the report required in section 3319.33 of the Revised Code, the superintendent of public instruction shall be without authority to distribute funds to that school district or educational service center ~~pursuant to sections 3317.022 to 3317.0211, 3317.11, 3317.16, 3317.17, or 3317.19 of the Revised Code~~ under this chapter until such time as the required reports are filed with all specified officers, boards, or agencies.

Sec. 3317.11. (A) As used in this section:

(1) "Client school district" means a city or exempted village school district that has entered into an agreement under section 3313.843 of the Revised Code to receive any services from an educational service center.

(2) "Service center ADM" means the sum of the total student counts of all local school districts within an educational service center's territory and all of the service center's client school districts.

(3) "STEM school" means a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code.

(4) "Total student count" has the same meaning as in section 3301.011 of the Revised Code.

(B)(1) The governing board of each educational service center shall provide supervisory services to each local school district within the service center's territory. Each city or exempted village school district that enters into an agreement under section 3313.843 of the Revised Code for a governing board to provide any services also is considered to be provided supervisory services by the governing board. Except as provided in division

(B)(2) of this section, the supervisory services shall not exceed one supervisory teacher for the first fifty classroom teachers required to be employed in the districts, as calculated in the manner prescribed under former division (B) of section 3317.023 of the Revised Code, as that division existed prior to the effective date of this amendment, and one for each additional one hundred required classroom teachers, as so calculated.

The supervisory services shall be financed annually through supervisory units. Except as provided in division (B)(2) of this section, the number of supervisory units assigned to each district shall not exceed one unit for the first fifty classroom teachers required to be employed in the district, as calculated in the manner prescribed under former division (B) of section 3317.023 of the Revised Code, as that division existed prior to the effective date of this amendment, and one for each additional one hundred required classroom teachers, as so calculated. The cost of each supervisory unit shall be the sum of:

(a) The minimum salary prescribed by section 3317.13 of the Revised Code for the licensed supervisory employee of the governing board;

(b) An amount equal to fifteen per cent of ~~the~~ that salary ~~prescribed by section 3317.13 of the Revised Code~~;

(c) An allowance for necessary travel expenses, limited to the lesser of two hundred twenty-three dollars and sixteen cents per month or two thousand six hundred seventy-eight dollars per year.

(2) If a majority of the boards of education, or superintendents acting on behalf of the boards, of the local and client school districts receiving services from the educational service center agree to receive additional supervisory services and to pay the cost of a corresponding number of supervisory units in excess of the services and units specified in division (B)(1) of this section, the service center shall provide the additional services as agreed to by the majority of districts to, and the department of education shall apportion the cost of the corresponding number of additional supervisory units pursuant to division (B)(3) of this section among, all of the service center's local and client school districts.

(3) The department shall apportion the total cost for all supervisory units among the service center's local and client school districts based on each district's total student count. The department shall deduct each district's apportioned share pursuant to division ~~(E)~~(B) of section 3317.023 of the Revised Code and pay the apportioned share to the service center.

(C) The department annually shall deduct from each local and client school district of each educational service center, pursuant to division ~~(E)~~(B) of section 3317.023 of the Revised Code, and pay to the service center an

amount equal to six dollars and fifty cents times the school district's total student count. The board of education, or the superintendent acting on behalf of the board, of any local or client school district may agree to pay an amount in excess of six dollars and fifty cents per student in total student count. If a majority of the boards of education, or superintendents acting on behalf of the boards, of the local school districts within a service center's territory approve an amount in excess of six dollars and fifty cents per student in total student count, the department shall deduct the approved excess per student amount from all of the local school districts within the service center's territory and pay the excess amount to the service center.

(D) The department shall pay each educational service center the amounts due to it from school districts pursuant to contracts, compacts, or agreements under which the service center furnishes services to the districts or their students. In order to receive payment under this division, an educational service center shall furnish either a copy of the contract, compact, or agreement clearly indicating the amounts of the payments, or a written statement that clearly indicates the payments owed and is signed by the superintendent or treasurer of the responsible school district. The amounts paid to service centers under this division shall be deducted from payments to school districts pursuant to division ~~(K)~~(H)(3) of section 3317.023 of the Revised Code.

(E) Each school district's deduction under this section and divisions ~~(E)~~(B) and ~~(K)~~(H)(3) of section 3317.023 of the Revised Code shall be made from the total payment computed for the district under this chapter, after making any other adjustments in that payment required by law.

(F)(1) Except as provided in division (F)(2) of this section, the department annually shall pay the governing board of each educational service center state funds equal to thirty-seven dollars times its service center ADM.

(2) The department annually shall pay state funds equal to forty dollars and fifty-two cents times the service center ADM to each educational service center comprising territory that was included in the territory of at least three former service centers or county school districts, which former centers or districts engaged in one or more mergers under section 3311.053 of the Revised Code to form the present center.

(G) Each city, exempted village, local, joint vocational, or cooperative education school district shall pay to the governing board of an educational service center any amounts agreed to for each child enrolled in the district who receives special education and related services or career-technical education from the educational service center, unless these educational

services are provided pursuant to a contract, compact, or agreement for which the department deducts and transfers payments under division (D) of this section and division ~~(K)~~(H)(3) of section 3317.023 of the Revised Code.

(H) The department annually shall pay the governing board of each educational service center that has entered into a contract with a STEM school for the provision of services described in division (B) of section 3326.45 of the Revised Code state funds equal to the per-pupil amount specified in the contract for the provision of those services times the number of students enrolled in the STEM school.

(I) An educational service center:

(1) May provide special education and career-technical education to students in its local or client school districts;

(2) Is eligible for transportation funding under division ~~(G)~~(C) of section 3317.024 of the Revised Code ~~and for state subsidies for the purchase of school buses under section 3317.07 of the Revised Code;~~

(3) May apply for and receive gifted education units and provide gifted education services to students in its local or client school districts;

(4) May conduct driver education for high school students in accordance with Chapter 4508. of the Revised Code.

Sec. 3317.12. Any board of education participating in funds distributed under ~~Chapters 3306. and Chapter~~ Chapter 3317. of the Revised Code shall annually adopt a salary schedule for nonteaching school employees based upon training, experience, and qualifications with initial salaries no less than the salaries in effect on October 13, 1967. Each board of education shall prepare and may amend from time to time, specifications descriptive of duties, responsibilities, requirements, and desirable qualifications of the classifications of employees required to perform the duties specified in the salary schedule. All nonteaching school employees are to be notified of the position classification to which they are assigned and the salary for the classification. The compensation of all employees working for a particular school board shall be uniform for like positions except as compensation would be affected by salary increments based upon length of service.

On the fifteenth day of October each year the salary schedule and the list of job classifications and salaries in effect on that date shall be filed by each board of education with the superintendent of public instruction. If such salary schedule and classification plan is not filed the superintendent of public instruction shall order the board to file such schedules forthwith. If this condition is not corrected within ten days after receipt of the order from the superintendent of public instruction, no money shall be distributed to the district under ~~Chapters 3306. and Chapter~~ Chapter 3317. of the Revised Code until

the superintendent has satisfactory evidence of the board of education's full compliance with such order.

Sec. 3317.14. Any school district board of education or educational service center governing board participating in funds distributed under Chapter 3317. of the Revised Code shall annually adopt a teachers' salary schedule with provision for increments based upon training and years of service. Notwithstanding sections 3317.13 and 3319.088 of the Revised Code, the board may establish its own service requirements and may grant service credit for such activities as teaching in public or nonpublic schools in this state or in another state, for service as an educational assistant other than as a classroom aide employed in accordance with section 5107.541 of the Revised Code, and for service in the military or in an appropriate state or federal governmental agency, provided no teacher receives less than the amount required to be paid pursuant to section 3317.13 of the Revised Code and provided full credit for a minimum of five years of actual teaching and military experience as defined in division (A) of section 3317.13 of the Revised Code is given to each teacher.

On the fifteenth day of October of each year ~~the salary schedule in effect on that date in each school district and each educational service center shall be filed with the superintendent of public instruction. A~~ a copy of such the salary schedule in effect on that date shall also annually be filed by the board of education of each local school district with the educational service center superintendent, who thereupon shall certify to the treasurer of such local district the correct salary to be paid to each teacher in accordance with the adopted schedule.

Each teacher who has completed training which would qualify such teacher for a higher salary bracket pursuant to this section shall file by the fifteenth day of September with the treasurer of the board of education or educational service center satisfactory evidence of the completion of such additional training. The treasurer shall then immediately place the teacher, pursuant to this section and section 3317.13 of the Revised Code, in the proper salary bracket in accordance with training and years of service before certifying such salary, training, and years of service to the superintendent of public instruction. No teacher shall be paid less than the salary to which such teacher is entitled pursuant to section 3317.13 of the Revised Code.

Sec. 3317.141. The board of education of any city, exempted village, local, or joint vocational school district that is the recipient of moneys from a grant awarded under the federal race to the top program, Division (A), Title XIV, Sections 14005 and 14006 of the "American Recovery and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115, shall comply

with this section in accordance with the timeline contained in the board's scope of work, as approved by the superintendent of public instruction, and shall not be subject to sections 3317.13 and 3317.14 of the Revised Code. The board of education of any other school district, and the governing board of each educational service center, shall comply with either this section or sections 3317.13 and 3317.14 of the Revised Code.

(A) The board annually shall adopt a salary schedule for teachers based upon performance as described in division (B) of this section.

(B) For purposes of the schedule, a board shall measure a teacher's performance by considering all of the following:

(1) The level of license issued under section 3319.22 of the Revised Code that the teacher holds;

(2) Whether the teacher is a highly qualified teacher, as defined in section 3319.074 of the Revised Code;

(3) Ratings received by the teacher on performance evaluations conducted under section 3319.111 of the Revised Code.

(C) The schedule shall provide for annual adjustments based on performance on the evaluations conducted under section 3319.111 of the Revised Code. The annual performance-based adjustment for a teacher rated as accomplished shall be greater than the annual performance-based adjustment for a teacher rated as proficient.

(D) The salary schedule adopted under this section may provide for additional compensation for teachers who agree to perform duties, not contracted for under a supplemental contract, that the employing board determines warrant additional compensation. Those duties may include, but are not limited to, assignment to a school building eligible for funding under Title I of the "Elementary and Secondary Education Act of 1965," 20 U.S.C. 6301 et seq.; assignment to a building in "school improvement" status under the "No Child Left Behind Act of 2001," as defined in section 3302.01 of the Revised Code; teaching in a grade level or subject area in which the board has determined there is a shortage within the district or service center; or assignment to a hard-to-staff school, as determined by the board.

Sec. 3317.16. (A) As used in this section:

(1) The "total special education weight" for a joint vocational school district shall be calculated in the same manner as prescribed in section 3317.022 of the Revised Code.

(2) The "total vocational education weight" for a joint vocational school district shall be calculated in the same manner as prescribed in section 3317.022 of the Revised Code.

(3) The "total recognized valuation" of a joint vocational school district

shall be determined by adding the recognized valuations of all its constituent school districts that were subject to the joint vocational school district's tax levies for both the current and preceding tax years.

(4) "Resident district" means the city, local, or exempted village school district in which a student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(5) "Community school" means a community school established under Chapter 3314. of the Revised Code.

(B) The department of education shall compute and distribute state base cost funding to each joint vocational school district for the fiscal year in accordance with the following formula:

$$\begin{aligned} & (\text{formula amount X formula ADM}) - \\ & (.0005 \text{ X total recognized valuation}) \end{aligned}$$

If the difference obtained under this division is a negative number, the district's computation shall be zero.

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

$$\frac{\text{state share percentage X formula amount X}}{\text{total vocational education weight}}$$

In each fiscal year, a joint vocational school district receiving funds under division (C)(1) of this section shall spend those funds only for the purposes the department designates as approved for vocational education expenses. Vocational educational expenses approved by the department shall include only expenses connected to the delivery of career-technical programming to career-technical students. The department shall require the joint vocational school district to report data annually so that the department may monitor the district's compliance with the requirements regarding the manner in which funding received under division (C)(1) of this section may be spent.

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

$$\begin{aligned} & \text{state share percentage X .05 X} \\ & \text{the formula amount X the sum of} \\ & \text{categories one and two vocational} \\ & \text{education ADM} \end{aligned}$$

In any fiscal year, a joint vocational school district receiving funds under division (C)(2) of this section, or through a transfer of funds pursuant to division ~~(E)~~(I) of section 3317.023 of the Revised Code, shall spend those

funds only for the purposes that the department designates as approved for vocational education associated services expenses, which may include such purposes as apprenticeship coordinators, coordinators for other vocational education services, vocational evaluation, and other purposes designated by the department. The department may deny payment under division (C)(2) of this section to any district that the department determines is not operating those services or is using funds paid under division (C)(2) of this section, or through a transfer of funds pursuant to division ~~(L)~~(I) of section 3317.023 of the Revised Code, for other purposes.

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

$$\frac{\text{state share percentage} \times \text{formula amount}}{\text{total special education weight}}$$

(2)(a) As used in this division, the "personnel allowance" means thirty thousand dollars in fiscal years 2008 and 2009.

(b) For the provision of speech language pathology services to students, including students who do not have individualized education programs prepared for them under Chapter 3323. of the Revised Code, and for no other purpose, the department shall pay each joint vocational school district an amount calculated under the following formula:

$$\frac{(\text{formula ADM divided by 2000}) \times \text{the personnel allowance}}{\text{state share percentage}}$$

(3) In any fiscal year, a joint vocational school district shall spend for purposes that the department designates as approved for special education and related services expenses at least the amount calculated as follows:

$$\frac{(\text{formula amount} \times \text{the sum of categories one through six special education ADM}) + (\text{total special education weight} \times \text{formula amount})}{\text{formula amount}}$$

The purposes approved by the department for special education expenses shall include, but shall not be limited to, compliance with state rules governing the education of children with disabilities, providing services identified in a student's individualized education program as defined in section 3323.01 of the Revised Code, provision of speech language pathology services, and the portion of the district's overall administrative and overhead costs that are attributable to the district's special education student population.

The department shall require joint vocational school districts to report

data annually to allow for monitoring compliance with division (D)(3) of this section. The department shall annually report to the governor and the general assembly the amount of money spent by each joint vocational school district for special education and related services.

(4) In any fiscal year, a joint vocational school district shall spend for the provision of speech language pathology services not less than the sum of the amount calculated under division (D)(1) of this section for the students in the district's category one special education ADM and the amount calculated under division (D)(2) of this section.

(E)(1) If a joint vocational school district's costs for a fiscal year for a student in its categories two through six special education ADM exceed the threshold catastrophic cost for serving the student, as specified in division (C)(3)(b) of section 3317.022 of the Revised Code, the district may submit to the superintendent of public instruction documentation, as prescribed by the superintendent, of all of its costs for that student. Upon submission of documentation for a student of the type and in the manner prescribed, the department shall pay to the district an amount equal to the sum of the following:

(a) One-half of the district's costs for the student in excess of the threshold catastrophic cost;

(b) The product of one-half of the district's costs for the student in excess of the threshold catastrophic cost multiplied by the district's state share percentage.

(2) The district shall only report under division (E)(1) of this section, and the department shall only pay for, the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may not be included in the amount.

(F) Each fiscal year, the department shall pay each joint vocational school district an amount for adult technical and vocational education and specialized consultants.

(G)(1) A joint vocational school district's local share of special education and related services additional weighted costs equals:

$$\begin{aligned} & (1 - \text{state share percentage}) \times \\ & \text{Total special education weight} \times \\ & \text{the formula amount } \$5,732 \end{aligned}$$

(2) For each student with a disability receiving special education and related services under an individualized education program, as defined in section 3323.01 of the Revised Code, at a joint vocational district, the

resident district or, if the student is enrolled in a community school, the community school shall be responsible for the amount of any costs of providing those special education and related services to that student that exceed the sum of the amount calculated for those services attributable to that student under divisions (B), (D), (E), and (G)(1) of this section.

Those excess costs shall be calculated by subtracting the sum of the following from the actual cost to provide special education and related services to the student:

- (a) The formula amount;
- (b) The product of ~~the formula amount~~ \$5,732 times the applicable multiple specified in section ~~3306.14~~ 3317.013 of the Revised Code as that section existed prior to the effective date of this amendment;

- (c) Any funds paid under division (E) of this section for the student;

- (d) Any other funds received by the joint vocational school district under this chapter to provide special education and related services to the student, not including the amount calculated under division (G)(2) of this section.

(3) The board of education of the joint vocational school district may report the excess costs calculated under division (G)(2) of this section to the department of education.

(4) If the board of education of the joint vocational school district reports excess costs under division (G)(3) of this section, the department shall pay the amount of excess cost calculated under division (G)(2) of this section to the joint vocational school district and shall deduct that amount as provided in division (G)(4)(a) or (b) of this section, as applicable:

- (a) If the student is not enrolled in a community school, the department shall deduct the amount from the account of the student's resident district pursuant to division ~~(M)(J)~~ of section 3317.023 of the Revised Code.

- (b) If the student is enrolled in a community school, the department shall deduct the amount from the account of the community school pursuant to section 3314.083 of the Revised Code.

Sec. 3317.18. (A) As used in this section, the terms "Chapter 133. securities," "credit enhancement facilities," "debt charges," "general obligation," "legislation," "public obligations," and "securities" have the same meanings as in section 133.01 of the Revised Code.

(B) The board of education of any school district authorizing the issuance of securities under section 133.10, 133.301, or 3313.372 of the Revised Code or general obligation Chapter 133. securities may adopt legislation requesting the state department of education to approve, and enter into an agreement with the school district and the primary paying

agent or fiscal agent for such securities providing for, the withholding and deposit of funds, otherwise due the district under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code, for the payment of debt service charges on such securities.

The board of education shall deliver to the state department a copy of such resolution and any additional pertinent information the state department may require.

The department of education and the office of budget and management shall evaluate each request received from a school district under this section and the department, with the advice and consent of the director of budget and management, shall approve or deny each request based on all of the following:

(1) Whether approval of the request will enhance the marketability of the securities for which the request is made;

(2) Any other pertinent factors or limitations established in rules made under division (I) of this section, including:

(a) Current and projected obligations of funds due to the requesting school district under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code including obligations of those funds to public obligations or relevant credit enhancement facilities under this section, Chapter 133. and section 3313.483 of the Revised Code, and under any other similar provisions of law;

(b) Whether the department of education or the office of budget and management has any reason to believe the requesting school district will be unable to pay when due the debt charges on the securities for which the request is made.

The department may require a school district to establish schedules for the payment of all debt charges that take into account the amount and timing of anticipated distributions of funds to the district under Chapter 3317. of the Revised Code.

(C) If the department approves the request of a school district to withhold and deposit funds pursuant to this section, the department shall enter into a written agreement with the district and the primary paying agent or fiscal agent for the securities which shall provide for the withholding of funds pursuant to this section for the payment of debt charges on those securities, and may include both of the following:

(1) Provisions for certification by the district to the department, at a time prior to any date for the payment of applicable debt charges, whether the district is able to pay those debt charges when due;

(2) Requirements that the district deposit amounts for the payment of debt charges on the securities with the primary paying agent or fiscal agent

for the securities prior to the date on which those debt charge payments are due to the owners or holders of the securities.

(D) Whenever a district notifies the department of education that it will be unable to pay debt charges when they are due, subject to the withholding provisions of this section, or whenever the applicable paying agent or fiscal agent notifies the department that it has not timely received from a school district the full amount needed for the payment when due of those debt charges to the holders or owners of such securities, the department shall immediately contact the school district and the paying agent or fiscal agent to confirm or determine whether the district is unable to make the required payment by the date on which it is due.

Upon demand of the treasurer of state while holding a school district obligation purchased under division (G)(1) of section 135.143 of the Revised Code, the state department of education, without a request of the school district, shall withhold and deposit funds pursuant to this section for payment of debt service charges on that obligation.

If the department confirms or determines that the district will be unable to make such payment and payment will not be made pursuant to a credit enhancement facility, the department shall promptly pay to the applicable primary paying agent or fiscal agent the lesser of the amount due for debt charges or the amount due the district for the remainder of the fiscal year under Chapter 3317. of the Revised Code. If this amount is insufficient to pay the total amount then due the agent for the payment of debt charges, the department shall pay to the agent each fiscal year thereafter, and until the full amount due the agent for unpaid debt charges is paid in full, the lesser of the remaining amount due the agent for debt charges or the amount due the district for the fiscal year under Chapter 3317. of the Revised Code.

(E) The state department may make any payments under this division by direct deposit of funds by electronic transfer.

Any amount received by a paying agent or fiscal agent under this section shall be applied only to the payment of debt charges on the securities of the school district subject to this section or to the reimbursement to the provider of a credit enhancement facility that has paid such debt charges.

(F) To the extent a school district whose securities are subject to this section is unable to pay applicable debt charges because of the failure to collect property taxes levied for the payment of those debt charges, the district may transfer to or deposit into any fund that would have received payments under ~~3306.~~ or Chapter 3317. of the Revised Code that were withheld under this section any such delinquent property taxes when later collected, provided that transfer or deposit shall be limited to the amounts

withheld from that fund under this section.

(G) The department may make payments under this section to paying agents or fiscal agents only from and to the extent that money is appropriated by the general assembly for Chapter 3317. of the Revised Code or for the purposes of this section. No securities of a school district to which this section is made applicable constitute an obligation or a debt or a pledge of the faith, credit, or taxing power of the state, and the holders or owners of such securities have no right to have taxes levied or appropriations made by the general assembly for the payment of debt charges on those securities, and those securities, if the department requires, shall contain a statement to that effect. The agreement for or the actual withholding and payment of moneys under this section does not constitute the assumption by the state of any debt of a school district.

(H) In the case of securities subject to the withholding provisions of this section, the issuing board of education shall appoint a paying agent or fiscal agent who is not an officer or employee of the school district.

(I) The department of education, with the advice of the office of budget and management, may adopt reasonable rules not inconsistent with this section for the implementation of this section and division (B) of section 133.25 of the Revised Code as it relates to the withholding and depositing of payments under ~~Chapters 3306. and Chapter~~ Chapter 3317. of the Revised Code to secure payment of debt charges on school district securities. Those rules shall include criteria for the evaluation and approval or denial of school district requests for withholding under this section and limits on the obligation for the purpose of paying debt charges or reimbursing credit enhancement facilities of funds otherwise to be paid to school districts under Chapter 3317. of the Revised Code.

(J) The authority granted by this section is in addition to and not a limitation on any other authorizations granted by or pursuant to law for the same or similar purposes.

Sec. 3317.19. (A) As used in this section, "total unit allowance" means an amount equal to the sum of the following:

(1) The total of the salary allowances for the teachers employed in the cooperative education school district for all units approved under division (B) or (C) of section 3317.05 of the Revised Code. The salary allowance for each unit shall equal the minimum salary for the teacher of the unit calculated on the basis of the teacher's training level and years of experience pursuant to the salary schedule prescribed in the version of section 3317.13 of the Revised Code in effect prior to July 1, 2001.

(2) Fifteen per cent of the total computed under division (A)(1) of this

section;

(3) The total of the unit operating allowances for all approved units. The amount of each allowance shall equal one of the following:

(a) Eight thousand twenty-three dollars times the number of units for preschool children with disabilities or fraction thereof approved for the year under division (B) of section 3317.05 of the Revised Code;

(b) Two thousand one hundred thirty-two dollars times the number of units or fraction thereof approved for the year under division (C) of section 3317.05 of the Revised Code.

(B) The state board of education shall compute and distribute to each cooperative education school district for each fiscal year an amount equal to the sum of the following:

(1) An amount equal to the total of the amounts credited to the cooperative education school district pursuant to division ~~(K)~~(H) of section 3317.023 of the Revised Code;

(2) The total unit allowance;

(3) An amount for assisting in providing free lunches to needy children ~~and an amount for assisting needy school districts in purchasing necessary equipment for food preparation~~ pursuant to division ~~(H)~~(D) of section 3317.024 of the Revised Code.

(C) If a cooperative education school district has had additional special education units approved for the year under division (F)(2) of section 3317.03 of the Revised Code, the district shall receive an additional amount during the last half of the fiscal year. For each unit, the additional amount shall equal fifty per cent of the amount computed under division (A) of this section for a unit approved under division (B) of section 3317.05 of the Revised Code.

Sec. 3317.20. This section does not apply to preschool children with disabilities.

(A) As used in this section:

(1) "Applicable weight" means the multiple specified in section ~~3306.11~~ 3317.013 of the Revised Code for a disability described in that section.

(2) "Child's school district" means the school district in which a child is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.

(3) "State share percentage" means the state share percentage of the child's school district.

(B) Except as provided in division (C) of this section, the department shall annually pay each county DD board for each child with a disability, other than a preschool child with a disability, for whom the county DD

board provides special education and related services an amount equal to the formula amount + (state share percentage X formula amount X the applicable weight).

(C) If any school district places with a county DD board more children with disabilities than it had placed with a county DD board in fiscal year 1998, the department shall not make a payment under division (B) of this section for the number of children exceeding the number placed in fiscal year 1998. The department instead shall deduct from the district's payments under this chapter ~~and Chapter 3306. of the Revised Code~~, and pay to the county DD board, an amount calculated in accordance with the formula prescribed in division (B) of this section for each child over the number of children placed in fiscal year 1998.

(D) The department shall calculate for each county DD board receiving payments under divisions (B) and (C) of this section the following amounts:

(1) The amount received by the county DD board for approved special education and related services units, other than units for preschool children with disabilities, in fiscal year 1998, divided by the total number of children served in the units that year;

(2) The product of the quotient calculated under division (D)(1) of this section times the number of children for whom payments are made under divisions (B) and (C) of this section.

If the amount calculated under division (D)(2) of this section is greater than the total amount calculated under divisions (B) and (C) of this section, the department shall pay the county DD board one hundred per cent of the difference in addition to the payments under divisions (B) and (C) of this section.

(E) Each county DD board shall report to the department, in the manner specified by the department, the name of each child for whom the county DD board provides special education and related services and the child's school district.

(F)(1) For the purpose of verifying the accuracy of the payments under this section, the department may request from either of the following entities the data verification code assigned under division (D)(2) of section 3301.0714 of the Revised Code to any child who is placed with a county DD board:

(a) The child's school district;

(b) The independent contractor engaged to create and maintain data verification codes.

(2) Upon a request by the department under division (F)(1) of this section for the data verification code of a child, the child's school district

shall submit that code to the department in the manner specified by the department. If the child has not been assigned a code, the district shall assign a code to that child and submit the code to the department by a date specified by the department. If the district does not assign a code to the child by the specified date, the department shall assign a code to the child.

The department annually shall submit to each school district the name and data verification code of each child residing in the district for whom the department has assigned a code under this division.

(3) The department shall not release any data verification code that it receives under division (F) of this section to any person except as provided by law.

(G) Any document relative to special education and related services provided by a county DD board that the department holds in its files that contains both a student's name or other personally identifiable information and the student's data verification code shall not be a public record under section 149.43 of the Revised Code.

Sec. 3317.201. This section does not apply to preschool children with disabilities.

(A) As used in this section, the "total special education weight" for an institution means the sum of the following amounts:

(1) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(D)(1)(A)~~ of section ~~3306.02~~ 3317.013 of the Revised Code multiplied by the multiple specified in that division;

(2) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(D)(2)(B)~~ of section ~~3306.02~~ 3317.013 of the Revised Code multiplied by the multiple specified in that division;

(3) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(D)(3)(C)~~ of section ~~3306.02~~ 3317.013 of the Revised Code multiplied by the multiple specified in that division;

(4) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division (D)~~(4)~~ of section ~~3306.02~~ 3317.013 of the Revised Code multiplied by the multiple specified in that division;

(5) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(D)(5)(E)~~ of section ~~3306.02~~ 3317.013 of the Revised Code multiplied by the multiple specified in that division;

(6) The number of children reported by the institution under division (G)(1)(a)(i) of section 3317.03 of the Revised Code as receiving services for a disability described in division ~~(D)(6)(F)~~ of section ~~3306.02~~ 3317.013 of the Revised Code multiplied by the multiple specified in that division.

(B) For each fiscal year, the department of education shall pay each state institution required to provide special education services under division (A) of section 3323.091 of the Revised Code an amount equal to the greater of:

(1) The formula amount times the institution's total special education weight;

(2) The aggregate amount of special education and related services unit funding the institution received for all children with disabilities other than preschool children with disabilities in fiscal year 2005 under sections 3317.052 and 3317.053 of the Revised Code, as those sections existed prior to June 30, 2005.

Sec. 3318.011. For purposes of providing assistance under sections 3318.01 to 3318.20 of the Revised Code, the department of education shall annually do all of the following:

(A) Calculate the adjusted valuation per pupil of each city, local, and exempted village school district according to the following formula:

The district's valuation per pupil -

$[\$30,000 \times (1 - \text{the district's income factor})]$.

For purposes of this calculation:

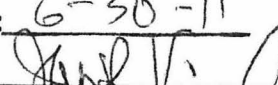
(1) Except for a district with an open enrollment net gain that is ten per cent or more of its formula ADM, "valuation per pupil" for a district means its average taxable value, divided by its formula ADM for the previous fiscal year. "Valuation per pupil," for a district with an open enrollment net gain that is ten per cent or more of its formula ADM, means its average taxable value, divided by the sum of its formula ADM for the previous fiscal year plus its open enrollment net gain for the previous fiscal year.

(2) "Average Except for a tangible personal property phase-out impacted district, "average taxable value" means the average of the sum of the amounts certified for a district under divisions (A)(1) and (2) of section 3317.021 of the Revised Code in the second, third, and fourth preceding fiscal years. For a tangible personal property phase-out impacted district, "average taxable value" means the average of the sum of the amounts certified for the district under division (A)(1) and as public utility personal property under division (A)(2) of section 3317.021 of the Revised Code in the second, third, and fourth preceding fiscal years.

(3) "Entitled to attend school" means entitled to attend school in a city,

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local, or exempted village school district under section 3313.64 or 3313.65 of the Revised Code.

(4) "Formula ADM" and "income factor" have the same meanings as in section 3317.02 of the Revised Code.

(5) "Native student" has the same meaning as in section 3313.98 of the Revised Code.

(6) "Open enrollment net gain" for a district means (a) the number of the students entitled to attend school in another district but who are enrolled in the schools of the district under its open enrollment policy minus (b) the number of the district's native students who are enrolled in the schools of another district under the other district's open enrollment policy, both numbers as certified to the department under section 3313.981 of the Revised Code. If the difference is a negative number, the district's "open enrollment net gain" is zero.

(7) "Open enrollment policy" means an interdistrict open enrollment policy adopted under section 3313.98 of the Revised Code.

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(8) "Tangible personal property phase-out impacted district" means a school district for which the taxable value of its tangible personal property certified under division (A)(2) of section 3317.021 of the Revised Code for tax year 2005, excluding the taxable value of public utility personal property, made up eighteen per cent or more of its total taxable value for tax year 2005 as certified under that section.

(B) Calculate for each district the three-year average of the adjusted valuations per pupil calculated for the district for the current and two preceding fiscal years;

(C) Rank all such districts in order of adjusted valuation per pupil from the district with the lowest three-year average adjusted valuation per pupil to the district with the highest three-year average adjusted valuation per pupil;

(D) Divide such ranking into percentiles with the first percentile containing the one per cent of school districts having the lowest three-year average adjusted valuations per pupil and the one-hundredth percentile containing the one per cent of school districts having the highest three-year average adjusted valuations per pupil;

(E) Determine the school districts that have three-year average adjusted valuations per pupil that are greater than the median three-year average adjusted valuation per pupil for all school districts in the state;

(F) On or before the first day of September, certify the information described in divisions (A) to (E) of this section to the Ohio school facilities commission.

Sec. 3318.032. (A) Except as otherwise provided in divisions (C) and

The above boxed and initialed text was disapproved.

Date:

6-30-11

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(D) of this section, the portion of the basic project cost supplied by the school district shall be the greater of:

(1) The required percentage of the basic project costs;

(2)(a) For all districts except a district that opts to divide its entire classroom facilities needs into segments to be completed separately as authorized by section 3318.034 of the Revised Code, an amount necessary to raise the school district's net bonded indebtedness, as of the date the controlling board approved the project, to within five thousand dollars of the required level of indebtedness;

(b) For a district that opts to divide its entire classroom facilities needs into segments to be completed separately as authorized by section 3318.034 of the Revised Code, an amount necessary to raise the school district's net bonded indebtedness, as of the date the controlling board approved the project, to within five thousand dollars of the following:

The required level of indebtedness X (the basic project cost of the segment as approved by the controlling board / the estimated basic project cost of the district's entire classroom facilities needs as determined jointly by the staff of the Ohio school facilities commission and the district)

(B) The amount of the district's share determined under this section shall be calculated only as of the date the controlling board approved the project, and that amount applies throughout the ~~one-year~~ thirteen-month period permitted under section 3318.05 of the Revised Code for the district's electors to approve the propositions described in that section. If the amount reserved and encumbered for a project is released because the electors do not approve those propositions within that ~~year~~ period, and the school district later receives the controlling board's approval for the project, subject to a new project scope and estimated costs under section 3318.054 of the Revised Code, the district's portion shall be recalculated in accordance with this section as of the date of the controlling board's subsequent approval.

(C) At no time shall a school district's portion of the basic project cost be greater than ninety-five per cent of the total basic project cost.

(D) If the controlling board approves a project under sections 3318.01 to 3318.20 of the Revised Code for a school district that previously received assistance under those sections or section 3318.37 of the Revised Code within the twenty-year period prior to the date on which the controlling board approves the new project, the district's portion of the basic project cost for the new project shall be the lesser of the following:

(1) The portion calculated under division (A) of this section;

(2) The greater of the following:

(a) The required percentage of the basic project costs for the new project;

(b) The percentage of the basic project cost paid by the district for the previous project.

Sec. 3318.034. (A) This section applies to both of the following:

(1) Any school district that has not executed an agreement for a project under sections 3318.01 to 3318.20 of the Revised Code prior to ~~the effective date of this section~~ June 24, 2008;

(2) Any school district that is eligible for additional assistance under sections 3318.01 to 3318.20 of the Revised Code pursuant to division (B)(2) of section 3318.04 of the Revised Code.

Notwithstanding any provision of this chapter to the contrary, with the approval of the Ohio school facilities commission, any school district to which this section applies may opt to divide the district's entire classroom facilities needs, as those needs are jointly determined by the staff of the commission and the school district, into discrete segments and shall comply with all of the provisions of those sections unless otherwise provided in this section.

~~(B) Each~~ Except as provided in division (C) of this section, each segment shall comply with all of the following:

(1) The segment shall consist of the new construction of one or more entire buildings or the complete renovation of one or more entire existing buildings, with any necessary additions to that building.

(2) The segment shall not include any construction of or renovation or repair to any building that does not complete the needs of the district with respect to that particular building at the time the segment is completed.

(3) The segment shall consist of new construction, renovations, additions, reconstruction, or repair of classroom facilities to the extent that the school district portion, as determined under section 3318.032 of the Revised Code, is an amount not less than the product of 0.040 times the district's valuation at the time the agreement for the segment is executed, unless the district previously has undertaken a segment under this section and the district's portion of the estimated basic project cost of the remainder of its entire classroom facilities needs, as determined jointly by the staff of the commission and the district, is less than the amount otherwise required by this division.

(C) A district described in division (A)(2) of this section that has not received the additional assistance authorized under division (B)(2) of section 3318.04 of the Revised Code may undertake a segment, with commission

approval, for the purpose of renovating or replacing work performed on a facility under the district's prior project. The commission may approve that segment if the commission determines that the renovation or replacement is necessary to protect the facility. The basic project cost of the segment shall be allocated between the state and the district in accordance with section 3318.032 of the Revised Code. However, the requirements of division (B) of this section shall not apply to a segment undertaken under this division.

(D) The commission shall conditionally approve and seek controlling board approval in accordance with division (A) of section 3318.04 of the Revised Code of each segment.

~~(D)~~(E) The school district's maintenance levy requirement, as defined in section 3318.18 of the Revised Code, shall run for twenty-three years from the date the first segment is undertaken; however, the maintenance levy requirement does not apply to a segment undertaken under division (C) of this section.

Sec. 3318.05. The conditional approval of the Ohio school facilities commission for a project shall lapse and the amount reserved and encumbered for such project shall be released unless the school district board accepts such conditional approval within one hundred twenty days following the date of certification of the conditional approval to the school district board and the electors of the school district vote favorably on both of the propositions described in divisions (A) and (B) of this section within ~~one year~~ thirteen months of the date of such certification, except that a school district described in division (C) of this section does not need to submit the proposition described in division (B) of this section. The propositions described in divisions (A) and (B) of this section shall be combined in a single proposal. If the district board or the district's electors fail to meet such requirements and the amount reserved and encumbered for the district's project is released, the district shall be given first priority for project funding as such funds become available, subject to section 3318.054 of the Revised Code.

(A) On the question of issuing bonds of the school district board, for the school district's portion of the basic project cost, in an amount equal to the school district's portion of the basic project cost less the amount of the proceeds of any securities authorized or to be authorized under division (J) of section 133.06 of the Revised Code and dedicated by the school district board to payment of the district's portion of the basic project cost; and

(B) On the question of levying a tax the proceeds of which shall be used to pay the cost of maintaining the classroom facilities included in the project. Such tax shall be at the rate of not less than one-half mill for each

dollar of valuation for a period of twenty-three years, subject to any extension approved under section 3318.061 of the Revised Code.

(C) If a school district has in place a tax levied under section 5705.21 of the Revised Code for general permanent improvements for a continuing period of time and the proceeds of such tax can be used for maintenance, or if a district agrees to the transfers described in section 3318.051 of the Revised Code, the school district need not levy the additional tax required under division (B) of this section, provided the school district board includes in the agreement entered into under section 3318.08 of the Revised Code provisions either:

(1) Earmarking an amount from the proceeds of that permanent improvement tax for maintenance of classroom facilities equivalent to the amount of the additional tax and for the equivalent number of years otherwise required under this section;

(2) Requiring the transfer of money in accordance with section 3318.051 of the Revised Code.

The district board subsequently may rescind the agreement to make the transfers under section 3318.051 of the Revised Code only so long as the electors of the district have approved, in accordance with section 3318.063 of the Revised Code, the levy of a tax for the maintenance of the classroom facilities acquired under the district's project and that levy continues to be collected as approved by the electors.

(D) Proceeds of the tax to be used for maintenance of the classroom facilities under either division (B) or (C)(1) of this section, and transfers of money in accordance with section 3318.051 of the Revised Code shall be deposited into a separate fund established by the school district for such purpose.

Sec. 3318.051. (A) Any city, exempted village, or local school district that commences a project under sections 3318.01 to 3318.20, 3318.36, 3318.37, or 3318.38 of the Revised Code on or after September 5, 2006, need not levy the tax otherwise required under division (B) of section 3318.05 of the Revised Code, if the district board of education adopts a resolution petitioning the Ohio school facilities commission to approve the transfer of money in accordance with this section and the commission approves that transfer. If so approved, the commission and the district board shall enter into an agreement under which the board, in each of twenty-three consecutive years beginning in the year in which the board and the commission enter into the project agreement under section 3318.08 of the Revised Code, shall transfer into the maintenance fund required by division (D) of section 3318.05 of the Revised Code not less than an amount equal to

one-half mill for each dollar of the district's valuation unless and until the agreement to make those transfers is rescinded by the district board pursuant to division (F) of this section.

(B) On the first day of July each year, or on an alternative date prescribed by the commission, the district treasurer shall certify to the commission and the auditor of state that the amount required for the year has been transferred. The auditor of state shall include verification of the transfer as part of any audit of the district under section 117.11 of the Revised Code. If the auditor of state finds that less than the required amount has been deposited into a district's maintenance fund, the auditor of state shall notify the district board of education in writing of that fact and require the board to deposit into the fund, within ninety days after the date of the notice, the amount by which the fund is deficient for the year. If the district board fails to demonstrate to the auditor of state's satisfaction that the board has made the deposit required in the notice, the auditor of state shall notify the department of education. At that time, the department shall withhold an amount equal to ten per cent of the district's funds calculated for the current fiscal year under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code until the auditor of state notifies the department that the auditor of state is satisfied that the board has made the required transfer.

(C) Money transferred to the maintenance fund shall be used for the maintenance of the facilities acquired under the district's project.

(D) The transfers to the maintenance fund under this section does not affect a district's obligation to establish and maintain a capital and maintenance fund under section 3315.18 of the Revised Code.

(E) Any decision by the commission to approve or not approve the transfer of money under this section is final and not subject to appeal. The commission shall not be responsible for errors or miscalculations made in deciding whether to approve a petition to make transfers under this section.

(F) If the district board determines that it no longer can continue making the transfers agreed to under this section, the board may rescind the agreement only so long as the electors of the district have approved, in accordance with section 3318.063 of the Revised Code, the levy of a tax for the maintenance of the classroom facilities acquired under the district's project and that levy continues to be collected as approved by the electors. That levy shall be for a number of years that is equal to the difference between twenty-three years and the number of years that the district made transfers under this section and shall be at the rate of not less than one-half mill for each dollar of the district's valuation. The district board shall continue to make the transfers agreed to under this section until that levy has

been approved by the electors.

Sec. 3318.054. (A) If conditional approval of a city, exempted village, or local school district's project lapses as provided in section 3318.05 of the Revised Code, or if conditional approval of a joint vocational school district's project lapses as provided in division (D) of section 3318.41 of the Revised Code, because the district's electors have not approved the ballot measures necessary to generate the district's portion of the basic project cost, and if the district board desires to seek a new conditional approval of the project, the district board shall request that the Ohio school facilities commission set the scope, basic project cost, and school district portion of the basic project cost prior to resubmitting the ballot measures to the electors. To do so, the commission shall use the district's current assessed tax valuation and the district's percentile for the prior fiscal year. For a district that has entered into an agreement under section 3318.36 of the Revised Code and desires to proceed with a project under sections 3318.01 to 3318.20 of the Revised Code, the district's portion of the basic project cost shall be the percentage specified in that agreement. The project scope and basic costs established under this division shall be valid for one year from the date the commission approves them.

(B) Upon the commission's approval under division (A) of this section, the district board may submit the ballot measures to the district's electors for approval of the project based on the new project scope and estimated costs. Upon electoral approval of those measures, the district shall be given first priority for project funding as such funds become available.

(C) When the commission determines that funds are available for the district's project, the commission shall do all of the following:

(1) Determine the school district portion of the basic project cost under section 3318.032 of the Revised Code, in the case of a city, exempted village, or local school district, or under section 3318.42 of the Revised Code, in the case of a joint vocational school district;

(2) Conditionally approve the project and submit it to the controlling board for approval pursuant to section 3318.04 of the Revised Code;

(3) Encumber funds for the project under section 3318.11 of the Revised Code;

(4) Enter into an agreement with the district board under section 3318.08 of the Revised Code.

Sec. 3318.08. Except in the case of a joint vocational school district that receives assistance under sections 3318.40 to 3318.45 of the Revised Code, if the requisite favorable vote on the election is obtained, or if the school district board has resolved to apply the proceeds of a property tax levy or the

proceeds of an income tax, or a combination of proceeds from such taxes, as authorized in section 3318.052 of the Revised Code, the Ohio school facilities commission, upon certification to it of either the results of the election or the resolution under section 3318.052 of the Revised Code, shall enter into a written agreement with the school district board for the construction and sale of the project. In the case of a joint vocational school district that receives assistance under sections 3318.40 to 3318.45 of the Revised Code, if the school district board of education and the school district electors have satisfied the conditions prescribed in division (D)(1) of section 3318.41 of the Revised Code, the commission shall enter into an agreement with the school district board for the construction and sale of the project. In either case, the agreement shall include, but need not be limited to, the following provisions:

(A) The sale and issuance of bonds or notes in anticipation thereof, as soon as practicable after the execution of the agreement, in an amount equal to the school district's portion of the basic project cost, including any securities authorized under division (J) of section 133.06 of the Revised Code and dedicated by the school district board to payment of the district's portion of the basic project cost of the project; provided, that if at that time the county treasurer of each county in which the school district is located has not commenced the collection of taxes on the general duplicate of real and public utility property for the year in which the controlling board approved the project, the school district board shall authorize the issuance of a first installment of bond anticipation notes in an amount specified by the agreement, which amount shall not exceed an amount necessary to raise the net bonded indebtedness of the school district as of the date of the controlling board's approval to within five thousand dollars of the required level of indebtedness for the preceding year. In the event that a first installment of bond anticipation notes is issued, the school district board shall, as soon as practicable after the county treasurer of each county in which the school district is located has commenced the collection of taxes on the general duplicate of real and public utility property for the year in which the controlling board approved the project, authorize the issuance of a second and final installment of bond anticipation notes or a first and final issue of bonds.

The combined value of the first and second installment of bond anticipation notes or the value of the first and final issue of bonds shall be equal to the school district's portion of the basic project cost. The proceeds of any such bonds shall be used first to retire any bond anticipation notes. Otherwise, the proceeds of such bonds and of any bond anticipation notes,

except the premium and accrued interest thereon, shall be deposited in the school district's project construction fund. In determining the amount of net bonded indebtedness for the purpose of fixing the amount of an issue of either bonds or bond anticipation notes, gross indebtedness shall be reduced by moneys in the bond retirement fund only to the extent of the moneys therein on the first day of the year preceding the year in which the controlling board approved the project. Should there be a decrease in the tax valuation of the school district so that the amount of indebtedness that can be incurred on the tax duplicates for the year in which the controlling board approved the project is less than the amount of the first installment of bond anticipation notes, there shall be paid from the school district's project construction fund to the school district's bond retirement fund to be applied against such notes an amount sufficient to cause the net bonded indebtedness of the school district, as of the first day of the year following the year in which the controlling board approved the project, to be within five thousand dollars of the required level of indebtedness for the year in which the controlling board approved the project. The maximum amount of indebtedness to be incurred by any school district board as its share of the cost of the project is either an amount that will cause its net bonded indebtedness, as of the first day of the year following the year in which the controlling board approved the project, to be within five thousand dollars of the required level of indebtedness, or an amount equal to the required percentage of the basic project costs, whichever is greater. All bonds and bond anticipation notes shall be issued in accordance with Chapter 133. of the Revised Code, and notes may be renewed as provided in section 133.22 of the Revised Code.

(B) The transfer of such funds of the school district board available for the project, together with the proceeds of the sale of the bonds or notes, except premium, accrued interest, and interest included in the amount of the issue, to the school district's project construction fund;

(C) For all school districts except joint vocational school districts that receive assistance under sections 3318.40 to 3318.45 of the Revised Code, the following provisions as applicable:

(1) If section 3318.052 of the Revised Code applies, the earmarking of the proceeds of a tax levied under section 5705.21 of the Revised Code for general permanent improvements or under section 5705.218 of the Revised Code for the purpose of permanent improvements, or the proceeds of a school district income tax levied under Chapter 5748. of the Revised Code, or the proceeds from a combination of those two taxes, in an amount to pay all or part of the service charges on bonds issued to pay the school district

portion of the project and an amount equivalent to all or part of the tax required under division (B) of section 3318.05 of the Revised Code;

(2) If section 3318.052 of the Revised Code does not apply, one of the following:

(a) The levy of the tax authorized at the election for the payment of maintenance costs, as specified in division (B) of section 3318.05 of the Revised Code;

(b) If the school district electors have approved a continuing tax for general permanent improvements under section 5705.21 of the Revised Code and that tax can be used for maintenance, the earmarking of an amount of the proceeds from such tax for maintenance of classroom facilities as specified in division (B) of section 3318.05 of the Revised Code;

(c) If, in lieu of the tax otherwise required under division (B) of section 3318.05 of the Revised Code, the commission has approved the transfer of money to the maintenance fund in accordance with section 3318.051 of the Revised Code, a requirement that the district board comply with the provisions that section. The district board may rescind the provision prescribed under division (C)(2)(c) of this section only so long as the electors of the district have approved, in accordance with section 3318.063 of the Revised Code, the levy of a tax for the maintenance of the classroom facilities acquired under the district's project and that levy continues to be collected as approved by the electors.

(D) For joint vocational school districts that receive assistance under sections 3318.40 to 3318.45 of the Revised Code, provision for deposit of school district moneys dedicated to maintenance of the classroom facilities acquired under those sections as prescribed in section 3318.43 of the Revised Code;

(E) Dedication of any local donated contribution as provided for under section 3318.084 of the Revised Code, including a schedule for depositing such moneys applied as an offset of the district's obligation to levy the tax described in division (B) of section 3318.05 of the Revised Code as required under division (D)(2) of section 3318.084 of the Revised Code;

(F) Ownership of or interest in the project during the period of construction, which shall be divided between the commission and the school district board in proportion to their respective contributions to the school district's project construction fund;

(G) Maintenance of the state's interest in the project until any obligations issued for the project under section 3318.26 of the Revised Code are no longer outstanding;

(H) The insurance of the project by the school district from the time

there is an insurable interest therein and so long as the state retains any ownership or interest in the project pursuant to division (F) of this section, in such amounts and against such risks as the commission shall require; provided, that the cost of any required insurance until the project is completed shall be a part of the basic project cost;

(I) The certification by the director of budget and management that funds are available and have been set aside to meet the state's share of the basic project cost as approved by the controlling board pursuant to either section 3318.04 or division (B)(1) of section 3318.41 of the Revised Code;

(J) Authorization of the school district board to advertise for and receive construction bids for the project, for and on behalf of the commission, and to award contracts in the name of the state subject to approval by the commission;

(K) Provisions for the disbursement of moneys from the school district's project account upon issuance by the commission or the commission's designated representative of vouchers for work done to be certified to the commission by the treasurer of the school district board;

(L) Disposal of any balance left in the school district's project construction fund upon completion of the project;

(M) Limitations upon use of the project or any part of it so long as any obligations issued to finance the project under section 3318.26 of the Revised Code are outstanding;

(N) Provision for vesting the state's interest in the project to the school district board when the obligations issued to finance the project under section 3318.26 of the Revised Code are outstanding;

(O) Provision for deposit of an executed copy of the agreement in the office of the commission;

(P) Provision for termination of the contract and release of the funds encumbered at the time of the conditional approval, if the proceeds of the sale of the bonds of the school district board are not paid into the school district's project construction fund and if bids for the construction of the project have not been taken within such period after the execution of the agreement as may be fixed by the commission;

(Q) Provision for the school district to maintain the project in accordance with a plan approved by the commission;

~~(R)(1) For all school districts except a district undertaking a project under section 3318.38 of the Revised Code or a joint vocational school district undertaking a project under sections 3318.40 to 3318.45 of the Revised Code, provision~~ Provision that all state funds reserved and encumbered to pay the state share of the cost of the project ~~pursuant to~~

~~section 3318.03 of the Revised Code be spent on the construction or acquisition of the project prior to the expenditure of any and the funds provided by the school district to pay for its share of the project cost, unless including the respective shares of the cost of a segment if the project is divided into segments, be spent on the construction and acquisition of the project or segment simultaneously in proportion to the state's and the school district's respective shares of that basic project cost as determined under section 3318.032 of the Revised Code or, if the district is a joint vocational school district, under section 3318.42 of the Revised Code. However, if the school district certifies to the commission that expenditure by the school district is necessary to maintain the federal tax status or tax-exempt status of notes or bonds issued by the school district to pay for its share of the project cost or to comply with applicable temporary investment periods or spending exceptions to rebate as provided for under federal law in regard to those notes or bonds, in which cases, the school district may commit to spend, or spend, a greater portion of the funds it provides;~~

~~(2) For a school district undertaking a project under section 3318.38 of the Revised Code or a joint vocational school district undertaking a project under sections 3318.40 to 3318.45 of the Revised Code, provision that the state funds reserved and encumbered and the funds provided by the school district to pay the basic project cost of any segment of the project, or of the entire project if it is not divided into segments, be spent on the construction and acquisition of the project simultaneously in proportion to the state's and the school district's respective shares of that basic project cost as determined under section 3318.032 of the Revised Code or, if the district is a joint vocational school district, under section 3318.42 of the Revised Code during any specific period than would otherwise be required under this division.~~

(S) A provision stipulating that the commission may prohibit the district from proceeding with any project if the commission determines that the site is not suitable for construction purposes. The commission may perform soil tests in its determination of whether a site is appropriate for construction purposes.

(T) A provision stipulating that, unless otherwise authorized by the commission, any contingency reserve portion of the construction budget prescribed by the commission shall be used only to pay costs resulting from unforeseen job conditions, to comply with rulings regarding building and other codes, to pay costs related to design clarifications or corrections to contract documents, and to pay the costs of settlements or judgments related to the project as provided under section 3318.086 of the Revised Code;

(U) Provision stipulating that for continued release of project funds the

school district board shall comply with section 3313.41 of the Revised Code throughout the project and shall notify the department of education and the Ohio community school association when the board plans to dispose of facilities by sale under that section;

(V) Provision that the commission shall not approve a contract for demolition of a facility until the school district board has complied with section 3313.41 of the Revised Code relative to that facility, unless demolition of that facility is to clear a site for construction of a replacement facility included in the district's project.

Sec. 3318.12. (A) The Ohio school facilities commission shall cause to be transferred to the school district's project construction fund the necessary amounts from amounts appropriated by the general assembly and set aside for such purpose, from time to time as may be necessary to pay obligations chargeable to such fund when due. All investment earnings of a school district's project construction fund shall be credited to the fund.

(B)(1) The treasurer of the school district board shall disburse funds from the school district's project construction fund, including investment earnings credited to the fund, only upon the approval of the commission or the commission's designated representative. The commission or the commission's designated representative shall issue vouchers against such fund, in such amounts, and at such times as required by the contracts for construction of the project.

(2) Notwithstanding anything to the contrary in division (B)(1) of this section, the school district board may, by a duly adopted resolution, choose to use all or part of the investment earnings of the district's project construction fund that are attributable to the district's contribution to the fund to pay the cost of classroom facilities or portions or components of classroom facilities that are not included in the district's basic project cost but that are related to the district's project. If the district board adopts a resolution in favor of using those investment earnings as authorized under division (B)(2) of this section, the treasurer shall disburse the amount as designated and directed by the board. However, if the district board chooses to use any part of the investment earnings for classroom facilities or portions or components of classroom facilities that are not included in the basic project cost, as authorized under division (B)(2) of this section, and, subsequently, the cost of the project exceeds the amount in the project construction fund, the district board shall restore to the project construction fund the full amount of the investment earnings used under division (B)(2) of this section before any additional state moneys shall be released for the project.

(C) After ~~the~~ a certificate of completion has been issued for a project has been completed under section 3318.48 of the Revised Code:

(1) At the discretion of the school district board, any investment earnings remaining in the project construction fund that are attributable to the school district's contribution to the fund shall be:

(a) Retained in the project construction fund for future projects;

(b) Transferred to the district's maintenance fund required by division (B) of section 3318.05 or section 3318.43 of the Revised Code, and the money so transferred shall be used solely for maintaining the classroom facilities included in the project;

(c) Transferred to the district's permanent improvement fund.

(2) Any investment earnings remaining in the project construction fund that are attributable to the state's contribution to the fund shall be transferred to the commission for expenditure pursuant to sections 3318.01 to 3318.20 or sections 3318.40 to 3318.45 of the Revised Code.

(3) Any other surplus remaining in the school district's project construction fund ~~after the project has been completed~~ shall be transferred to the commission and the school district board in proportion to their respective contributions to the fund. The commission shall use the money transferred to it under this division for expenditure pursuant to sections 3318.01 to 3318.20 or sections 3318.40 to 3318.45 of the Revised Code.

(D) Pursuant to appropriations of the general assembly, any moneys transferred to the commission under division (C)(2) or (3) of this section from a project construction fund for a project under sections 3318.40 to 3318.45 of the Revised Code may be used for future expenditures for projects under sections 3318.40 to 3318.45 of the Revised Code, notwithstanding the two per cent annual limit specified in division (B) of section 3318.40 of the Revised Code.

Sec. 3318.31. (A) The Ohio school facilities commission may perform any act and ensure the performance of any function necessary or appropriate to carry out the purposes of, and exercise the powers granted under, Chapter 3318. of the Revised Code, including any of the following:

(1) Adopt, amend, and rescind, pursuant to section 111.15 of the Revised Code, rules for the administration of programs authorized under Chapter 3318. of the Revised Code.

(2) Contract with, retain the services of, or designate, and fix the compensation of, such agents, accountants, consultants, advisers, and other independent contractors as may be necessary or desirable to carry out the programs authorized under Chapter 3318. of the Revised Code, or authorize the executive director to perform such powers and duties.

(3) Receive and accept any gifts, grants, donations, and pledges, and receipts therefrom, to be used for the programs authorized under Chapter 3318. of the Revised Code.

(4) Make and enter into all contracts, commitments, and agreements, and execute all instruments, necessary or incidental to the performance of its duties and the execution of its rights and powers under Chapter 3318. of the Revised Code, or authorize the executive director to perform such powers and duties.

(5) Request the director of administrative services to debar a contractor as provided in section 153.02 of the Revised Code.

(B) The commission shall appoint and fix the compensation of an executive director who shall serve at the pleasure of the commission. The executive director shall supervise the operations of the commission and perform such other duties as delegated by the commission. The executive director also shall employ and fix the compensation of such employees as will facilitate the activities and purposes of the commission, who shall serve at the pleasure of the executive director. The employees of the commission shall be exempt from Chapter 4117. of the Revised Code and shall not be public employees as defined in section 4117.01 of the Revised Code.

(C) The attorney general shall serve as the legal representative for the commission and may appoint other counsel as necessary for that purpose in accordance with section 109.07 of the Revised Code.

Sec. 3318.36. (A)(1) As used in this section:

(a) "Ohio school facilities commission," "classroom facilities," "school district," "school district board," "net bonded indebtedness," "required percentage of the basic project costs," "basic project cost," "valuation," and "percentile" have the same meanings as in section 3318.01 of the Revised Code.

(b) "Required level of indebtedness" means five per cent of the school district's valuation for the year preceding the year in which the commission and school district enter into an agreement under division (B) of this section, plus [two one-hundredths of one per cent multiplied by (the percentile in which the district ranks minus one)].

(c) "Local resources" means any moneys generated in any manner permitted for a school district board to raise the school district portion of a project undertaken with assistance under sections 3318.01 to 3318.20 of the Revised Code.

(d) "Tangible personal property phase-out impacted district" has the same meaning as in section 3318.011 of the Revised Code.

(2) For purposes of determining the required level of indebtedness, the

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The above boxed and initialed text was disapproved.

Date: 6-30-11

 John R. Kasich, Governor

required percentage of the basic project costs under division (C)(1) of this section, and priority for assistance under sections 3318.01 to 3318.20 of the Revised Code, the percentile ranking of a school district with which the commission has entered into an agreement under this section between the first day of July and the thirty-first day of August in each fiscal year is the percentile ranking calculated for that district for the immediately preceding fiscal year, and the percentile ranking of a school district with which the commission has entered into such agreement between the first day of September and the thirtieth day of June in each fiscal year is the percentile ranking calculated for that district for the current fiscal year. However, in the case of a tangible personal property phase-out impacted district, the district's priority for assistance under sections 3318.01 to 3318.20 of the Revised Code and its portion of the basic project cost under those sections shall be determined in the manner prescribed, respectively, in divisions (B)(3)(b) and (E)(1)(b) of this section.

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(B)(1) There is hereby established the school building assistance expedited local partnership program. Under the program, the Ohio school facilities commission may enter into an agreement with the school district board of any school district under which the school district board may proceed with the new construction or major repairs of a part of the school district's classroom facilities needs, as determined under sections 3318.01 to 3318.20 of the Revised Code, through the expenditure of local resources prior to the school district's eligibility for state assistance under those sections and may apply that expenditure toward meeting the school district's portion of the basic project cost of the total of the school district's classroom facilities needs, as determined under sections 3318.01 to 3318.20 of the Revised Code and as recalculated under division (E) of this section, that are eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code when the school district becomes eligible for that assistance. Any school district that is reasonably expected to receive assistance under sections 3318.01 to 3318.20 of the Revised Code within two fiscal years from the date the school district adopts its resolution under division (B) of this section shall not be eligible to participate in the program established under this section.

(2) To participate in the program, a school district board shall first adopt a resolution certifying to the commission the board's intent to participate in the program.

The resolution shall specify the approximate date that the board intends to seek elector approval of any bond or tax measures or to apply other local resources to use to pay the cost of classroom facilities to be constructed

The above boxed and initialed text was disapproved.

Date:

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John A. Kasich, Governor

under this section. The resolution may specify the application of local resources or elector-approved bond or tax measures after the resolution is adopted by the board, and in such case the board may proceed with a discrete portion of its project under this section as soon as the commission and the controlling board have approved the basic project cost of the district's classroom facilities needs as specified in division (D) of this section. The board shall submit its resolution to the commission not later than ten days after the date the resolution is adopted by the board.

The commission shall not consider any resolution that is submitted pursuant to division (B)(2) of this section, as amended by this amendment, sooner than September 14, 2000.

(3) For purposes of determining when a district that enters into an agreement under this section becomes eligible for assistance under sections 3318.01 to 3318.20 of the Revised Code, the commission shall use one of the following as applicable:

JRK (a) Except for a tangible personal property phase-out impacted district, the district's percentile ranking determined at the time the district entered into the agreement under this section, as prescribed by division (A)(2) of this section;

(b) For a tangible personal property phase-out impacted district, the least of (i) the district's percentile ranking determined at the time the district entered into the agreement under this section, as prescribed by division (A)(2) of this section, (ii) the district's current percentile ranking under section 3318.011 of the Revised Code, or (iii) for a project approved for fiscal year 2012, the district's percentile ranking under the alternate equity list prescribed by Section 387.70 of H.B. 153 of the 129th general assembly.

(4) Any project under this section shall comply with section 3318.03 of the Revised Code and with any specifications for plans and materials for classroom facilities adopted by the commission under section 3318.04 of the Revised Code.

(5) If a school district that enters into an agreement under this section has not begun a project applying local resources as provided for under that agreement at the time the district is notified by the commission that it is eligible to receive state assistance under sections 3318.01 to 3318.20 of the Revised Code, all assessment and agreement documents entered into under this section are void.

(6) Only construction of or repairs to classroom facilities that have been approved by the commission and have been therefore included as part of a district's basic project cost qualify for application of local resources under this section.

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(C) Based on the results of on-site visits and assessment, the commission shall determine the basic project cost of the school district's classroom facilities needs. The commission shall determine the school district's portion of such basic project cost, which shall be the greater of:

(1) The required percentage of the basic project costs, determined based on the school district's percentile ranking;

(2) An amount necessary to raise the school district's net bonded indebtedness, as of the fiscal year the commission and the school district enter into the agreement under division (B) of this section, to within five thousand dollars of the required level of indebtedness.

JRK
(D)(1) When the commission determines the basic project cost of the classroom facilities needs of a school district and the school district's portion of that basic project cost under division (C) of this section, the project shall be conditionally approved. Such conditional approval shall be submitted to the controlling board for approval thereof. The controlling board shall forthwith approve or reject the commission's determination, conditional approval, and the amount of the state's portion of the basic project cost; however, no state funds shall be encumbered under this section. Upon approval by the controlling board, the school district board may identify a discrete part of its classroom facilities needs, which shall include only new construction of or additions or major repairs to a particular building, to address with local resources. Upon identifying a part of the school district's basic project cost to address with local resources, the school district board may allocate any available school district moneys to pay the cost of that identified part, including the proceeds of an issuance of bonds if approved by the electors of the school district.

All local resources utilized under this division shall first be deposited in the project construction account required under section 3318.08 of the Revised Code.

(2) Unless the school district board exercises its option under division (D)(3) of this section, for a school district to qualify for participation in the program authorized under this section, one of the following conditions shall be satisfied:

(a) The electors of the school district by a majority vote shall approve the levy of taxes outside the ten-mill limitation for a period of twenty-three years at the rate of not less than one-half mill for each dollar of valuation to be used to pay the cost of maintaining the classroom facilities included in the basic project cost as determined by the commission. The form of the ballot to be used to submit the question whether to approve the tax required under this division to the electors of the school district shall be the form for

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an additional levy of taxes prescribed in section 3318.361 of the Revised Code, which may be combined in a single ballot question with the questions prescribed under section 5705.218 of the Revised Code.

(b) As authorized under division (C) of section 3318.05 of the Revised Code, the school district board shall earmark from the proceeds of a permanent improvement tax levied under section 5705.21 of the Revised Code, an amount equivalent to the additional tax otherwise required under division (D)(2)(a) of this section for the maintenance of the classroom facilities included in the basic project cost as determined by the commission.

(c) As authorized under section 3318.051 of the Revised Code, the school district board shall, if approved by the commission, annually transfer into the maintenance fund required under section 3318.05 of the Revised Code the amount prescribed in section 3318.051 of the Revised Code in lieu of the tax otherwise required under division (D)(2)(a) of this section for the maintenance of the classroom facilities included in the basic project cost as determined by the commission.

JRK
(d) If the school district board has rescinded the agreement to make transfers under section 3318.051 of the Revised Code, as provided under division (F) of that section, the electors of the school district, in accordance with section 3318.063 of the Revised Code, first shall approve the levy of taxes outside the ten-mill limitation for the period specified in that section at a rate of not less than one-half mill for each dollar of valuation.

(e) The school district board shall apply the proceeds of a tax to leverage bonds as authorized under section 3318.052 of the Revised Code or dedicate a local donated contribution in the manner described in division (B) of section 3318.084 of the Revised Code in an amount equivalent to the additional tax otherwise required under division (D)(2)(a) of this section for the maintenance of the classroom facilities included in the basic project cost as determined by the commission.

(3) A school district board may opt to delay taking any of the actions described in division (D)(2) of this section until the school district becomes eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code. In order to exercise this option, the board shall certify to the commission a resolution indicating the board's intent to do so prior to entering into an agreement under division (B) of this section.

(4) If pursuant to division (D)(3) of this section a district board opts to delay levying an additional tax until the district becomes eligible for state assistance, it shall submit the question of levying that tax to the district electors as follows:

(a) In accordance with section 3318.06 of the Revised Code if it will

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also be necessary pursuant to division (E) of this section to submit a proposal for approval of a bond issue;

(b) In accordance with section 3318.361 of the Revised Code if it is not necessary to also submit a proposal for approval of a bond issue pursuant to division (E) of this section.

(5) No state assistance under sections 3318.01 to 3318.20 of the Revised Code shall be released until a school district board that adopts and certifies a resolution under division (D) of this section also demonstrates to the satisfaction of the commission compliance with the provisions of division (D)(2) of this section.

Any amount required for maintenance under division (D)(2) of this section shall be deposited into a separate fund as specified in division (B) of section 3318.05 of the Revised Code.

JRK
(E)(1) If the school district becomes eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code based on its percentile ranking under division (B)(3) of this section, the commission shall conduct a new assessment of the school district's classroom facilities needs and shall recalculate the basic project cost based on this new assessment. The basic project cost recalculated under this division shall include the amount of expenditures made by the school district board under division (D)(1) of this section. The commission shall then recalculate the school district's portion of the new basic project cost, which shall be one of the following as applicable:

(a) Except for a tangible personal property phase-out impacted district, the percentage of the original basic project cost assigned to the school district as its portion under division (C) of this section;

(b) For a tangible personal property phase-out impacted district, the least of (i) the percentage of the original basic project cost assigned to the school district as its portion under division (C) of this section, (ii) the percentage of the new basic project cost determined under section 3318.032 of the Revised Code using the district's current percentile ranking under section 3318.011 of the Revised Code, or (iii) for a project approved for fiscal year 2012, the percentage of the new basic project cost determined under section 3318.032 of the Revised Code using the district's percentile ranking under the alternate equity list prescribed by Section 387.70 of H.B. 153 of the 129th general assembly. The

The commission shall deduct the expenditure of school district moneys made under division (D)(1) of this section from the school district's portion of the basic project cost as recalculated under this division. If the amount of school district resources applied by the school district board to the school

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district's portion of the basic project cost under this section is less than the total amount of such portion as recalculated under this division, the school district board by a majority vote of all of its members shall, if it desires to seek state assistance under sections 3318.01 to 3318.20 of the Revised Code, adopt a resolution as specified in section 3318.06 of the Revised Code to submit to the electors of the school district the question of approval of a bond issue in order to pay any additional amount of school district portion required for state assistance. Any tax levy approved under division (D) of this section satisfies the requirements to levy the additional tax under section 3318.06 of the Revised Code.

(2) If the amount of school district resources applied by the school district board to the school district's portion of the basic project cost under this section is more than the total amount of such portion as recalculated under ~~this division (E)(1) of this section~~, within one year after the school district's portion is so recalculated ~~under division (E)(1) of this section~~ the commission may grant to the school district the difference between the two calculated portions, but at no time shall the commission expend any state funds on a project in an amount greater than the state's portion of the basic project cost as recalculated under ~~this division (E)(1) of this section~~.

Any reimbursement under this division shall be only for local resources the school district has applied toward construction cost expenditures for the classroom facilities approved by the commission, which shall not include any financing costs associated with that construction.

The school district board shall use any moneys reimbursed to the district under this division to pay off any debt service the district owes for classroom facilities constructed under its project under this section before such moneys are applied to any other purpose. However, the district board first may deposit moneys reimbursed under this division into the district's general fund or a permanent improvement fund to replace local resources the district withdrew from those funds, as long as, and to the extent that, those local resources were used by the district for constructing classroom facilities included in the district's basic project cost.

(3) A tangible personal property phase-out impacted district shall receive credit under division (E) of this section for the expenditure of local resources pursuant to any prior agreement authorized by this section, notwithstanding any recalculation of its average taxable value.

Sec. 3318.37. (A)(1) As used in this section:

(a) "Large land area school district" means a school district with a territory of greater than three hundred square miles in any percentile as determined under section 3318.011 of the Revised Code.

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(b) "Low wealth school district" means a school district in the first through seventy-fifth percentiles as determined under section 3318.011 of the Revised Code.

(c) A "school district with an exceptional need for immediate classroom facilities assistance" means a low wealth or large land area school district with an exceptional need for new facilities in order to protect the health and safety of all or a portion of its students.

~~(2) No school district reasonably expected to be eligible for state assistance under sections 3318.01 to 3318.20 of the Revised Code within three fiscal years after the year of the application for assistance under this section shall be eligible for assistance under this section, unless the district's entire classroom facilities plan consists of only a single building designed to house grades kindergarten through twelve and the district satisfies the conditions prescribed in divisions (A)(3)(a) and (b) of this section.~~

~~(3) No school district that participates in the school building assistance expedited local partnership program under section 3318.36 of the Revised Code shall receive assistance under the program established under this section unless the following conditions are satisfied:~~

~~(a) The district board adopted a resolution certifying its intent to participate in the school building assistance expedited local partnership program under section 3318.36 of the Revised Code prior to September 14, 2000.~~

~~(b) The district was selected by the Ohio school facilities commission for participation in the school building assistance expedited local partnership program under section 3318.36 of the Revised Code in the manner prescribed by the commission under that section as it existed prior to September 14, 2000.~~

(B)(1) There is hereby established the exceptional needs school facilities assistance program. Under the program, the Ohio school facilities commission may set aside from the moneys annually appropriated to it for classroom facilities assistance projects up to twenty-five per cent for assistance to school districts with exceptional needs for immediate classroom facilities assistance.

(2)(a) After consulting with education and construction experts, the commission shall adopt guidelines for identifying school districts with an exceptional need for immediate classroom facilities assistance.

(b) The guidelines shall include application forms and instructions for school districts to use in applying for assistance under this section.

(3) The commission shall evaluate the classroom facilities, and the need for replacement classroom facilities from the applications received under

this section. The commission, utilizing the guidelines adopted under division (B)(2)(a) of this section, shall prioritize the school districts to be assessed.

Notwithstanding section 3318.02 of the Revised Code, the commission may conduct on-site evaluation of the school districts prioritized under this section and approve and award funds until such time as all funds set aside under division (B)(1) of this section have been encumbered. However, the commission need not conduct the evaluation of facilities if the commission determines that a district's assessment conducted under section 3318.36 of the Revised Code is sufficient for purposes of this section.

(4) Notwithstanding division (A) of section 3318.05 of the Revised Code, the school district's portion of the basic project cost under this section shall be the "required percentage of the basic project costs," as defined in division (K) of section 3318.01 of the Revised Code.

(5) Except as otherwise specified in this section, any project undertaken with assistance under this section shall comply with all provisions of sections 3318.01 to 3318.20 of the Revised Code. A school district may receive assistance under sections 3318.01 to 3318.20 of the Revised Code for the remainder of the district's classroom facilities needs as assessed under this section when the district is eligible for such assistance pursuant to section 3318.02 of the Revised Code, but any classroom facility constructed with assistance under this section shall not be included in a district's project at that time unless the commission determines the district has experienced the increased enrollment specified in division (B)(1) of section 3318.04 of the Revised Code.

(C) No school district shall receive assistance under this section for a classroom facility that has been included in the discrete part of the district's classroom facilities needs identified and addressed in the district's project pursuant to an agreement entered into under section 3318.36 of the Revised Code, unless the district's entire classroom facilities plan consists of only a single building designed to house grades kindergarten through twelve.

Sec. 3318.371. The Ohio school facilities commission may provide assistance under the exceptional needs school facilities program established by section 3318.37 of the Revised Code to any school district for the purpose of the relocation or replacement of classroom facilities required as a result of any contamination of air, soil, or water that impacts the occupants of the facility. Assistance under this section is not limited to school districts in the first through seventy-fifth percentiles as determined under section 3318.011 of the Revised Code.

The commission shall make a determination in accordance with guidelines adopted by the commission regarding eligibility and funding for

projects under this section. The commission may contract with an independent environmental consultant to conduct a study to assist the commission in making the determination.

If the federal government or other public or private entity provides funds for restitution of costs incurred by the state or school district in the relocation or replacement of the classroom facilities, the school district shall use such funds in excess of the school district's share to refund the state for the state's contribution to the environmental contamination portion of the project. The school district may apply an amount of such restitution funds up to an amount equal to the school district's portion of the project, as defined by the commission, toward paying its portion of that project to reduce the amount of bonds the school district otherwise must issue to receive state assistance under sections 3318.01 to 3318.20 of the Revised Code.

Sec. 3318.38. (A) As used in this section, "big-eight school district" has the same meaning as in section 3314.02 of the Revised Code.

(B) There is hereby established the accelerated urban school building assistance program. Under the program, notwithstanding section 3318.02 of the Revised Code, any big-eight school district that has not been approved to receive assistance under sections 3318.01 to 3318.20 of the Revised Code by July 1, 2002, may beginning on that date apply for approval of and be approved for such assistance. Except as otherwise provided in this section, any project approved and undertaken pursuant to this section shall comply with all provisions of sections 3318.01 to 3318.20 of the Revised Code.

The Ohio school facilities commission shall provide assistance to any big-eight school district eligible for assistance under this section in the following manner:

(1) Notwithstanding section 3318.02 of the Revised Code:

(a) Not later than June 30, 2002, the commission shall conduct an on-site visit and shall assess the classroom facilities needs of each big-eight school district eligible for assistance under this section;

(b) Beginning July 1, 2002, any big-eight school district eligible for assistance under this section may apply to the commission for conditional approval of its project as determined by the assessment conducted under division (B)(1)(a) of this section. The commission may conditionally approve that project and submit it to the controlling board for approval pursuant to section 3318.04 of the Revised Code.

(2) If the controlling board approves the project of a big-eight school district eligible for assistance under this section, the commission and the school district shall enter into an agreement as prescribed in section 3318.08

of the Revised Code. Any agreement executed pursuant to this division shall include any applicable segmentation provisions as approved by the commission under division (B)(3) of this section.

(3) Notwithstanding any provision to the contrary in sections 3318.05, 3318.06, and 3318.08 of the Revised Code, a big-eight school district eligible for assistance under this section may with the approval of the commission opt to divide the project as approved under division (B)(1)(b) of this section into discrete segments to be completed sequentially. Any project divided into segments shall comply with all other provisions of sections 3318.05, 3318.06, and 3318.08 of the Revised Code except as otherwise specified in this division.

If a project is divided into segments under this division:

(a) The school district need raise only the amount equal to its proportionate share, as determined under section 3318.032 of the Revised Code, of each segment at any one time and may seek voter approval of each segment separately;

(b) The state's proportionate share, as determined under section 3318.032 of the Revised Code, of only the segment which has been approved by the school district electors or for which the district has applied a local donated contribution under section 3318.084 of the Revised Code shall be encumbered in accordance with section 3318.11 of the Revised Code. Encumbrance of additional amounts to cover the state's proportionate share of later segments shall be approved separately as they are approved by the school district electors or as the district applies a local donated contribution to the segments under section 3318.084 of the Revised Code.

(c) The school district's maintenance levy requirement, as defined in section 3318.18 of the Revised Code, shall run for twenty-three years from the date the first segment is undertaken.

~~(4) For any project under this section~~ (C) In accordance with division (R) of section 3318.08 of the Revised Code, the state funds reserved and encumbered and the funds provided by the school district to pay the basic project cost of any segment of the project under this section, or of the entire project if it is not divided into segments, shall be spent on the construction and acquisition of the project simultaneously in proportion to the state's and the school district's respective shares of that basic project cost as determined under section 3318.032 of the Revised Code.

Sec. 3318.41. (A)(1) The Ohio school facilities commission annually shall assess the classroom facilities needs of the number of joint vocational school districts that the commission reasonably expects to be able to provide assistance to in a fiscal year, based on the amount set aside for that fiscal

year under division (B) of section 3318.40 of the Revised Code and the order of priority prescribed in division (B) of section 3318.42 of the Revised Code, except that in fiscal year 2004 the commission shall conduct at least the five assessments prescribed in division (E) of section 3318.40 of the Revised Code.

Upon conducting an assessment of the classroom facilities needs of a school district, the commission shall make a determination of all of the following:

(a) The number of classroom facilities to be included in a project and the basic project cost of acquiring the classroom facilities included in the project. The number of facilities and basic project cost shall be determined in accordance with the specifications adopted under section 3318.311 of the Revised Code except to the extent that compliance with such specifications is waived by the commission pursuant to the rule of the commission adopted under division (F) of section 3318.40 of the Revised Code.

(b) The school district's portion of the basic project cost as determined under division (C) of section 3318.42 of the Revised Code;

(c) The remaining portion of the basic project cost that shall be supplied by the state;

(d) The amount of the state's portion of the basic project cost to be encumbered in accordance with section 3318.11 of the Revised Code in the current and subsequent fiscal years from funds set aside under division (B) of section 3318.40 of the Revised Code.

(2) Divisions (A), (C), and (D) of section 3318.03 of the Revised Code apply to any project under sections 3318.40 to 3318.45 of the Revised Code.

(B)(1) If the commission makes a determination under division (A) of this section in favor of the acquisition of classroom facilities for a project under sections 3318.40 to 3318.45 of the Revised Code, such project shall be conditionally approved. Such conditional approval shall be submitted to the controlling board for approval. The controlling board shall immediately approve or reject the commission's determination, conditional approval, the amount of the state's portion of the basic project cost, and the amount of the state's portion of the basic project cost to be encumbered in the current fiscal year. In the event of approval by the controlling board, the commission shall certify the conditional approval to the joint vocational school district board of education and shall encumber the approved funds for the current fiscal year.

(2) No school district that receives assistance under sections 3318.40 to 3318.45 of the Revised Code shall have another such project conditionally approved until the expiration of twenty years after the school district's prior

project was conditionally approved, unless the school district board demonstrates to the satisfaction of the commission that the school district has experienced since conditional approval of its prior project an exceptional increase in enrollment or program requirements significantly above the school district's design capacity under that prior project as determined by rule of the commission. Any rule adopted by the commission to implement this division shall be tailored to address the classroom facilities needs of joint vocational school districts.

(C) In addition to generating the amount of the school district's portion of the basic project cost as determined under division (C) of section 3318.42 of the Revised Code, in order for a school district to receive assistance under sections 3318.40 to 3318.45 of the Revised Code, the school district board shall set aside school district moneys for the maintenance of the classroom facilities included in the school district's project in the amount and manner prescribed in section 3318.43 of the Revised Code.

(D)(1) The conditional approval for a project certified under division (B)(1) of this section shall lapse and the amount reserved and encumbered for such project shall be released unless both of the following conditions are satisfied:

(a) Within one hundred twenty days following the date of certification of the conditional approval to the joint vocational school district board, the school district board accepts the conditional approval and certifies to the commission the school district board's plan to generate the school district's portion of the basic project cost, as determined under division (C) of section 3318.42 of the Revised Code, and to set aside moneys for maintenance of the classroom facilities acquired under the project, as prescribed in section 3318.43 of the Revised Code.

(b) Within ~~one year~~ thirteen months following the date of certification of the conditional approval to the school district board, the electors of the school district vote favorably on any ballot measures proposed by the school district board to generate the school district's portion of the basic project cost.

(2) If the school district board or electors fail to satisfy the conditions prescribed in division (D)(1) of this section and the amount reserved and encumbered for the school district's project is released, the school district shall be given first priority over other joint vocational school districts for project funding under sections 3318.40 to 3318.45 of the Revised Code as such funds become available, subject to section 3318.054 of the Revised Code.

(E) If the conditions prescribed in division (D)(1) of this section are

satisfied, the commission and the school district board shall enter into an agreement as prescribed in section 3318.08 of the Revised Code and shall proceed with the development of plans, cost estimates, designs, drawings, and specifications as prescribed in section 3318.091 of the Revised Code.

(F) Costs in excess of those approved by the commission under section 3318.091 of the Revised Code shall be payable only as provided in sections 3318.042 and 3318.083 of the Revised Code.

(G) Advertisement for bids and the award of contracts for construction of any project under sections 3318.40 to 3318.45 of the Revised Code shall be conducted in accordance with section 3318.10 of the Revised Code.

(H) The In accordance with division (R) of section 3318.08 of the Revised Code, the state funds reserved and encumbered and the funds provided by the school district to pay the basic project cost of a project under sections 3318.40 to 3318.45 of the Revised Code shall be spent simultaneously in proportion to the state's and the school district's respective portions of that basic project cost.

(I) Sections 3318.13, 3318.14, and 3318.16 of the Revised Code apply to projects under sections 3318.40 to 3318.45 of the Revised Code.

Sec. 3318.44. (A) A joint vocational school district board of education may generate the school district's portion of the basic project cost of its project under sections 3318.40 to 3318.45 of the Revised Code using any combination of the following means if lawfully employed for the acquisition of classroom facilities:

(1) The issuance of securities in accordance with Chapter 133. and section 3311.20 of the Revised Code;

(2) Local donated contributions as authorized under section 3318.084 of the Revised Code;

(3) A levy for permanent improvements under section 3311.21 or 5705.21 of the Revised Code;

(4) Bonds issued pursuant to division (B) of this section.

(B) By resolution adopted by a majority of all its members, a school district board, in order to pay all or part of the school district's portion of its basic project cost, or portions or components of classroom facilities that are not included in the school district's basic project cost but that are related to the school district's project, may apply the proceeds of a tax levied under either section 3311.21 of the Revised Code for ten years or section 5705.21 of the Revised Code for ~~general permanent improvements~~ a continuing period of time, if the proceeds of that levy lawfully may be used for general construction, renovation, repair, or maintenance of classroom facilities to pay debt charges on and financing costs related to bonds issued to pay all or

part of the school district portion of the basic project cost of the school district's project under sections 3318.40 to 3318.45 of the Revised Code, or portions or components of classroom facilities that are not included in the school district's basic project cost but that are related to the school district's project, or to generate an amount equivalent to all or part of the amount required under section 3318.43 of the Revised Code to be used for maintenance of classroom facilities acquired under the project. Bonds issued under this division shall be Chapter 133. securities, and may be issued as general obligation securities, but the issuance of the bonds shall not be subject to a vote of the electors of the school district as long as the tax proceeds earmarked for payment of the debt charges on the bonds may lawfully be used for that purpose. Such bonds shall not be included in the calculation of net indebtedness under section 133.06 of the Revised Code if the resolution authorizing their issuance includes covenants to appropriate annually, from lawfully available proceeds of a property tax levied under either section 3311.21 or 5705.21 of the Revised Code, and to continue to levy that tax in amounts necessary to pay the debt charges on and financing costs related to the bonds as they become due. No property tax levied under section 5705.21 of the Revised Code that is pledged, or that the school district has covenanted to levy, collect, and appropriate annually to pay the debt charges on and financing costs related to the bonds under this section may be repealed while those bonds are outstanding. If such a tax is reduced by electors of the district or by the board of education while the bonds are outstanding, the board of education shall continue to levy and collect the tax under the authority of the original election authorizing the tax at a rate in each year that the board reasonably estimates will produce an amount in that year equal to the debt charges on the bonds in that year.

No state moneys shall be released for a project to which this division applies until the proceeds of any bonds issued under this division that are dedicated for payment of the school district's portion of the basic project cost are first deposited into the school district's project construction fund.

(C) A school district board of education may adopt a resolution proposing that any of the following questions be combined with a question specified in section 3318.45 of the Revised Code:

- (1) A bond issue question under section 133.18 of the Revised Code;
- (2) A tax levy question under section 3311.21 of the Revised Code;
- (3) A tax levy question under either section 3311.21 or 5705.21 of the Revised Code.

Any question described in divisions (C)(1) to (3) of this section that is combined with a question proposed under section 3318.45 of the Revised

Code shall be for the purpose of either paying for any permanent improvement, as defined in section 133.01 of the Revised Code, or generating operating revenue specifically for the facilities acquired under the school district's project under Chapter 3318. of the Revised Code or for both to the extent such purposes are permitted by the sections of law under which each is proposed.

(D) The board of education of a joint vocational school district that receives assistance under this section may enter into an agreement for joint issuance of bonds as provided for in section 3318.085 of the Revised Code.

Sec. 3318.48. (A) When all of the following have occurred, a project undertaken by a school district pursuant to this chapter shall be considered complete and the Ohio school facilities commission shall issue a certificate of completion to the district board of education:

(1) All facilities to be constructed under the project, as specified in the project agreement entered into under section 3318.08 of the Revised Code, have been completed and the board has received a permanent certificate of occupancy for each of those facilities.

(2) The commission has issued certificates of contract completion on all prime construction contracts entered into by the board under section 3318.10 of the Revised Code.

(3) The commission has completed a final accounting of the district's project construction fund and has determined that all payments from the fund were made in compliance with all policies of the commission.

(4) Any litigation concerning the project has been finally resolved with no chance of appeal.

(5) All construction management services typically provided by the commission to school districts have been delivered and the commission has canceled any remaining encumbrance of funds for those services.

(B) The commission may issue a certificate of completion to a district board prior to all of the conditions described in division (A) of this section being satisfied, if the commission determines that the circumstances preventing the conditions from being satisfied are so minor in nature that the project should be considered complete. When issuing a certificate of completion under this division, the commission may specify any of the following:

(1) Any construction or work that has yet to be completed and the manner in which the board shall oversee its completion, which may include procedures for reporting progress to the commission and for accounting of expenditures;

(2) Terms and conditions for the resolution of any pending litigation;

(3) Any remaining responsibilities of the construction manager regarding the project.

(C) The commission may issue a certificate of completion to a district board that does not voluntarily participate in the process of closing out the district's project, if the construction manager for the project verifies that all facilities to be constructed under the project, as specified in the project agreement entered into under section 3318.08 of the Revised Code, have been completed and the commission determines that those facilities have been occupied for at least one year. In that case, all funds due to the commission under division (C) of section 3318.12 of the Revised Code shall be returned to the commission not later than thirty days after receipt of the certificate of completion. If the funds due to the commission have not been returned within sixty days after receipt of the certificate of completion, the auditor of state shall issue a finding for recovery against the school district and shall request legal action under section 117.42 of the Revised Code.

(D) Upon issuance of a certificate of completion under this section, the commission's ownership of and interest in the project, as specified in division (F) of section 3318.08 of the Revised Code, shall cease. This cessation shall not alter or otherwise affect the state's or commission's interest in the project or any limitations on the use of the project as specified in the project agreement pursuant to divisions (G), (M), and (N) of that section or as specified in section 3318.16 of the Revised Code.

Sec. 3318.49. (A) The corrective action program is hereby established to provide funding for the correction of work, in connection with a project funded under sections 3318.01 to 3318.20 or sections 3318.40 to 3318.45 of the Revised Code, that is found after occupancy of the facility to be defective or to have been omitted.

(B) The Ohio school facilities commission may provide funding under this section only if the school district notifies the executive director of the commission of the defective or omitted work within five years after occupancy of the facility for which the district seeks the funding.

(C) The commission shall establish procedures and deadlines for school districts to follow in applying for assistance under this section. The procedures shall include definitions of "defective" and "omitted," and shall require that remediation efforts focus first on engaging the respective contractors that designed and constructed the areas that have design or construction-related issues. The commission shall consider applications on a case-by-case basis, taking into account the amount of money appropriated and available for purposes of this section.

(D) The commission may provide funding assistance necessary to take

corrective measures after evaluating the defective or omitted work.

(1) If the work to be corrected or remediated is part of a project not yet completed, the commission may amend the project agreement to increase the project budget and use corrective action funding to provide the state portion of the amendment. If the work to be corrected or remediated is part of a completed project and funds were retained or transferred pursuant to division (C) of section 3318.12 of the Revised Code, the commission may enter into a new agreement to address the corrective action.

(2) Whether or not the project is completed, the district shall contribute a portion of the cost of the corrective action, to be determined in accordance with section 3318.032 of the Revised Code or, if the district is a joint vocational school district, section 3318.42 of the Revised Code. A district that is unable to provide its portion so that remediation can proceed may apply to the commission for additional assistance under section 3318.042 of the Revised Code.

(E) The commission shall assess responsibility for the defective or omitted work and seek cost recovery from responsible parties, if applicable. Any recovery of the expense of remediation shall be applied first to the district portion of the cost of the corrective action. Any remaining funds shall be applied to the state portion and deposited into the school building program assistance fund established under section 3318.25 of the Revised Code.

Sec. 3318.60. (A) As used in this section:

(1) "Acquisition of classroom facilities" means constructing, reconstructing, repairing, or making additions to classroom facilities.

(2) "Ohio school facilities commission" and "classroom facilities" have the same meanings as in section 3318.01 of the Revised Code.

(B) There is hereby established the college-preparatory boarding school facilities program. Under the program, the Ohio school facilities commission shall provide assistance to the boards of trustees of college-preparatory boarding schools established under Chapter 3328. of the Revised Code for the acquisition of classroom facilities.

(C) To be eligible for assistance under this program, a board of trustees shall secure at least twenty million dollars of private money to satisfy its share of facilities acquisition. A board of trustees that receives assistance under the program shall fund the acquisition of residential facilities and any other facilities other than classroom facilities through private means.

(D) The lease payments made by the boards of trustees of college-preparatory boarding schools receiving assistance under the program shall be deposited into the state treasury and credited to the common schools

capital facilities bond service fund created in section 151.03 of the Revised Code.

(E) The acquisition of classroom facilities with assistance provided under the program shall not be subject to sections 3318.01 to 3318.20 of the Revised Code.

(F) Within the ninety-day period immediately following the effective date of this section, the commission shall adopt rules necessary for the implementation and administration of the program.

Sec. 3318.70. (A) As used in this section:

(1) "Acquisition of classroom facilities" has the same meaning as in section 3318.40 of the Revised Code.

(2) "Classroom facilities" has the same meaning as in section 3318.01 of the Revised Code.

(3) "STEM school" means a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code that is not governed by a single school district board of education, as prescribed by section 3326.51 of the Revised Code.

(B) Upon receipt of a written proposal by the governing body of a STEM school, the Ohio school facilities commission, subject to approval of the controlling board, may provide funding to assist that STEM school in the acquisition of classroom facilities. The proposal of the governing body shall be submitted in a form and in the manner prescribed by the commission and shall indicate both the total amount of state funding requested and the amount of nonstate funding pledged for the acquisition of the classroom facilities, which shall not be less than the total amount of state funding requested. If the commission decides in favor of providing funding for the classroom facilities and if the controlling board approves that funding, the commission shall enter into an agreement with the governing body for the acquisition of the classroom facilities and shall encumber, in accordance with section 3318.11 of the Revised Code, the approved funding from the amounts appropriated to the commission for classroom facilities assistance projects. The agreement shall include a stipulation of the ownership of the classroom facilities in the event the STEM school permanently closes at any time.

Sec. 3319.02. (A)(1) As used in this section, "other administrator" means any of the following:

(a) Except as provided in division (A)(2) of this section, any employee in a position for which a board of education requires a license designated by rule of the department of education for being an administrator issued under section 3319.22 of the Revised Code, including a professional pupil services

employee or administrative specialist or an equivalent of either one who is not employed as a school counselor and spends less than fifty per cent of the time employed teaching or working with students;

(b) Any nonlicensed employee whose job duties enable such employee to be considered as either a "supervisor" or a "management level employee," as defined in section 4117.01 of the Revised Code;

(c) A business manager appointed under section 3319.03 of the Revised Code.

(2) As used in this section, "other administrator" does not include a superintendent, assistant superintendent, principal, or assistant principal.

(B) The board of education of each school district and the governing board of an educational service center may appoint one or more assistant superintendents and such other administrators as are necessary. An assistant educational service center superintendent or service center supervisor employed on a part-time basis may also be employed by a local board as a teacher. The board of each city, exempted village, and local school district shall employ principals for all high schools and for such other schools as the board designates, and those boards may appoint assistant principals for any school that they designate.

(C) In educational service centers and in city, exempted village, and local school districts, assistant superintendents, principals, assistant principals, and other administrators shall only be employed or reemployed in accordance with nominations of the superintendent, except that a board of education of a school district or the governing board of a service center, by a three-fourths vote of its full membership, may reemploy any assistant superintendent, principal, assistant principal, or other administrator whom the superintendent refuses to nominate.

The board of education or governing board shall execute a written contract of employment with each assistant superintendent, principal, assistant principal, and other administrator it employs or reemploys. The term of such contract shall not exceed three years except that in the case of a person who has been employed as an assistant superintendent, principal, assistant principal, or other administrator in the district or center for three years or more, the term of the contract shall be for not more than five years and, unless the superintendent of the district recommends otherwise, not less than two years. If the superintendent so recommends, the term of the contract of a person who has been employed by the district or service center as an assistant superintendent, principal, assistant principal, or other administrator for three years or more may be one year, but all subsequent contracts granted such person shall be for a term of not less than two years

and not more than five years. When a teacher with continuing service status becomes an assistant superintendent, principal, assistant principal, or other administrator with the district or service center with which the teacher holds continuing service status, the teacher retains such status in the teacher's nonadministrative position as provided in sections 3319.08 and 3319.09 of the Revised Code.

A board of education or governing board may reemploy an assistant superintendent, principal, assistant principal, or other administrator at any regular or special meeting held during the period beginning on the first day of January of the calendar year immediately preceding the year of expiration of the employment contract and ending on the last day of March of the year the employment contract expires.

Except by mutual agreement of the parties thereto, no assistant superintendent, principal, assistant principal, or other administrator shall be transferred during the life of a contract to a position of lesser responsibility. No contract may be terminated by a board except pursuant to section 3319.16 of the Revised Code. No contract may be suspended except pursuant to section 3319.17 or 3319.171 of the Revised Code. The salaries and compensation prescribed by such contracts shall not be reduced by a board unless such reduction is a part of a uniform plan affecting the entire district or center. The contract shall specify the employee's administrative position and duties as included in the job description adopted under division (D) of this section, the salary and other compensation to be paid for performance of duties, the number of days to be worked, the number of days of vacation leave, if any, and any paid holidays in the contractual year.

An assistant superintendent, principal, assistant principal, or other administrator is, at the expiration of the current term of employment, deemed reemployed at the same salary plus any increments that may be authorized by the board, unless such employee notifies the board in writing to the contrary on or before the first day of June, or unless such board, on or before the last day of March of the year in which the contract of employment expires, either reemploys such employee for a succeeding term or gives written notice of its intention not to reemploy the employee. The term of reemployment of a person reemployed under this paragraph shall be one year, except that if such person has been employed by the school district or service center as an assistant superintendent, principal, assistant principal, or other administrator for three years or more, the term of reemployment shall be two years.

(D)(1) Each board shall adopt procedures for the evaluation of all assistant superintendents, principals, assistant principals, and other

administrators and shall evaluate such employees in accordance with those procedures. The procedures for the evaluation of principals shall be based on principles comparable to the teacher evaluation policy adopted by the board under section 3319.111 of the Revised Code, but shall be tailored to the duties and responsibilities of principals and the environment in which principals work. An evaluation based upon such procedures adopted under this division shall be considered by the board in deciding whether to renew the contract of employment of an assistant superintendent, principal, assistant principal, or other administrator.

(2) The evaluation shall measure each assistant superintendent's, principal's, assistant principal's, and other administrator's effectiveness in performing the duties included in the job description and the evaluation procedures shall provide for, but not be limited to, the following:

(a) Each assistant superintendent, principal, assistant principal, and other administrator shall be evaluated annually through a written evaluation process.

(b) The evaluation shall be conducted by the superintendent or designee.

(c) In order to provide time to show progress in correcting the deficiencies identified in the evaluation process, the evaluation process shall be completed as follows:

(i) In any school year that the employee's contract of employment is not due to expire, at least one evaluation shall be completed in that year. A written copy of the evaluation shall be provided to the employee no later than the end of the employee's contract year as defined by the employee's annual salary notice.

(ii) In any school year that the employee's contract of employment is due to expire, at least a preliminary evaluation and at least a final evaluation shall be completed in that year. A written copy of the preliminary evaluation shall be provided to the employee at least sixty days prior to any action by the board on the employee's contract of employment. The final evaluation shall indicate the superintendent's intended recommendation to the board regarding a contract of employment for the employee. A written copy of the evaluation shall be provided to the employee at least five days prior to the board's acting to renew or not renew the contract.

(3) Termination of an assistant superintendent, principal, assistant principal, or other administrator's contract shall be pursuant to section 3319.16 of the Revised Code. Suspension of any such employee shall be pursuant to section 3319.17 or 3319.171 of the Revised Code.

(4) Before taking action to renew or nonrenew the contract of an assistant superintendent, principal, assistant principal, or other administrator

under this section and prior to the last day of March of the year in which such employee's contract expires, the board shall notify each such employee of the date that the contract expires and that the employee may request a meeting with the board. Upon request by such an employee, the board shall grant the employee a meeting in executive session. In that meeting, the board shall discuss its reasons for considering renewal or nonrenewal of the contract. The employee shall be permitted to have a representative, chosen by the employee, present at the meeting.

(5) The establishment of an evaluation procedure shall not create an expectancy of continued employment. Nothing in division (D) of this section shall prevent a board from making the final determination regarding the renewal or nonrenewal of the contract of any assistant superintendent, principal, assistant principal, or other administrator. However, if a board fails to provide evaluations pursuant to division (D)(2)(c)(i) or (ii) of this section, or if the board fails to provide at the request of the employee a meeting as prescribed in division (D)(4) of this section, the employee automatically shall be reemployed at the same salary plus any increments that may be authorized by the board for a period of one year, except that if the employee has been employed by the district or service center as an assistant superintendent, principal, assistant principal, or other administrator for three years or more, the period of reemployment shall be for two years.

(E) On nomination of the superintendent of a service center a governing board may employ supervisors who shall be employed under written contracts of employment for terms not to exceed five years each. Such contracts may be terminated by a governing board pursuant to section 3319.16 of the Revised Code. Any supervisor employed pursuant to this division may terminate the contract of employment at the end of any school year after giving the board at least thirty days' written notice prior to such termination. On the recommendation of the superintendent the contract or contracts of any supervisor employed pursuant to this division may be suspended for the remainder of the term of any such contract pursuant to section 3319.17 or 3319.171 of the Revised Code.

(F) A board may establish vacation leave for any individuals employed under this section. Upon such an individual's separation from employment, a board that has such leave may compensate such an individual at the individual's current rate of pay for all lawfully accrued and unused vacation leave credited at the time of separation, not to exceed the amount accrued within three years before the date of separation. In case of the death of an individual employed under this section, such unused vacation leave as the board would have paid to the individual upon separation under this section

shall be paid in accordance with section 2113.04 of the Revised Code, or to the estate.

(G) The board of education of any school district may contract with the governing board of the educational service center from which it otherwise receives services to conduct searches and recruitment of candidates for assistant superintendent, principal, assistant principal, and other administrator positions authorized under this section.

Sec. 3319.08. (A) The board of education of each city, exempted village, local, and joint vocational school district and the governing board of each educational service center shall enter into written contracts for the employment and reemployment of all teachers. Contracts for the employment of teachers shall be of two types, limited contracts and continuing contracts. The board of each school district or service center that authorizes compensation in addition to the ~~base salary stated in the teachers' salary schedule~~ paid under section 3317.14 or 3317.141 of the Revised Code for the performance of duties by a teacher that are in addition to the teacher's regular teaching duties, shall enter into a supplemental written contract with each teacher who is to perform additional duties. Such supplemental written contracts shall be limited contracts. Such written contracts and supplemental written contracts shall set forth the teacher's duties and shall specify the salaries and compensation to be paid for regular teaching duties and additional teaching duties, respectively, either or both of which may be increased but not diminished during the term for which the contract is made, except as provided in section 3319.12 of the Revised Code.

If a board adopts a motion or resolution to employ a teacher under a limited or continuing contract and the teacher accepts such employment, the failure of such parties to execute a written contract shall not void such employment contract.

(B) Teachers must be paid for all time lost when the schools in which they are employed are closed due to an epidemic or other public calamity, and for time lost due to illness or otherwise for not less than five days annually as authorized by regulations which each board shall adopt.

(C) A limited contract is:

(1) For a superintendent, a contract for such term as authorized by section 3319.01 of the Revised Code;

(2) For an assistant superintendent, principal, assistant principal, or other administrator, a contract for such term as authorized by section 3319.02 of the Revised Code;

(3) For all other teachers, a contract for a term not to exceed five years.

(D) A continuing contract is a contract that remains in effect until the

teacher resigns, elects to retire, or is retired pursuant to former section 3307.37 of the Revised Code, or until it is terminated or suspended and shall be granted only to the following:

(1) Any teacher holding a professional, permanent, or life teacher's certificate;

(2) Any teacher who meets the following conditions:

(a) The teacher was initially issued a teacher's certificate or educator license prior to January 1, 2011.

(b) The teacher holds a professional educator license issued under section 3319.22 or 3319.222 or former section 3319.22 of the Revised Code or a senior professional educator license or lead professional educator license issued under section 3319.22 of the Revised Code.

(c) The teacher has completed the applicable one of the following:

(i) If the teacher did not hold a master's degree at the time of initially receiving a teacher's certificate under former law or an educator license, thirty semester hours of coursework in the area of licensure or in an area related to the teaching field since the initial issuance of such certificate or license, as specified in rules which the state board of education shall adopt;

(ii) If the teacher held a master's degree at the time of initially receiving a teacher's certificate under former law or an educator license, six semester hours of graduate coursework in the area of licensure or in an area related to the teaching field since the initial issuance of such certificate or license, as specified in rules which the state board shall adopt.

(3) Any teacher who meets the following conditions:

(a) The teacher never held a teacher's certificate and was initially issued an educator license on or after January 1, 2011.

(b) The teacher holds a professional educator license, senior professional educator license, or lead professional educator license issued under section 3319.22 of the Revised Code.

(c) The teacher has held an educator license for at least seven years.

(d) The teacher has completed the applicable one of the following:

(i) If the teacher did not hold a master's degree at the time of initially receiving an educator license, thirty semester hours of coursework in the area of licensure or in an area related to the teaching field since the initial issuance of that license, as specified in rules which the state board shall adopt;

(ii) If the teacher held a master's degree at the time of initially receiving an educator license, six semester hours of graduate coursework in the area of licensure or in an area related to the teaching field since the initial issuance of that license, as specified in rules which the state board shall adopt.

(E) Division (D) of this section applies only to continuing contracts entered into on or after ~~the effective date of this amendment~~ October 16, 2009. Nothing in that division shall be construed to void or otherwise affect a continuing contract entered into prior to that date.

Notwithstanding any provision to the contrary in Chapter 4117. of the Revised Code, the requirements of division (D)(3) of this section prevail over any conflicting provisions of a collective bargaining agreement entered into on or after ~~the effective date of this amendment~~ October 16, 2009.

(F) Wherever the term "educator license" is used in this section without reference to a specific type of educator license, the term does not include an educator license for substitute teaching issued under section 3319.226 of the Revised Code.

Sec. 3319.081. Except as otherwise provided in division (G) of this section, in all school districts wherein the provisions of Chapter 124. of the Revised Code do not apply, the following employment contract system shall control for employees whose contracts of employment are not otherwise provided by law:

(A) Newly hired regular nonteaching school employees, including regular hourly rate and per diem employees, shall enter into written contracts for their employment which shall be for a period of not more than one year. If such employees are rehired, their subsequent contract shall be for a period of two years.

(B) After the termination of the two-year contract provided in division (A) of this section, if the contract of a nonteaching employee is renewed, the employee shall be continued in employment, and the salary provided in the contract may be increased but not reduced unless such reduction is a part of a uniform plan affecting the nonteaching employees of the entire district.

(C) The contracts as provided for in this section may be terminated by a majority vote of the board of education. Except as provided in ~~section~~ sections 3319.0810 and 3319.172 of the Revised Code, the contracts may be terminated only for violation of written rules and regulations as set forth by the board of education or for incompetency, inefficiency, dishonesty, drunkenness, immoral conduct, insubordination, discourteous treatment of the public, neglect of duty, or any other acts of misfeasance, malfeasance, or nonfeasance. In addition to the right of the board of education to terminate the contract of an employee, the board may suspend an employee for a definite period of time or demote the employee for the reasons set forth in this division. The action of the board of education terminating the contract of an employee or suspending or demoting the employee shall be served upon the employee by certified mail. Within ten days following the receipt

of such notice by the employee, the employee may file an appeal, in writing, with the court of common pleas of the county in which such school board is situated. After hearing the appeal the common pleas court may affirm, disaffirm, or modify the action of the school board.

A violation of division (A)(7) of section 2907.03 of the Revised Code is grounds for termination of employment of a nonteaching employee under this division.

(D) All employees who have been employed by a school district where the provisions of Chapter 124. of the Revised Code do not apply, for a period of at least three years on November 24, 1967, shall hold continuing contracts of employment pursuant to this section.

(E) Any nonteaching school employee may terminate the nonteaching school employee's contract of employment thirty days subsequent to the filing of a written notice of such termination with the treasurer of the board.

(F) A person hired exclusively for the purpose of replacing a nonteaching school employee while such employee is on leave of absence granted under section 3319.13 of the Revised Code is not a regular nonteaching school employee under this section.

(G) All nonteaching employees employed pursuant to this section and Chapter 124. of the Revised Code shall be paid for all time lost when the schools in which they are employed are closed owing to an epidemic or other public calamity. Nothing in this division shall be construed as requiring payment in excess of an employee's regular wage rate or salary for any time worked while the school in which the employee is employed is officially closed for the reasons set forth in this division.

Sec. 3319.0810. (A) The board of education of any school district wherein the provisions of Chapter 124. of the Revised Code do not apply may terminate any of its transportation staff positions for reasons of economy and efficiency if the board instead of employing its own staff to transport some or all of the students enrolled in the district schools enters into a contract with an independent agent for the provision of transportation services for such students. Such a contract may be entered into only if all of the following conditions are satisfied:

(1) Any collective bargaining agreement between the employee organization representing the employees whose positions are terminated under this section and the board has expired or will expire within sixty days and has not been renewed in conformance with provisions of that agreement and with Chapter 4117. of the Revised Code, or the agreement contains provisions permitting the termination of positions for reasons of economy and efficiency while the agreement is in force and the board is in

conformance with those provisions.

(2) The board permits any employee whose position is terminated under this section to fill any vacancy within the district's organization for which the employee is qualified. The board shall select from among similarly qualified employees to fill such vacancies pursuant to procedures established under any collective bargaining agreement between the employee organization representing the terminated employees and the board that is in force at the time of the termination, or in absence of such provisions on the basis of seniority of employment by the board with the employee with the greatest seniority having highest priority.

(3) Unless a collective bargaining agreement between the employee organization representing the terminated employees and the board that is in force at the time of the termination provides otherwise, the board permits any employee whose position is terminated under this section to fill the employee's former position in the event that the board reinstates that position within one year after the date the position is terminated under this section.

(4) The board permits any employee whose position is terminated under this section to appeal in accordance with section 119.12 of the Revised Code the board's decision to terminate the employee's position, not to hire that employee for another position pursuant to division (A)(2) of this section, or not to rehire that employee for the position if it is reinstated within one year after the position is terminated pursuant to division (A)(3) of this section.

(5) The contract entered into by the board and an independent agent for the provision of transportation services contains a stipulation requiring the agent to consider hiring any employees of the school district whose positions are terminated under this section for similar positions within the agent's organization.

(6) The contract entered into by the board and an independent agent for the provision of transportation services contains a stipulation requiring the agent to recognize for purposes of employee representation in collective bargaining any employee organization that represented the employees whose positions are terminated under this section in collective bargaining with the board at the time of the termination provided:

(a) A majority of all employees in the bargaining unit agree to such representation;

(b) Such representation is not prohibited by federal law, including any ruling of the national labor relations board;

(c) The employee organization is not prohibited from representing nonpublic employees by other provisions of law or its own governing

instruments.

However, any employee whose position is terminated under this section shall not be compelled to be included in such bargaining unit if there is another bargaining unit within the agent's organization that is applicable to the employee.

(B) If after terminating any positions of employment under this section the board fails to comply with any condition prescribed in division (A) of this section or fails to enforce on the agent its contractual obligations prescribed in divisions (A)(5) and (6) of this section, the terminations shall be void and the board shall reinstate the positions and fill them with the employees who filled those positions just prior to the terminations. Such employees shall be compensated at a rate equal to their rate of compensation in those positions just prior to the terminations plus any increases paid since the terminations to other nonteaching employees. The employees shall also be entitled to back pay at such rate for the period from the date of the terminations to the date of the reinstatements minus any pay received by the employees during any time the board was in compliance with such conditions or during any time the board enforced those obligations.

Any employee aggrieved by the failure of the board to comply with any condition prescribed in division (A) of this section or to enforce on the agent its contractual obligations prescribed in divisions (A)(5) and (6) of this section shall have the right to sue the board for reinstatement of the employee's former position as provided for in this division in the court of common pleas for the county in which the school district is located or, if the school district is located in more than one county, in the court of common pleas for the county in which the majority of the territory of the school district is located.

Sec. 3319.11. (A) As used in this section:

(1) "Evaluation procedures" means the procedures required by the policy adopted pursuant to division ~~(B)~~(A) of section 3319.111 of the Revised Code.

(2) "Limited contract" means a limited contract, as described in section 3319.08 of the Revised Code, that a school district board of education or governing board of an educational service center enters into with a teacher who is not eligible for continuing service status.

(3) "Extended limited contract" means a limited contract, as described in section 3319.08 of the Revised Code, that a board of education or governing board enters into with a teacher who is eligible for continuing service status.

(B) Teachers eligible for continuing service status in any city, exempted village, local, or joint vocational school district or educational service center

shall be those teachers qualified as described in division (D) of section 3319.08 of the Revised Code, who within the last five years have taught for at least three years in the district or center, and those teachers who, having attained continuing contract status elsewhere, have served two years in the district or center, but the board, upon the recommendation of the superintendent, may at the time of employment or at any time within such two-year period, declare any of the latter teachers eligible.

(1) Upon the recommendation of the superintendent that a teacher eligible for continuing service status be reemployed, a continuing contract shall be entered into between the board and the teacher unless the board by a three-fourths vote of its full membership rejects the recommendation of the superintendent. If the board rejects by a three-fourths vote of its full membership the recommendation of the superintendent that a teacher eligible for continuing service status be reemployed and the superintendent makes no recommendation to the board pursuant to division (C) of this section, the board may declare its intention not to reemploy the teacher by giving the teacher written notice on or before the thirtieth day of April of its intention not to reemploy the teacher. If evaluation procedures have not been complied with pursuant to ~~division (A) of~~ section 3319.111 of the Revised Code or the board does not give the teacher written notice on or before the thirtieth day of April of its intention not to reemploy the teacher, the teacher is deemed reemployed under an extended limited contract for a term not to exceed one year at the same salary plus any increment provided by the salary schedule. The teacher is presumed to have accepted employment under the extended limited contract for a term not to exceed one year unless such teacher notifies the board in writing to the contrary on or before the first day of June, and an extended limited contract for a term not to exceed one year shall be executed accordingly. Upon any subsequent reemployment of the teacher only a continuing contract may be entered into.

(2) If the superintendent recommends that a teacher eligible for continuing service status not be reemployed, the board may declare its intention not to reemploy the teacher by giving the teacher written notice on or before the thirtieth day of April of its intention not to reemploy the teacher. If evaluation procedures have not been complied with pursuant to ~~division (A) of~~ section 3319.111 of the Revised Code or the board does not give the teacher written notice on or before the thirtieth day of April of its intention not to reemploy the teacher, the teacher is deemed reemployed under an extended limited contract for a term not to exceed one year at the same salary plus any increment provided by the salary schedule. The teacher is presumed to have accepted employment under the extended limited

contract for a term not to exceed one year unless such teacher notifies the board in writing to the contrary on or before the first day of June, and an extended limited contract for a term not to exceed one year shall be executed accordingly. Upon any subsequent reemployment of a teacher only a continuing contract may be entered into.

(3) Any teacher receiving written notice of the intention of a board not to reemploy such teacher pursuant to this division is entitled to the hearing provisions of division (G) of this section.

(C)(1) If a board rejects the recommendation of the superintendent for reemployment of a teacher pursuant to division (B)(1) of this section, the superintendent may recommend reemployment of the teacher, if continuing service status has not previously been attained elsewhere, under an extended limited contract for a term not to exceed two years, provided that written notice of the superintendent's intention to make such recommendation has been given to the teacher with reasons directed at the professional improvement of the teacher on or before the thirtieth day of April. Upon subsequent reemployment of the teacher only a continuing contract may be entered into.

(2) If a board of education takes affirmative action on a superintendent's recommendation, made pursuant to division (C)(1) of this section, of an extended limited contract for a term not to exceed two years but the board does not give the teacher written notice of its affirmative action on the superintendent's recommendation of an extended limited contract on or before the thirtieth day of April, the teacher is deemed reemployed under a continuing contract at the same salary plus any increment provided by the salary schedule. The teacher is presumed to have accepted employment under such continuing contract unless such teacher notifies the board in writing to the contrary on or before the first day of June, and a continuing contract shall be executed accordingly.

(3) A board shall not reject a superintendent's recommendation, made pursuant to division (C)(1) of this section, of an extended limited contract for a term not to exceed two years except by a three-fourths vote of its full membership. If a board rejects by a three-fourths vote of its full membership the recommendation of the superintendent of an extended limited contract for a term not to exceed two years, the board may declare its intention not to reemploy the teacher by giving the teacher written notice on or before the thirtieth day of April of its intention not to reemploy the teacher. If evaluation procedures have not been complied with pursuant to ~~division (A)~~ of section 3319.111 of the Revised Code or if the board does not give the teacher written notice on or before the thirtieth day of April of its intention

not to reemploy the teacher, the teacher is deemed reemployed under an extended limited contract for a term not to exceed one year at the same salary plus any increment provided by the salary schedule. The teacher is presumed to have accepted employment under the extended limited contract for a term not to exceed one year unless such teacher notifies the board in writing to the contrary on or before the first day of June, and an extended limited contract for a term not to exceed one year shall be executed accordingly. Upon any subsequent reemployment of the teacher only a continuing contract may be entered into.

Any teacher receiving written notice of the intention of a board not to reemploy such teacher pursuant to this division is entitled to the hearing provisions of division (G) of this section.

(D) A teacher eligible for continuing contract status employed under an extended limited contract pursuant to division (B) or (C) of this section, is, at the expiration of such extended limited contract, deemed reemployed under a continuing contract at the same salary plus any increment granted by the salary schedule, unless evaluation procedures have been complied with pursuant to ~~division (A) of~~ section 3319.111 of the Revised Code and the employing board, acting on the superintendent's recommendation that the teacher not be reemployed, gives the teacher written notice on or before the thirtieth day of April of its intention not to reemploy such teacher. A teacher who does not have evaluation procedures applied in compliance with ~~division (A) of~~ section 3319.111 of the Revised Code or who does not receive notice on or before the thirtieth day of April of the intention of the board not to reemploy such teacher is presumed to have accepted employment under a continuing contract unless such teacher notifies the board in writing to the contrary on or before the first day of June, and a continuing contract shall be executed accordingly.

Any teacher receiving a written notice of the intention of a board not to reemploy such teacher pursuant to this division is entitled to the hearing provisions of division (G) of this section.

(E) ~~A~~ The board shall enter into a limited contract ~~may be entered into by each board with each teacher who has not been in the employ of the board for at least three years and shall be entered into, regardless of length of previous employment,~~ with each teacher employed by the board who is not eligible to be considered for a continuing contract.

Any teacher employed under a limited contract, and not eligible to be considered for a continuing contract, is, at the expiration of such limited contract, considered reemployed under the provisions of this division at the same salary plus any increment provided by the salary schedule unless

evaluation procedures have been complied with pursuant to ~~division (A) of~~ section 3319.111 of the Revised Code and the employing board, acting upon the superintendent's written recommendation that the teacher not be reemployed, gives such teacher written notice of its intention not to reemploy such teacher on or before the thirtieth day of April. A teacher who does not have evaluation procedures applied in compliance with ~~division (A) of~~ section 3319.111 of the Revised Code or who does not receive notice of the intention of the board not to reemploy such teacher on or before the thirtieth day of April is presumed to have accepted such employment unless such teacher notifies the board in writing to the contrary on or before the first day of June, and a written contract for the succeeding school year shall be executed accordingly.

Any teacher receiving a written notice of the intention of a board not to reemploy such teacher pursuant to this division is entitled to the hearing provisions of division (G) of this section.

(F) The failure of a superintendent to make a recommendation to the board under any of the conditions set forth in divisions (B) to (E) of this section, or the failure of the board to give such teacher a written notice pursuant to divisions (C) to (E) of this section shall not prejudice or prevent a teacher from being deemed reemployed under either a limited or continuing contract as the case may be under the provisions of this section. A failure of the parties to execute a written contract shall not void any automatic reemployment provisions of this section.

(G)(1) Any teacher receiving written notice of the intention of a board of education not to reemploy such teacher pursuant to division (B), (C)(3), (D), or (E) of this section may, within ten days of the date of receipt of the notice, file with the treasurer of the board a written demand for a written statement describing the circumstances that led to the board's intention not to reemploy the teacher.

(2) The treasurer of a board, on behalf of the board, shall, within ten days of the date of receipt of a written demand for a written statement pursuant to division (G)(1) of this section, provide to the teacher a written statement describing the circumstances that led to the board's intention not to reemploy the teacher.

(3) Any teacher receiving a written statement describing the circumstances that led to the board's intention not to reemploy the teacher pursuant to division (G)(2) of this section may, within five days of the date of receipt of the statement, file with the treasurer of the board a written demand for a hearing before the board pursuant to divisions (G)(4) to (6) of this section.

(4) The treasurer of a board, on behalf of the board, shall, within ten days of the date of receipt of a written demand for a hearing pursuant to division (G)(3) of this section, provide to the teacher a written notice setting forth the time, date, and place of the hearing. The board shall schedule and conclude the hearing within forty days of the date on which the treasurer of the board receives a written demand for a hearing pursuant to division (G)(3) of this section.

(5) Any hearing conducted pursuant to this division shall be conducted by a majority of the members of the board. The hearing shall be held in executive session of the board unless the board and the teacher agree to hold the hearing in public. The superintendent, assistant superintendent, the teacher, and any person designated by either party to take a record of the hearing may be present at the hearing. The board may be represented by counsel and the teacher may be represented by counsel or a designee. A record of the hearing may be taken by either party at the expense of the party taking the record.

(6) Within ten days of the conclusion of a hearing conducted pursuant to this division, the board shall issue to the teacher a written decision containing an order affirming the intention of the board not to reemploy the teacher reported in the notice given to the teacher pursuant to division (B), (C)(3), (D), or (E) of this section or an order vacating the intention not to reemploy and expunging any record of the intention, notice of the intention, and the hearing conducted pursuant to this division.

(7) A teacher may appeal an order affirming the intention of the board not to reemploy the teacher to the court of common pleas of the county in which the largest portion of the territory of the school district or service center is located, within thirty days of the date on which the teacher receives the written decision, on the grounds that the board has not complied with this section or section 3319.111 of the Revised Code.

Notwithstanding section 2506.04 of the Revised Code, the court in an appeal under this division is limited to the determination of procedural errors and to ordering the correction of procedural errors and shall have no jurisdiction to order a board to reemploy a teacher, except that the court may order a board to reemploy a teacher in compliance with the requirements of division (B), (C)(3), (D), or (E) of this section when the court determines that evaluation procedures have not been complied with pursuant to ~~division (A) of~~ section 3319.111 of the Revised Code or the board has not given the teacher written notice on or before the thirtieth day of April of its intention not to reemploy the teacher pursuant to division (B), (C)(3), (D), or (E) of this section. Otherwise, the determination whether to reemploy or not

reemploy a teacher is solely a board's determination and not a proper subject of judicial review and, except as provided in this division, no decision of a board whether to reemploy or not reemploy a teacher shall be invalidated by the court on any basis, including that the decision was not warranted by the results of any evaluation or was not warranted by any statement given pursuant to division (G)(2) of this section.

No appeal of an order of a board may be made except as specified in this division.

(H)(1) In giving a teacher any notice required by division (B), (C), (D), or (E) of this section, the board or the superintendent shall do either of the following:

- (a) Deliver the notice by personal service upon the teacher;
- (b) Deliver the notice by certified mail, return receipt requested, addressed to the teacher at the teacher's place of employment and deliver a copy of the notice by certified mail, return receipt requested, addressed to the teacher at the teacher's place of residence.

(2) In giving a board any notice required by division (B), (C), (D), or (E) of this section, the teacher shall do either of the following:

- (a) Deliver the notice by personal delivery to the office of the superintendent during regular business hours;
- (b) Deliver the notice by certified mail, return receipt requested, addressed to the office of the superintendent and deliver a copy of the notice by certified mail, return receipt requested, addressed to the president of the board at the president's place of residence.

(3) When any notice and copy of the notice are mailed pursuant to division (H)(1)(b) or (2)(b) of this section, the notice or copy of the notice with the earlier date of receipt shall constitute the notice for the purposes of division (B), (C), (D), or (E) of this section.

(I) The provisions of this section shall not apply to any supplemental written contracts entered into pursuant to section 3319.08 of the Revised Code.

Sec. 3319.111. (A) Any Not later than July 1, 2013, the board of education that of each school district, in consultation with teachers employed by the board, shall adopt a standards-based teacher evaluation policy that conforms with the framework for evaluation of teachers developed under section 3319.112 of the Revised Code. The policy shall become operative at the expiration of any collective bargaining agreement covering teachers employed by the board that is in effect on the effective date of this section and shall be included in any renewal or extension of such an agreement.

(B) When using measures of student academic growth as a component of a teacher's evaluation, those measures shall include the value-added progress dimension prescribed by section 3302.021 of the Revised Code. For teachers of grade levels and subjects for which the value-added progress dimension is not applicable, the board shall administer assessments on the list developed under division (B)(2) of section 3319.112 of the Revised Code.

(C)(1) The board shall conduct an evaluation of each teacher employed by the board at least once each school year, except as provided in divisions (C)(2) and (3) of this section. The evaluation shall be completed by the first day of April and the teacher shall receive a written report of the results of the evaluation by the tenth day of April.

(2) If the board has entered into any a limited contract or extended limited contract with a the teacher pursuant to section 3319.11 of the Revised Code, the board shall evaluate such-a the teacher in compliance with the requirements of this section at least twice in any school year in which the board may wish to declare its intention not to re-employ the teacher pursuant to division (B), (C)(3), (D), or (E) of that section 3319.11 of the Revised Code.

~~This evaluation shall be conducted at least twice in the school year in which the board may wish to declare its intention not to re-employ the teacher.~~ One evaluation shall be conducted and completed not later than the fifteenth day of January and the teacher being evaluated shall receive a written report of the results of this evaluation not later than the twenty-fifth day of January. One evaluation shall be conducted and completed between the tenth day of February and the first day of April and the teacher being evaluated shall receive a written report of the results of this evaluation not later than the tenth day of April.

(3) The board may elect, by adoption of a resolution, to evaluate each teacher who received a rating of accomplished on the teacher's most recent evaluation conducted under this section once every two school years. In that case, the biennial evaluation shall be completed by the first day of April of the applicable school year, and the teacher shall receive a written report of the results of the evaluation by the tenth day of April of that school year.

~~Any~~ (D) Each evaluation conducted pursuant to this section shall be conducted by one or more of the following:

(1) A person who is under contract with a the board of education pursuant to section 3319.01 or 3319.02 of the Revised Code and holds a license designated for being a superintendent, assistant superintendent, or principal issued under section 3319.22 of the Revised Code;

(2) A person who is under contract with a ~~the~~ board of ~~education~~ pursuant to section 3319.02 of the Revised Code and holds a license designated for being a vocational director or a supervisor in any educational area issued under section 3319.22 of the Revised Code;

(3) A person designated to conduct evaluations under an agreement providing for peer review entered into by a ~~the~~ board of ~~education~~ and representatives of teachers employed by ~~that the~~ board.

~~(B) Any board of education evaluating a teacher pursuant to this section shall adopt evaluation procedures that shall be applied each time a teacher is evaluated pursuant to this section. These evaluation procedures shall include, but not be limited to:~~

~~(1) Criteria of expected job performance in the areas of responsibility assigned to the teacher being evaluated;~~

~~(2) Observation of the teacher being evaluated by the person conducting the evaluation on at least two occasions for not less than thirty minutes on each occasion;~~

~~(3) A written report of the results of the evaluation that includes specific recommendations regarding any improvements needed in the performance of the teacher being evaluated and regarding the means by which the teacher may obtain assistance in making such improvements.~~

~~(C)~~(E) The board shall include in its evaluation policy procedures for using the evaluation results for retention and promotion decisions and for removal of poorly performing teachers. Seniority shall not be the basis for a decision to retain a teacher, except when making a decision between teachers who have comparable evaluations.

(F) This section does not apply to teachers superintendents and administrators subject to evaluation procedures under sections 3319.01 and 3319.02 of the Revised Code or to any teacher employed as a substitute for less than one hundred twenty days during a school year pursuant to section 3319.10 of the Revised Code.

Sec. 3319.112. (A) Not later than December 31, 2011, the state board of education shall develop a standards-based state framework for the evaluation of teachers. The framework shall establish an evaluation system that does the following:

(1) Provides for multiple evaluation factors, including student academic growth which shall account for fifty per cent of each evaluation;

(2) Is aligned with the standards for teachers adopted under section 3319.61 of the Revised Code;

(3) Requires observation of the teacher being evaluated, including at least two formal observations by the evaluator of at least thirty minutes each

and classroom walkthroughs;

(4) Assigns a rating on each evaluation in accordance with division (B) of this section;

(5) Requires each teacher to be provided with a written report of the results of the teacher's evaluation;

(6) Identifies measures of student academic growth for grade levels and subjects for which the value-added progress dimension prescribed by section 3302.021 of the Revised Code does not apply;

(7) Implements a classroom-level, value-added program developed by a nonprofit organization described in division (B) of section 3302.021 of the Revised Code;

(8) Provides for professional development to accelerate and continue teacher growth and provide support to poorly performing teachers;

(9) Provides for the allocation of financial resources to support professional development.

(B) For purposes of the framework developed under this section, the state board also shall do the following:

(1) Develop specific standards and criteria that distinguish between the following levels of performance for teachers and principals for the purpose of assigning ratings on the evaluations conducted under sections 3319.02 and 3319.111 of the Revised Code:

(a) Accomplished;

(b) Proficient;

(c) Developing;

(d) Ineffective.

(2) For grade levels and subjects for which the assessments prescribed under sections 3301.0710 and 3301.0712 of the Revised Code and the value-added progress dimension prescribed by section 3302.021 of the Revised Code do not apply, develop a list of student assessments that measure mastery of the course content for the appropriate grade level, which may include nationally normed standardized assessments, industry certification examinations, or end-of-course examinations.

(C) The state board shall consult with experts, teachers and principals employed in public schools, and representatives of stakeholder groups in developing the standards and criteria required by division (B)(1) of this section.

(D) To assist school districts in developing evaluation policies under sections 3319.02 and 3319.111 of the Revised Code, the department shall do both of the following:

(1) Serve as a clearinghouse of promising evaluation procedures and

evaluation models that districts may use:

(2) Provide technical assistance to districts in creating evaluation policies.

Sec. 3319.141. Each person who is employed by any board of education in this state, except for substitutes, adult education instructors who are scheduled to work the full-time equivalent of less than one hundred twenty days per school year, or persons who are employed on an as-needed, seasonal, or intermittent basis, shall be entitled to fifteen days sick leave with pay, for each year under contract, which shall be credited at the rate of one and one-fourth days per month. Teachers and regular nonteaching school employees, upon approval of the responsible administrative officer of the school district, may use sick leave for absence due to personal illness, pregnancy, injury, exposure to contagious disease which could be communicated to others, and for absence due to illness, injury, or death in the employee's immediate family. Unused sick leave shall be cumulative up to one hundred twenty work days, unless more than one hundred twenty days are approved by the employing board of education. The previously accumulated sick leave of a person who has been separated from public service, whether accumulated pursuant to section 124.38 of the Revised Code or pursuant to this section, shall be placed to ~~his~~ the person's credit upon ~~his~~ re-employment in the public service, provided that such re-employment takes place within ten years of the date of the last termination from public service. A teacher or nonteaching school employee who transfers from one public agency to another shall be credited with the unused balance of ~~his~~ the teacher's or nonteaching employee's accumulated sick leave up to the maximum of the sick leave accumulation permitted in the public agency to which the employee transfers. Teachers and nonteaching school employees who render regular part-time, ~~seasonal, intermittent,~~ per diem, or hourly service shall be entitled to sick leave for the time actually worked at the same rate as that granted like full-time employees, calculated in the same manner as the ratio of sick leave granted to hours of service established by section 124.38 of the Revised Code. Each board of education may establish regulations for the entitlement, crediting and use of sick leave by those substitute teachers employed by such board pursuant to section 3319.10 of the Revised Code who are not otherwise entitled to sick leave pursuant to such section. A board of education shall require a teacher or nonteaching school employee to furnish a written, signed statement on forms prescribed by such board to justify the use of sick leave. If medical attention is required, the employee's statement shall list the name and address of the attending physician and the dates when ~~he~~ the

physician was consulted. Nothing in this section shall be construed to waive the physician-patient privilege provided by section 2317.02 of the Revised Code. Falsification of a statement is grounds for suspension or termination of employment under sections 3319.081 and 3319.16 of the Revised Code. No sick leave shall be granted or credited to a teacher after ~~his~~ the teacher's retirement or termination of employment.

Except to the extent used as sick leave, leave granted under regulations adopted by a board of education pursuant to section 3319.08 of the Revised Code shall not be charged against sick leave earned or earnable under this section. Nothing in this section shall be construed to affect in any other way the granting of leave pursuant to section 3319.08 of the Revised Code and any granting of sick leave pursuant to such section shall be charged against sick leave accumulated pursuant to this section.

This section shall not be construed to interfere with any unused sick leave credit in any agency of government where attendance records are maintained and credit has been given for unused sick leave. Unused sick leave accumulated by teachers and nonteaching school employees under section 124.38 of the Revised Code shall continue to be credited toward the maximum accumulation permitted in accordance with this section. Each newly hired regular nonteaching and each regular nonteaching employee of any board of education who has exhausted ~~his~~ the employee's accumulated sick leave shall be entitled to an advancement of not less than five days of sick leave each year, as authorized by rules which each board shall adopt, to be charged against the sick leave ~~he~~ the employee subsequently accumulates under this section.

This section shall be uniformly administered.

Sec. 3319.17. (A) As used in this section, "interdistrict contract" means any contract or agreement entered into by an educational service center governing board and another board or other public entity pursuant to section 3313.17, 3313.841, 3313.842, 3313.843, 3313.844, 3313.845, 3313.91, or 3323.08 of the Revised Code, including any such contract or agreement for the provision of services funded under division ~~(H)~~(E) of section 3317.024 of the Revised Code or provided in any unit approved under section 3317.05 of the Revised Code.

(B) When, for any of the following reasons that apply to any city, exempted village, local, or joint vocational school district or any educational service center, the board decides that it will be necessary to reduce the number of teachers it employs, it may make a reasonable reduction:

(1) In the case of any district or service center, return to duty of regular teachers after leaves of absence including ~~leaves provided pursuant to~~

~~division (B) of section 3314.10 of the Revised Code~~, suspension of schools, territorial changes affecting the district or center, or financial reasons;

(2) In the case of any city, exempted village, local, or joint vocational school district, decreased enrollment of pupils in the district;

(3) In the case of any governing board of a service center providing any particular service directly to pupils pursuant to one or more interdistrict contracts requiring such service, reduction in the total number of pupils the governing board is required to provide with the service under all interdistrict contracts as a result of the termination or nonrenewal of one or more of these interdistrict contracts;

(4) In the case of any governing board providing any particular service that it does not provide directly to pupils pursuant to one or more interdistrict contracts requiring such service, reduction in the total level of the service the governing board is required to provide under all interdistrict contracts as a result of the termination or nonrenewal of one or more of these interdistrict contracts.

(C) In making any such reduction, any city, exempted village, local, or joint vocational school board shall proceed to suspend contracts in accordance with the recommendation of the superintendent of schools who shall, within each teaching field affected, give preference ~~first~~ to teachers on continuing contracts ~~and then to teachers who have greater seniority~~. ~~In making any such reduction, any governing board of a service center shall proceed to suspend contracts in accordance with the recommendation of the superintendent who shall, within each teaching field or service area affected, give preference first to teachers on continuing contracts and then to teachers who have greater seniority. The board shall not give preference to any teacher based on seniority, except when making a decision between teachers who have comparable evaluations.~~

On a case-by-case basis, in lieu of suspending a contract in whole, a board may suspend a contract in part, so that an individual is required to work a percentage of the time the employee otherwise is required to work under the contract and receives a commensurate percentage of the full compensation the employee otherwise would receive under the contract.

The teachers whose continuing contracts are suspended by any board pursuant to this section shall have the right of restoration to continuing service status by that board ~~in the order of seniority of service in the district or service center~~ if and when teaching positions become vacant or are created for which any of such teachers are or become qualified. No teacher whose continuing contract has been suspended pursuant to this section shall lose that right of restoration to continuing service status by reason of having

declined recall to a position that is less than full-time or, if the teacher was not employed full-time just prior to suspension of the teacher's continuing contract, to a position requiring a lesser percentage of full-time employment than the position the teacher last held while employed in the district or service center. Seniority shall not be the basis for rehiring a teacher, except when making a decision between teachers who have comparable evaluations.

(D) Notwithstanding any provision to the contrary in Chapter 4117. of the Revised Code, ~~the~~

(1) The requirements of this section, as it existed prior to the effective date of this amendment, prevail over any conflicting provisions of agreements between employee organizations and public employers entered into after between September 29, 2005, and that effective date;

(2) The requirements of this section, as it exists on and after the effective date of this amendment, prevail over any conflicting provisions of agreements between employee organizations and public employers entered into on or after that effective date.

Sec. 3319.18. If an entire school district or that part of a school district which comprises the territory in which a school is situated is transferred to any other district, or if a new school district is created, the teachers in such districts or schools employed on continuing contracts immediately prior to such transfer, or creation shall, subject to section 3319.17 or 3319.171 of the Revised Code, have continuing service status in the newly created district, or in the district to which the territory is transferred.

The limited contracts of the teachers employed in such districts or schools immediately prior to such transfer, or creation, shall become the legal obligations of the board of education in the newly created district, or in the district to which the territory is transferred, subject to section 3319.17 or 3319.171 of the Revised Code. The teaching experience of such teachers in such prior districts or schools shall be included in the three years of service required under section 3319.11 of the Revised Code for a teacher to become eligible for continuing service status.

Teachers employed on limited or continuing contracts in an entire school district or that part of a school district which comprises the territory in which a school is situated which is transferred to any other district or which is merged with other school territory to create a new school district, shall be placed, on the effective date of such transfer or merger, on the salary schedule of the district to which the territory is transferred or the newly created district, according to their training and experience. Such experience shall be the total sum of the years taught in the district whose

territory was transferred or merged to create a new district, plus the total number of years of teaching experience recognized by such previous district upon its first employment of such teachers.

The placement of the teachers on the salary schedule, pursuant to this section, shall not result, however, in the salary of any teacher being less than the teacher's current annual salary for regular duties, in existence immediately prior to the merger or transfer.

~~In making any reduction in the number of teachers under section 3319.17 of the Revised Code by reason of the transfer or consolidation of school territory, the years of teaching service of the teachers employed in the district or schools transferred to any other district or merged with any school territory to create a new district, shall be included as a part of the seniority on which the recommendation of the superintendent of schools shall be based, under section 3319.17 of the Revised Code. Such service shall have been continuous and shall include years of service in the previous district as well as the years of continuous service in any district which had been previously transferred to or consolidated to form such district. When suspending contracts in accordance with an administrative personnel suspension policy adopted under section 3319.171 of the Revised Code, a board may consider years of teaching service in the previous district in its decision if it is a part of the suspension policy.~~

Sec. 3319.19. (A) Except as provided in division (D) of this section or division (A)(2) of section 3313.37 of the Revised Code, upon request, the board of county commissioners shall provide and equip offices in the county for the use of the superintendent of an educational service center, and shall provide heat, light, water, and janitorial services for such offices. Such offices shall be the permanent headquarters of the superintendent and shall be used by the governing board of the service center when it is in session. Except as provided in division (B) of this section, such offices shall be located in the county seat or, upon the approval of the governing board, may be located outside of the county seat.

(B) In the case of a service center formed under section 3311.053 ~~or 3311.059~~ of the Revised Code, the governing board shall designate the site of its offices. Except as provided in division (D) of this section or division (A)(2) of section 3313.37 of the Revised Code, the board of county commissioners of the county in which the designated site is located shall provide and equip the offices as under division (A) of this section, but the costs of such offices and equipment shall be apportioned among the boards of county commissioners of all counties having any territory in the area under the control of the governing board, according to the proportion of

local school district pupils under the supervision of such board residing in the respective counties. Where there is a dispute as to the amount any board of county commissioners is required to pay, the probate judge of the county in which the greatest number of pupils under the supervision of the governing board reside shall apportion such costs among the boards of county commissioners and notify each such board of its share of the costs.

(C) As used in division (C) of this section, in the case of a building, facility, or office space that a board of county commissioners leases or rents, "actual cost per square foot" means all cost on a per square foot basis incurred by the board under the lease or rental agreement. In the case of a building, facility, or office space that the board owns in fee simple, "actual cost per square foot" means the fair rental value on a per square foot basis of the building, facility, or office space either as compared to a similarly situated building, facility, or office space in the general vicinity or as calculated under a formula that accounts for depreciation, amortization of improvements, and other reasonable factors, including, but not limited to, parking space and other amenities.

Not later than the thirty-first day of March of 2002, 2003, 2004, and 2005 a board of county commissioners required to provide or equip offices pursuant to division (A) or (B) of this section shall make a written estimate of the total cost it will incur for the ensuing fiscal year to provide and equip the offices and to provide heat, light, water, and janitorial services for such offices. The total estimate of cost shall include:

(1) The total square feet of space to be utilized by the educational service center;

(2) The total square feet of any common areas that should be reasonably allocated to the center and the methodology for making this allocation;

(3) The actual cost per square foot for both the space utilized by and the common area allocated to the center;

(4) An explanation of the methodology used to determine the actual cost per square foot;

(5) The estimated cost of providing heat, light, and water, including an explanation of how these costs were determined;

(6) The estimated cost of providing janitorial services including an explanation of the methodology used to determine this cost;

(7) Any other estimated costs that the board anticipates it will ~~occur~~ incur and a detailed explanation of the costs and the rationale used to determine such costs.

A copy of the total estimate of costs under this division shall be sent to the superintendent of the educational service center not later than the fifth

day of April. The superintendent shall review the total estimate and shall notify the board of county commissioners not later than twenty days after receipt of the estimate of either agreement with the estimate or any specific objections to the estimates and the reasons for the objections. If the superintendent agrees with the estimate, it shall become the final total estimate of cost. Failure of the superintendent to make objections to the estimate by the twentieth day after receipt of it shall be deemed to mean that the superintendent is in agreement with the estimate.

If the superintendent provides specific objections to the board of county commissioners, the board shall review the objections and may modify the original estimate and shall send a revised total estimate to the superintendent within ten days after the receipt of the superintendent's objections. The superintendent shall respond to the revised estimate within ten days after its receipt. If the superintendent agrees with it, it shall become the final total estimated cost. If the superintendent fails to respond within the required time, the superintendent shall be deemed to have agreed with the revised estimate. If the superintendent disagrees with the revised estimate, the superintendent shall send specific objections to the county commissioners.

If a superintendent has sent specific objections to the revised estimate within the required time, the probate judge of the county which has the greatest number of resident local school district pupils under the supervision of the educational service center shall determine the final estimated cost and certify this amount to the superintendent and the board of county commissioners prior to the first day of July.

(D)(1) A board of county commissioners shall be responsible for the following percentages of the final total estimated cost established by division (C) of this section:

- (a) Eighty per cent for fiscal year 2003;
- (b) Sixty per cent for fiscal year 2004;
- (c) Forty per cent for fiscal year 2005;
- (d) Twenty per cent for fiscal year 2006.

In fiscal years 2003, 2004, 2005, and 2006 the educational service center shall be responsible for the remainder of any costs in excess of the amounts specified in division (D)(1)(a),(b), (c), or (d) of this section, as applicable, associated with the provision and equipment of offices for the educational service center and for provision of heat, light, water, and janitorial services for such offices, including any unanticipated or unexpected increases in the costs beyond the final estimated cost amount.

Beginning in fiscal year 2007, no board of county commissioners shall have any obligation to provide and equip offices for an educational service

center or to provide heat, light, water, or janitorial services for such offices.

(2) Nothing in this section shall prohibit the board of county commissioners and the governing board of an educational service center from entering into a contract for providing and equipping offices for the use of an educational service center and for providing heat, light, water, and janitorial services for such offices. The term of any such contract shall not exceed a period of four years and may be renewed for additional periods not to exceed four years. Any such contract shall supersede the provisions of division (D)(1) of this section and no educational service center may be charged, at any time, any additional amount for the county's provision of an office and equipment, heat, light, water, and janitorial services beyond the amount specified in such contract.

(3) No contract entered into under division (D)(2) of this section in any year prior to fiscal year 2007 between an educational service center formed under section 3311.053 ~~or 3311.059~~ of the Revised Code and the board of county commissioners required to provide and equip its office pursuant to division (B) of this section shall take effect unless the boards of county commissioners of all other counties required to participate in the funding for such offices pursuant to division (B) of this section adopt resolutions approving the contract.

Sec. 3319.227. (A) Notwithstanding any other provision of the Revised Code or any rule adopted by the state board of education to the contrary, the state board shall issue a resident educator license under section 3319.22 of the Revised Code to each person who is assigned to teach in this state as a participant in the teach for America program and who meets the following conditions:

(1) Holds a bachelor's degree from an accredited institution of higher education;

(2) Maintained a cumulative undergraduate grade point average of at least 2.5 out of 4.0, or its equivalent;

(3) Has passed an examination prescribed by the state board in the subject area to be taught;

(4) Has successfully completed the summer training institute operated by teach for America.

(B) The state board shall issue a resident educator license under this section for teaching in any grade level or subject area for which a person may obtain a resident educator license under section 3319.22 of the Revised Code. The state board shall not adopt rules establishing any additional qualifications for the license beyond those specified in this section.

(C) Notwithstanding any other provision of the Revised Code or any

rule adopted by the state board to the contrary, the state board shall issue a resident educator license under section 3319.22 of the Revised Code to any applicant who has completed at least two years of teaching in another state as a participant in the teach for America program and meets all of the conditions of divisions (A)(1) to (4) of this section. The state board shall credit an applicant under this division as having completed two years of the teacher residency program under section 3319.223 of the Revised Code.

(D) In order to place teachers in this state, the ~~Teach~~ teach for America program shall enter into an agreement with one or more accredited four-year public or private institutions of higher education in the state to provide optional training of ~~Teach~~ teach for America participants for the purpose of enabling those participants to complete an optional master's degree or an equivalent amount of coursework. Nothing in this division shall require any ~~Teach~~ teach for America participant to complete a master's degree as a condition of holding a license issued under this section.

Sec. 3319.228. (A) This section applies only to a person who meets the following conditions:

(1) Holds a minimum of a baccalaureate degree;

(2) Has been licensed and employed as a teacher in another state for each of the preceding five years;

(3) Was initially licensed as a teacher in any state within the preceding fifteen years;

(4) Has not had a teacher's license suspended or revoked in any state.

(B)(1) Not later than July 1, 2012, the superintendent of public instruction shall develop a list of states that the superintendent considers to have standards for teacher licensure that are inadequate to ensure that a person to whom this section applies and who was most recently licensed to teach in that state is qualified for a professional educator license issued under section 3319.22 of the Revised Code.

(2) Following development of the list, the superintendent shall establish a panel of experts to evaluate the adequacy of the teacher licensure standards of each state on the list. Each person selected by the superintendent to be a member of the panel shall be approved by the state board of education. In evaluating the superintendent's list, the panel shall provide an opportunity for representatives of the department of education, or similar state-level agency, of each state on the list to provide evidence to refute the state's placement on the list.

Not later than April 1, 2013, the panel shall recommend to the state board that the list be approved without changes or that specified states be removed from the list prior to approval. Not later than July 1, 2013, the state

board shall approve a final list of states with standards for teacher licensure that are inadequate to ensure that a person to whom this section applies and who was most recently licensed to teach in that state is qualified for a professional educator license issued under section 3319.22 of the Revised Code.

(C) Except as otherwise provided in division (E)(1) of this section, until the date on which the state board approves a final list of states with inadequate teacher licensure standards under division (B)(2) of this section, the state board shall issue a one-year provisional educator license to any applicant to whom this section applies. On and after that date, neither the state board nor the department of education shall be party to any reciprocity agreement with a state on that list that requires the state board to issue a person to whom this section applies any type of professional educator license on the basis of the person's licensure and teaching experience in that state.

(D) Upon the expiration of a provisional license issued to a person under division (C) of this section, the state board shall issue the person a professional educator license, if the person satisfies either of the following conditions:

(1) The person was issued the provisional license prior to the development of the list by the state superintendent under division (B)(1) of this section and, prior to issuance of the provisional license, the person was most recently licensed to teach by a state not on the superintendent's list or, if the final list of states with inadequate teacher licensure standards has been approved by the state board under division (B)(2) of this section, by a state not on that list.

(2) All of the following apply to the person:

(a) Prior to obtaining the provisional license, the person was most recently licensed to teach by a state on the superintendent's list or, if the final list of states with inadequate teacher licensure standards has been approved by the state board under division (B)(2) of this section, by a state on that list.

(b) The person was employed under the provisional license by a school district; community school established under Chapter 3314. of the Revised Code; science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code; or an entity contracted by such a district or school to provide internet- or computer-based instruction or distance learning programs to students.

(c) The district or school certifies to the state board that the person's teaching was satisfactory while employed or contracted by the district or

school.

(E)(1) From July 1, 2012, until the date on which the state board approves a final list of states with inadequate teacher licensure standards under division (B)(2) of this section, the state board shall issue a professional educator license to any applicant to whom this section applies and who was most recently licensed to teach by a state that is not on the list developed by the state superintendent under division (B)(1) of this section.

(2) Beginning on the date on which the state board approves a final list of states with inadequate teacher licensure standards under division (B)(2) of this section, the state board shall issue a professional educator license to any applicant to whom this section applies and who was most recently licensed to teach by a state that is not on that list.

Sec. 3319.229. The rules adopted under section 3319.22 of the Revised Code shall include requirements for the issuance and renewal of professional career-technical teaching licenses, including, but not limited to, requirements relating to life experience, professional certification, and practical ability. Nothing in sections 3319.22 to 3319.31 of the Revised Code requires, and the state board of education shall not adopt a rule requiring, an applicant for the issuance or renewal of a professional career-technical teaching license who meets the requirements relating to life experience, professional certification, and practical ability to complete a degree applicable to the career field, classroom teaching, or an area of licensure.

Sec. 3319.26. (A) The state board of education shall adopt rules establishing the standards and requirements for obtaining an alternative resident educator license for teaching in grades ~~four~~ kindergarten to twelve, or the equivalent, in a designated subject area. ~~However, an alternative resident educator license or~~ in the area of intervention specialist, as defined by rule of the state board, ~~shall be valid for teaching in grades kindergarten to twelve.~~

(B) The superintendent of public instruction and the chancellor of the Ohio board of regents jointly shall develop an intensive pedagogical training institute to provide instruction in the principles and practices of teaching for individuals seeking an alternative resident educator license. The instruction shall cover such topics as student development and learning, pupil assessment procedures, curriculum development, classroom management, and teaching methodology.

(C) The rules adopted under this section shall require applicants for the alternative resident educator license to satisfy the following conditions prior to issuance of the license, but they shall not require applicants to have

completed a major in the subject area for which application is being made:

(1) Hold a minimum of a baccalaureate degree;

(2) Successfully complete the pedagogical training institute described in division (B) of this section; or a summer training institute provided to participants of a teacher preparation program that is operated by a nonprofit organization and has been approved by the chancellor. The chancellor shall approve any such program that requires participants to hold a bachelor's degree; have a cumulative undergraduate grade point average of at least 2.5 out of 4.0, or its equivalent; and successfully complete the program's summer training institute.

(3) Pass an examination in the subject area for which application is being made.

(D) An alternative resident educator license shall be valid for four years, except that the state board, on a case-by-case basis, may extend the license's duration as necessary to enable the license holder to complete the Ohio teacher residency program established under section 3319.223 of the Revised Code.

(E) The rules shall require the holder of an alternative resident educator license, as a condition of continuing to hold the license, to do all of the following:

(1) Participate in the Ohio teacher residency program;

(2) Show satisfactory progress in taking and successfully completing at one of the following:

(a) At least twelve additional semester hours, or the equivalent, of college coursework in the principles and practices of teaching in such topics as student development and learning, pupil assessment procedures, curriculum development, classroom management, and teaching methodology;

(b) Professional development provided by a teacher preparation program that has been approved by the chancellor under division (C)(2) of this section.

(3) Take an assessment of professional knowledge in the second year of teaching under the license.

(F) The rules shall provide for the granting of a professional educator license to a holder of an alternative resident educator license upon successfully completing all of the following:

(1) Four years of teaching under the alternative license;

(2) ~~The twelve semester hours, or the equivalent, of the additional college coursework~~ or professional development described in division (E)(2) of this section;

(3) The assessment of professional knowledge described in division (E)(3) of this section. The standards for successfully completing this assessment and the manner of conducting the assessment shall be the same as for any other individual who is required to take the assessment pursuant to rules adopted by the state board under section 3319.22 of the Revised Code.

(4) The Ohio teacher residency program;

(5) All other requirements for a professional educator license adopted by the state board under section 3319.22 of the Revised Code.

(G) A person who is assigned to teach in this state as a participant in the teach for America program or who has completed two years of teaching in another state as a participant in that program shall be eligible for a license only under section 3319.227 of the Revised Code and shall not be eligible for a license under this section.

Sec. 3319.31. (A) As used in this section and sections 3123.41 to 3123.50 and 3319.311 of the Revised Code, "license" means a certificate, license, or permit described in this chapter or in division (B) of section 3301.071 or in section 3301.074 of the Revised Code.

(B) For any of the following reasons, the state board of education, in accordance with Chapter 119. and section 3319.311 of the Revised Code, may refuse to issue a license to an applicant; may limit a license it issues to an applicant; may suspend, revoke, or limit a license that has been issued to any person; or may revoke a license that has been issued to any person and has expired:

(1) Engaging in an immoral act, incompetence, negligence, or conduct that is unbecoming to the applicant's or person's position;

(2) A plea of guilty to, a finding of guilt by a jury or court of, or a conviction of any of the following:

(a) A felony other than a felony listed in division (C) of this section;

(b) An offense of violence other than an offense of violence listed in division (C) of this section;

(c) A theft offense, as defined in section 2913.01 of the Revised Code, other than a theft offense listed in division (C) of this section;

(d) A drug abuse offense, as defined in section 2925.01 of the Revised Code, that is not a minor misdemeanor, other than a drug abuse offense listed in division (C) of this section;

(e) A violation of an ordinance of a municipal corporation that is substantively comparable to an offense listed in divisions (B)(2)(a) to (d) of this section.

(3) A judicial finding of eligibility for intervention in lieu of conviction

under section 2951.041 of the Revised Code, or agreeing to participate in a pre-trial diversion program under section 2935.36 of the Revised Code, or a similar diversion program under rules of a court, for any offense listed in division (B)(2) or (C) of this section;

(4) Failure to comply with section 3314.40, 3319.313, 3326.24, 3328.19, or 5126.253 of the Revised Code.

(C) Upon learning of a plea of guilty to, a finding of guilt by a jury or court of, or a conviction of any of the offenses listed in this division by a person who holds a current or expired license or is an applicant for a license or renewal of a license, the state board or the superintendent of public instruction, if the state board has delegated the duty pursuant to division (D) of this section, shall by a written order revoke the person's license or deny issuance or renewal of the license to the person. The state board or the superintendent shall revoke a license that has been issued to a person to whom this division applies and has expired in the same manner as a license that has not expired.

Revocation of a license or denial of issuance or renewal of a license under this division is effective immediately at the time and date that the board or superintendent issues the written order and is not subject to appeal in accordance with Chapter 119. of the Revised Code. Revocation of a license or denial of issuance or renewal of license under this division remains in force during the pendency of an appeal by the person of the plea of guilty, finding of guilt, or conviction that is the basis of the action taken under this division.

The state board or superintendent shall take the action required by this division for a violation of division (B)(1), (2), (3), or (4) of section 2919.22 of the Revised Code; a violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.15, 2905.01, 2905.02, 2905.05, 2905.11, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.21, 2907.22, 2907.23, 2907.24, 2907.241, 2907.25, 2907.31, 2907.311, 2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2907.34, 2909.02, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2913.44, 2917.01, 2917.02, 2917.03, 2917.31, 2917.33, 2919.12, 2919.121, 2919.13, 2921.02, 2921.03, 2921.04, 2921.05, 2921.11, 2921.34, 2921.41, 2923.122, 2923.123, 2923.161, 2923.17, 2923.21, 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.13, 2925.22, 2925.23, 2925.24, 2925.32, 2925.36, 2925.37, 2927.24, or 3716.11 of the Revised Code; a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996; a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the

violation been committed prior to that date; felonious sexual penetration in violation of former section 2907.12 of the Revised Code; or a violation of an ordinance of a municipal corporation that is substantively comparable to an offense listed in this paragraph.

(D) The state board may delegate to the superintendent of public instruction the authority to revoke a person's license or to deny issuance or renewal of a license to a person under division (C) or (F) of this section.

(E)(1) If the plea of guilty, finding of guilt, or conviction that is the basis of the action taken under division (B)(2) or (C) of this section, or under the version of division (F) of section 3319.311 of the Revised Code in effect prior to ~~the effective date of this amendment~~ September 12, 2008, is overturned on appeal, upon exhaustion of the criminal appeal, the clerk of the court that overturned the plea, finding, or conviction or, if applicable, the clerk of the court that accepted an appeal from the court that overturned the plea, finding, or conviction, shall notify the state board that the plea, finding, or conviction has been overturned. Within thirty days after receiving the notification, the state board shall initiate proceedings to reconsider the revocation or denial of the person's license in accordance with division (E)(2) of this section. In addition, the person whose license was revoked or denied may file with the state board a petition for reconsideration of the revocation or denial along with appropriate court documents.

(2) Upon receipt of a court notification or a petition and supporting court documents under division (E)(1) of this section, the state board, after offering the person an opportunity for an adjudication hearing under Chapter 119. of the Revised Code, shall determine whether the person committed the act in question in the prior criminal action against the person that is the basis of the revocation or denial and may continue the revocation or denial, may reinstate the person's license, with or without limits, or may grant the person a new license, with or without limits. The decision of the board shall be based on grounds for revoking, denying, suspending, or limiting a license adopted by rule under division (G) of this section and in accordance with the evidentiary standards the board employs for all other licensure hearings. The decision of the board under this division is subject to appeal under Chapter 119. of the Revised Code.

(3) A person whose license is revoked or denied under division (C) of this section shall not apply for any license if the plea of guilty, finding of guilt, or conviction that is the basis of the revocation or denial, upon completion of the criminal appeal, either is upheld or is overturned but the state board continues the revocation or denial under division (E)(2) of this section and that continuation is upheld on final appeal.

(F) The state board may take action under division (B) of this section, and the state board or the superintendent shall take the action required under division (C) of this section, on the basis of substantially comparable conduct occurring in a jurisdiction outside this state or occurring before a person applies for or receives any license.

(G) The state board may adopt rules in accordance with Chapter 119. of the Revised Code to carry out this section and section 3319.311 of the Revised Code.

Sec. 3319.311. (A)(1) The state board of education, or the superintendent of public instruction on behalf of the board, may investigate any information received about a person that reasonably appears to be a basis for action under section 3319.31 of the Revised Code, including information received pursuant to section 3314.40, 3319.291, 3319.313, 3326.24, 3328.19, 5126.253, or 5153.176 of the Revised Code. Except as provided in division (A)(2) of this section, the board shall contract with the office of the Ohio attorney general to conduct any investigation of that nature. The board shall pay for the costs of the contract only from moneys in the state board of education licensure fund established under section 3319.51 of the Revised Code. Except as provided in division (A)(2) of this section, all information received pursuant to section 3314.40, 3319.291, 3319.313, 3326.24, 3328.19, 5126.253, or 5153.176 of the Revised Code, and all information obtained during an investigation is confidential and is not a public record under section 149.43 of the Revised Code. If an investigation is conducted under this division regarding information received about a person and no action is taken against the person under this section or section 3319.31 of the Revised Code within two years of the completion of the investigation, all records of the investigation shall be expunged.

(2) In the case of a person about whom the board has learned of a plea of guilty to, finding of guilt by a jury or court of, or a conviction of an offense listed in division (C) of section 3319.31 of the Revised Code, or substantially comparable conduct occurring in a jurisdiction outside this state, the board or the superintendent of public instruction need not conduct any further investigation and shall take the action required by division (C) or (F) of that section. Except as provided in division (G) of this section, all information obtained by the board or the superintendent of public instruction pertaining to the action is a public record under section 149.43 of the Revised Code.

(B) The superintendent of public instruction shall review the results of each investigation of a person conducted under division (A)(1) of this

section and shall determine, on behalf of the state board, whether the results warrant initiating action under division (B) of section 3319.31 of the Revised Code. The superintendent shall advise the board of such determination at a meeting of the board. Within fourteen days of the next meeting of the board, any member of the board may ask that the question of initiating action under section 3319.31 of the Revised Code be placed on the board's agenda for that next meeting. Prior to initiating that action against any person, the person's name and any other personally identifiable information shall remain confidential.

(C) The board shall take no action against a person under division (B) of section 3319.31 of the Revised Code without providing the person with written notice of the charges and with an opportunity for a hearing in accordance with Chapter 119. of the Revised Code.

(D) For purposes of an investigation under division (A)(1) of this section or a hearing under division (C) of this section or under division (E)(2) of section 3319.31 of the Revised Code, the board, or the superintendent on behalf of the board, may administer oaths, order the taking of depositions, issue subpoenas, and compel the attendance of witnesses and the production of books, accounts, papers, records, documents, and testimony. The issuance of subpoenas under this division may be by certified mail or personal delivery to the person.

(E) The superintendent, on behalf of the board, may enter into a consent agreement with a person against whom action is being taken under division (B) of section 3319.31 of the Revised Code. The board may adopt rules governing the superintendent's action under this division.

(F) No surrender of a license shall be effective until the board takes action to accept the surrender unless the surrender is pursuant to a consent agreement entered into under division (E) of this section.

(G) The name of any person who is not required to report information under section 3314.40, 3319.313, 3326.24, 3328.19, 5126.253, or 5153.176 of the Revised Code, but who in good faith provides information to the state board or superintendent of public instruction about alleged misconduct committed by a person who holds a license or has applied for issuance or renewal of a license, shall be confidential and shall not be released. Any such person shall be immune from any civil liability that otherwise might be incurred or imposed for injury, death, or loss to person or property as a result of the provision of that information.

(H)(1) No person shall knowingly make a false report to the superintendent of public instruction or the state board of education alleging misconduct by an employee of a public or chartered nonpublic school or an

employee of the operator of a community school established under Chapter 3314. or a college-preparatory boarding school established under Chapter 3328. of the Revised Code.

(2)(a) In any civil action brought against a person in which it is alleged and proved that the person violated division (H)(1) of this section, the court shall award the prevailing party reasonable attorney's fees and costs that the prevailing party incurred in the civil action or as a result of the false report that was the basis of the violation.

(b) If a person is convicted of or pleads guilty to a violation of division (H)(1) of this section, if the subject of the false report that was the basis of the violation was charged with any violation of a law or ordinance as a result of the false report, and if the subject of the false report is found not to be guilty of the charges brought against the subject as a result of the false report or those charges are dismissed, the court that sentences the person for the violation of division (H)(1) of this section, as part of the sentence, shall order the person to pay restitution to the subject of the false report, in an amount equal to reasonable attorney's fees and costs that the subject of the false report incurred as a result of or in relation to the charges.

Sec. 3319.39. (A)(1) Except as provided in division (F)(2)(b) of section 109.57 of the Revised Code, the appointing or hiring officer of the board of education of a school district, the governing board of an educational service center, or of a chartered nonpublic school shall request the superintendent of the bureau of criminal identification and investigation to conduct a criminal records check with respect to any applicant who has applied to the school district, educational service center, or school for employment in any position. The appointing or hiring officer shall request that the superintendent include information from the federal bureau of investigation in the criminal records check, unless all of the following apply to the applicant:

(a) The applicant is applying to be an instructor of adult education.

(b) The duties of the position for which the applicant is applying do not involve routine interaction with a child or regular responsibility for the care, custody, or control of a child or, if the duties do involve such interaction or responsibility, during any period of time in which the applicant, if hired, has such interaction or responsibility, another employee of the school district, educational service center, or chartered nonpublic school will be present in the same room with the child or, if outdoors, will be within a thirty-yard radius of the child or have visual contact with the child.

(c) The applicant presents proof that the applicant has been a resident of this state for the five-year period immediately prior to the date upon which

the criminal records check is requested or provides evidence that within that five-year period the superintendent has requested information about the applicant from the federal bureau of investigation in a criminal records check.

(2) A person required by division (A)(1) of this section to request a criminal records check shall provide to each applicant a copy of the form prescribed pursuant to division (C)(1) of section 109.572 of the Revised Code, provide to each applicant a standard impression sheet to obtain fingerprint impressions prescribed pursuant to division (C)(2) of section 109.572 of the Revised Code, obtain the completed form and impression sheet from each applicant, and forward the completed form and impression sheet to the superintendent of the bureau of criminal identification and investigation at the time the person requests a criminal records check pursuant to division (A)(1) of this section.

(3) An applicant who receives pursuant to division (A)(2) of this section a copy of the form prescribed pursuant to division (C)(1) of section 109.572 of the Revised Code and a copy of an impression sheet prescribed pursuant to division (C)(2) of that section and who is requested to complete the form and provide a set of fingerprint impressions shall complete the form or provide all the information necessary to complete the form and shall provide the impression sheet with the impressions of the applicant's fingerprints. If an applicant, upon request, fails to provide the information necessary to complete the form or fails to provide impressions of the applicant's fingerprints, the board of education of a school district, governing board of an educational service center, or governing authority of a chartered nonpublic school shall not employ that applicant for any position.

(4) Notwithstanding any provision of this section to the contrary, an applicant who meets the conditions prescribed in divisions (A)(1)(a) and (b) of this section and who, within the two-year period prior to the date of application, was the subject of a criminal records check under this section prior to being hired for short-term employment with the school district, educational service center, or chartered nonpublic school to which application is being made shall not be required to undergo a criminal records check prior to the applicant's rehiring by that district, service center, or school.

(B)(1) Except as provided in rules adopted by the department of education in accordance with division (E) of this section and as provided in division (B)(3) of this section, no board of education of a school district, no governing board of an educational service center, and no governing authority of a chartered nonpublic school shall employ a person if the person

previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense, or felonious sexual penetration in violation of former section 2907.12 of the Revised Code;

(b) A violation of an existing or former law of this state, another state, or the United States that is substantially equivalent to any of the offenses or violations described in division (B)(1)(a) of this section.

(2) A board, governing board of an educational service center, or a governing authority of a chartered nonpublic school may employ an applicant conditionally until the criminal records check required by this section is completed and the board or governing authority receives the results of the criminal records check. If the results of the criminal records check indicate that, pursuant to division (B)(1) of this section, the applicant does not qualify for employment, the board or governing authority shall release the applicant from employment.

(3) No board and no governing authority of a chartered nonpublic school shall employ a teacher who previously has been convicted of or pleaded guilty to any of the offenses listed in section 3319.31 of the Revised Code.

(C)(1) Each board and each governing authority of a chartered nonpublic school shall pay to the bureau of criminal identification and investigation the fee prescribed pursuant to division (C)(3) of section 109.572 of the Revised Code for each criminal records check conducted in accordance with that section upon the request pursuant to division (A)(1) of this section of the appointing or hiring officer of the board or governing authority.

(2) A board and the governing authority of a chartered nonpublic school may charge an applicant a fee for the costs it incurs in obtaining a criminal records check under this section. A fee charged under this division shall not

exceed the amount of fees the board or governing authority pays under division (C)(1) of this section. If a fee is charged under this division, the board or governing authority shall notify the applicant at the time of the applicant's initial application for employment of the amount of the fee and that, unless the fee is paid, the board or governing authority will not consider the applicant for employment.

(D) The report of any criminal records check conducted by the bureau of criminal identification and investigation in accordance with section 109.572 of the Revised Code and pursuant to a request under division (A)(1) of this section is not a public record for the purposes of section 149.43 of the Revised Code and shall not be made available to any person other than the applicant who is the subject of the criminal records check or the applicant's representative, the board or governing authority requesting the criminal records check or its representative, and any court, hearing officer, or other necessary individual involved in a case dealing with the denial of employment to the applicant.

(E) The department of education shall adopt rules pursuant to Chapter 119. of the Revised Code to implement this section, including rules specifying circumstances under which the board or governing authority may hire a person who has been convicted of an offense listed in division (B)(1) or (3) of this section but who meets standards in regard to rehabilitation set by the department.

The department shall amend rule 3301-83-23 of the Ohio Administrative Code that took effect August 27, 2009, and that specifies the offenses that disqualify a person for employment as a school bus or school van driver and establishes rehabilitation standards for school bus and school van drivers.

(F) Any person required by division (A)(1) of this section to request a criminal records check shall inform each person, at the time of the person's initial application for employment, of the requirement to provide a set of fingerprint impressions and that a criminal records check is required to be conducted and satisfactorily completed in accordance with section 109.572 of the Revised Code if the person comes under final consideration for appointment or employment as a precondition to employment for the school district, educational service center, or school for that position.

(G) As used in this section:

(1) "Applicant" means a person who is under final consideration for appointment or employment in a position with a board of education, governing board of an educational service center, or a chartered nonpublic school, except that "applicant" does not include a person already employed

by a board or chartered nonpublic school who is under consideration for a different position with such board or school.

(2) "Teacher" means a person holding an educator license or permit issued under section 3319.22 or 3319.301 of the Revised Code and teachers in a chartered nonpublic school.

(3) "Criminal records check" has the same meaning as in section 109.572 of the Revised Code.

(4) "Minor drug possession offense" has the same meaning as in section 2925.01 of the Revised Code.

(H) If the board of education of a local school district adopts a resolution requesting the assistance of the educational service center in which the local district has territory in conducting criminal records checks of substitute teachers and substitutes for other district employees under this section, the appointing or hiring officer of such educational service center shall serve for purposes of this section as the appointing or hiring officer of the local board in the case of hiring substitute teachers and other substitute employees for the local district.

Sec. 3319.57. (A) A grant program is hereby established under which the department of education shall award grants to assist certain schools in a city, exempted village, local, or joint vocational school district in implementing one of the following innovations:

(1) The use of instructional specialists to mentor and support classroom teachers;

(2) The use of building managers to supervise the administrative functions of school operation so that a school principal can focus on supporting instruction, providing instructional leadership, and engaging teachers as part of the instructional leadership team;

(3) The reconfiguration of school leadership structure in a manner that allows teachers to serve in leadership roles so that teachers may share the responsibility for making and implementing school decisions;

(4) The adoption of new models for restructuring the school day or school year, such as including teacher planning and collaboration time as part of the school day;

(5) The creation of smaller schools or smaller units within larger schools for the purpose of facilitating teacher collaboration to improve and advance the professional practice of teaching;

(6) The implementation of "grow your own" recruitment strategies that are designed to assist individuals who show a commitment to education become licensed teachers, to assist experienced teachers obtain licensure in subject areas for which there is need, and to assist teachers in becoming

principals;

(7) The provision of better conditions for new teachers, such as reduced teaching load and reduced class size;

(8) The provision of incentives to attract qualified mathematics, science, or special education teachers;

(9) The development and implementation of a partnership with teacher preparation programs at colleges and universities to help attract teachers qualified to teach in shortage areas;

(10) The implementation of a program to increase the cultural competency of both new and veteran teachers;

(11) The implementation of a program to increase the subject matter competency of veteran teachers.

(B) To qualify for a grant to implement one of the innovations described in division (A) of this section, a school must meet both of the following criteria:

(1) Be hard to staff, as defined by the department.

(2) Use existing school district funds for the implementation of the innovation in an amount equal to the grant amount multiplied by (1 - the district's state share percentage for the fiscal year in which the grant is awarded).

For purposes of division (B)(2) of this section, "state share percentage" has the same meaning as in section ~~3306.02~~ 3317.02 of the Revised Code.

(C) The amount and number of grants awarded under this section shall be determined by the department based on any appropriations made by the general assembly for grants under this section.

(D) The state board of education shall adopt rules for the administration of this grant program.

Sec. 3319.58. (A) As used in this section, "core subject area" has the same meaning as in section 3319.074 of the Revised Code.

(B) Each year, the board of education of each city, exempted village, and local school district, governing authority of each community school established under Chapter 3314. of the Revised Code, and governing body of each STEM school established under Chapter 3326. of the Revised Code with a building ranked in the lowest ten per cent of all public school buildings according to performance index score, under section 3302.21 of the Revised Code, shall require each classroom teacher teaching in a core subject area in such a building to register for and take all written examinations prescribed by the state board of education for licensure to teach that core subject area and the grade level to which the teacher is assigned under section 3319.22 of the Revised Code. However, if a teacher

who takes a prescribed examination under this division passes that examination and provides proof of that passage to the teacher's employer, the teacher shall not be required to take the examination again for three years, regardless of the performance index score ranking of the building in which the teacher teaches. No teacher shall be responsible for the cost of taking an examination under this division.

(C) Each district board of education, each community school governing authority, and each STEM school governing body may use the results of a teacher's examinations required under division (B) of this section in developing and revising professional development plans and in deciding whether or not to continue employing the teacher in accordance with the provisions of this chapter or Chapter 3314. or 3326. of the Revised Code. However, no decision to terminate or not to renew a teacher's employment contract shall be made solely on the basis of the results of a teacher's examination under this section until and unless the teacher has not attained a passing score on the same required examination for at least three consecutive administrations of that examination.

Sec. 3319.71. (A) The school health services advisory council shall make recommendations on the following topics:

(1) The content of the course of instruction required to obtain a school nurse license under section 3319.221 of the Revised Code;

(2) The content of the course of instruction required to obtain a school nurse wellness coordinator license under section 3319.221 of the Revised Code;

(3) Best practices for the use of school nurses and school nurse wellness coordinators in providing health and wellness programs for students and employees of school districts, community schools established under Chapter 3314. of the Revised Code, and STEM schools established under Chapter 3326. of the Revised Code.

(B) The council shall issue its initial recommendations not later than March 31, 2010, and may issue subsequent recommendations as it considers necessary. Copies of all recommendations shall be provided to the state board of education, the chancellor of the Ohio board of regents, and the board of nursing, ~~and the health care coverage and quality council.~~

Sec. 3323.052. Not later than sixty days after the effective date of this section, the department of education shall develop a document that compares a parent's and child's rights under this chapter and 20 U.S.C. 1400 et seq. with the parent's and child's rights under the Jon Peterson special needs scholarship program, established in sections 3310.51 to 3310.64 of the Revised Code, including the deadline for application for a scholarship or

renewal of a scholarship and notice of that application to the child's school district, prescribed in division (C) of section 3310.52 of the Revised Code, and the provisions of divisions (A) and (B) of section 3310.53 of the Revised Code. The department shall revise that document as necessary to reflect any pertinent changes in state or federal statutory law, rule, or regulation enacted or adopted after the initial document is developed. The department and each school district shall ensure that the document prescribed in this section is included in, appended to, or otherwise distributed in conjunction with the notice required under 20 U.S.C. 1415(d), and any provision of the Code of Federal Regulations implementing that requirement, in the manner and at all the times specified for such notice in federal law or regulation. As used in this section, a "child's school district" means the school district in which the child is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

Sec. 3323.09. (A) As used in this section:

(1) "Home" has the meaning given in section 3313.64 of the Revised Code.

(2) "Preschool child" means a child who is at least age three but under age six on the thirtieth day of September of an academic year.

(B) Each county DD board shall establish special education programs for all children with disabilities who in accordance with section 3323.04 of the Revised Code have been placed in special education programs operated by the county board and for preschool children who are developmentally delayed or at risk of being developmentally delayed. The board annually shall submit to the department of education a plan for the provision of these programs and, if applicable, a request for approval of units under section 3317.05 of the Revised Code. The superintendent of public instruction shall review the plan and approve or modify it in accordance with rules adopted by the state board of education under section 3301.07 of the Revised Code. The superintendent of public instruction shall compile the plans submitted by county boards and shall submit a comprehensive plan to the state board.

A county DD board may combine transportation for children enrolled in classes funded under section 3317.20 or units approved under section 3317.05 with transportation for children and adults enrolled in programs and services offered by the board under ~~section 5126.12~~ Chapter 5126. of the Revised Code.

(C) A county DD board that during the school year provided special education pursuant to this section for any child with mental disabilities under twenty-two years of age shall prepare and submit the following reports and statements:

(1) The board shall prepare a statement for each child who at the time of receiving such special education was a resident of a home and was not in the legal or permanent custody of an Ohio resident or a government agency in this state, and whose natural or adoptive parents are not known to have been residents of this state subsequent to the child's birth. The statement shall contain the child's name, the name of the child's school district of residence, the name of the county board providing the special education, and the number of months, including any fraction of a month, it was provided. Not later than the thirtieth day of June, the board shall forward a certified copy of such statement to both the director of developmental disabilities and to the home.

Within thirty days after its receipt of a statement, the home shall pay tuition to the county board computed in the manner prescribed by section 3323.141 of the Revised Code.

(2) The board shall prepare a report for each school district that is the school district of residence of one or more of such children for whom statements are not required by division (C)(1) of this section. The report shall contain the name of the county board providing special education, the name of each child receiving special education, the number of months, including fractions of a month, that the child received it, and the name of the child's school district of residence. Not later than the thirtieth day of June, the board shall forward certified copies of each report to the school district named in the report, the superintendent of public instruction, and the director of developmental disabilities.

Sec. 3323.091. (A) The department of mental health, the department of developmental disabilities, the department of youth services, and the department of rehabilitation and correction shall establish and maintain special education programs for children with disabilities in institutions under their jurisdiction according to standards adopted by the state board of education.

(B) The superintendent of each state institution required to provide services under division (A) of this section, and each county DD board, providing special education for preschool children with disabilities under this chapter may apply to the state department of education for unit funding, which shall be paid in accordance with sections 3317.052 and 3317.053 of the Revised Code.

The superintendent of each state institution required to provide services under division (A) of this section may apply to the department of education for special education and related services weighted funding for children with disabilities other than preschool children with disabilities, calculated in

accordance with section 3317.201 of the Revised Code.

Each county DD board providing special education for children with disabilities other than preschool children with disabilities may apply to the department of education for base cost and special education and related services weighted funding calculated in accordance with section 3317.20 of the Revised Code.

(C) In addition to the authorization to apply for state funding described in division (B) of this section, each state institution required to provide services under division (A) of this section is entitled to tuition payments calculated in the manner described in division (C) of this section.

On or before the thirtieth day of June of each year, the superintendent of each institution that during the school year provided special education pursuant to this section shall prepare a statement for each child with a disability under twenty-two years of age who has received special education. The statement shall contain the child's data verification code assigned pursuant to division (D)(2) of section 3301.0714 of the Revised Code and the name of the child's school district of residence. Within sixty days after receipt of such statement, the department of education shall perform one of the following:

(1) For any child except a preschool child with a disability described in division (C)(2) of this section, pay to the institution submitting the statement an amount equal to the tuition calculated under division (A) of section 3317.08 of the Revised Code for the period covered by the statement, and deduct the same from the amount of state funds, if any, payable under ~~sections 3306.13 and 3317.023~~ Chapter 3317, of the Revised Code, to the child's school district of residence or, if the amount of such state funds is insufficient, require the child's school district of residence to pay the institution submitting the statement an amount equal to the amount determined under this division.

(2) For any preschool child with a disability not included in a unit approved under division (B) of section 3317.05 of the Revised Code, perform the following:

(a) Pay to the institution submitting the statement an amount equal to the tuition calculated under division (B) of section 3317.08 of the Revised Code for the period covered by the statement, except that in calculating the tuition under that section the operating expenses of the institution submitting the statement under this section shall be used instead of the operating expenses of the school district of residence;

(b) Deduct from the amount of state funds, if any, payable under ~~sections 3317.022 or 3306.13 and 3317.023~~ Chapter 3317, of the Revised

Code to the child's school district of residence an amount equal to the amount paid under division (C)(2)(a) of this section.

Sec. 3323.14. This section does not apply to any preschool child with a disability except if included in a unit approved under division (B) of section 3317.05 of the Revised Code.

(A) Where a child who is a school resident of one school district receives special education from another district and the per capita cost to the educating district for that child exceeds the sum of the amount received by the educating district for that child under division (A) of section 3317.08 of the Revised Code and the amount received by the district from the state board of education for that child, then the board of education of the district of residence shall pay to the board of the school district that is providing the special education such excess cost as is determined by using a formula approved by the department of education and agreed upon in contracts entered into by the boards of the districts concerned at the time the district providing such special education accepts the child for enrollment. The department shall certify the amount of the payments under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code for such pupils with disabilities for each school year ending on the thirtieth day of July.

(B) In the case of a child described in division (A) of this section who has been placed in a home, as defined in section 3313.64 of the Revised Code, pursuant to the order of a court and who is not subject to section 3323.141 of the Revised Code, the district providing the child with special education and related services may charge to the child's district of residence the excess cost determined by formula approved by the department, regardless of whether the district of residence has entered into a contract with the district providing the services. If the district providing the services chooses to charge excess costs, the district may report the amount calculated under this division to the department.

(C) If a district providing special education for a child reports an amount for the excess cost of those services, as authorized and calculated under division (A) or (B) of this section, the department shall pay that amount of excess cost to the district providing the services and shall deduct that amount from the child's district of residence in accordance with division ~~(N)(K)~~ of section 3317.023 of the Revised Code.

Sec. 3323.142. This section does not apply to any preschool child with a disability except if included in a unit approved under division (B) of section 3317.05 of the Revised Code.

As used in this section, "per pupil amount" for a preschool child with a disability included in such an approved unit means the amount determined

by dividing the amount received for the classroom unit in which the child has been placed by the number of children in the unit. For any other child, "per pupil amount" means the amount paid for the child under section 3317.20 of the Revised Code.

When a school district places or has placed a child with a county DD board for special education, but another district is responsible for tuition under section 3313.64 or 3313.65 of the Revised Code and the child is not a resident of the territory served by the county DD board, the board may charge the district responsible for tuition with the educational costs in excess of the per pupil amount received by the board under ~~Chapters 3306. and~~ Chapter 3317. of the Revised Code. The amount of the excess cost shall be determined by the formula established by rule of the department of education under section 3323.14 of the Revised Code, and the payment for such excess cost shall be made by the school district directly to the county DD board.

A school district board of education and the county DD board that serves the school district may negotiate and contract, at or after the time of placement, for payments by the board of education to the county DD board for additional services provided to a child placed with the county DD board and whose individualized education program established pursuant to section 3323.08 of the Revised Code requires additional services that are not routinely provided children in the county DD board's program but are necessary to maintain the child's enrollment and participation in the program. Additional services may include, but are not limited to, specialized supplies and equipment for the benefit of the child and instruction, training, or assistance provided by staff members other than staff members for which funding is received under Chapter ~~3306. or~~ 3317. of the Revised Code.

Sec. 3323.31. The Franklin county educational service center shall establish the Ohio ~~Center center~~ for ~~Autism autism~~ and ~~Low Incidence low incidence~~. The ~~Center center~~ shall administer programs and coordinate services for infants, preschool and school-age children, and adults with autism and low incidence disabilities. The ~~Center's center's~~ principal focus shall be programs and services for persons with autism. The ~~Center center~~ shall be under the direction of an executive director, appointed by the superintendent of the service center in consultation with the advisory board established under section 3323.33 of the Revised Code.

In addition to its other duties, the Ohio ~~Center center~~ for ~~Autism autism~~ and ~~Low Incidence low incidence~~ shall participate as a member of ~~an the~~ interagency workgroup on autism, as it is established by the ~~department~~ director of developmental disabilities ~~and under section 5123.0419 of the~~

Revised Code. The center shall provide technical assistance and support to the department of developmental disabilities in the department's leadership role to develop and implement the initiatives identified by projects and activities of the workgroup.

Sec. 3324.05. (A) Each school district shall submit an annual report to the department of education specifying the number of students in each of grades kindergarten through ~~twelfth~~ twelve screened, the number assessed, and the number identified as gifted in each category specified in section 3324.03 of the Revised Code.

(B) The department of education shall audit each school district's identification numbers at least once every three years and may select any district at random or upon complaint or suspicion of noncompliance for a further audit to determine compliance with sections 3324.03 to 3324.06 of the Revised Code.

(C) The department shall provide technical assistance to any district found in noncompliance under division (B) of this section. The department may reduce funds received by the district under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code by any amount if the district continues to be noncompliant.

Sec. 3324.08. Any person employed by a school district and assigned to a school as a principal or any other position may also serve as the district's gifted education coordinator, if qualified to do so pursuant to the rules adopted by the state board of education under this chapter.

Sec. 3325.08. (A) A diploma shall be granted by the superintendent of the state school for the blind and the superintendent of the state school for the deaf to any student enrolled in one of these state schools to whom all of the following apply:

(1) The student has successfully completed the individualized education program developed for the student for the student's high school education pursuant to section 3323.08 of the Revised Code;

(2) Subject to section 3313.614 of the Revised Code, the student has met the assessment requirements of division (A)(2)(a) or (b) of this section, as applicable.

(a) If the student entered the ninth grade prior to the date prescribed by rule of the state board of education under division ~~(E)~~(D)(2) of section 3301.0712 of the Revised Code, the student either:

(i) Has attained at least the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all the assessments prescribed by that division unless division (L) of section 3313.61 of the Revised Code applies to the student;

(ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the student entered the ninth grade on or after the date prescribed by rule of the state board under division ~~(E)(D)~~(2) of section 3301.0712 of the Revised Code, the student has ~~attained on~~ met the requirements of the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code ~~at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised Code~~, except to the extent that division (L) of section 3313.61 of the Revised Code applies to the student.

(3) The student is not eligible to receive an honors diploma granted pursuant to division (B) of this section.

No diploma shall be granted under this division to anyone except as provided under this division.

(B) In lieu of a diploma granted under division (A) of this section, the superintendent of the state school for the blind and the superintendent of the state school for the deaf shall grant an honors diploma, in the same manner that the boards of education of school districts grant such diplomas under division (B) of section 3313.61 of the Revised Code, to any student enrolled in one of these state schools who accomplishes all of the following:

(1) Successfully completes the individualized education program developed for the student for the student's high school education pursuant to section 3323.08 of the Revised Code;

(2) Subject to section 3313.614 of the Revised Code, has met the assessment requirements of division (B)(2)(a) or (b) of this section, as applicable.

(a) If the student entered the ninth grade prior to the date prescribed by rule of the state board under division ~~(E)(D)~~(2) of section 3301.0712 of the Revised Code, the student either:

(i) Has attained at least the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all the assessments prescribed under that division;

(ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the student entered the ninth grade on or after the date prescribed by rule of the state board under division ~~(E)(D)~~(2) of section 3301.0712 of the Revised Code, the student has ~~attained on~~ met the requirements of the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code ~~at least the required passing composite score, designated under division (C)(1) of section 3301.0712 of the Revised~~

Code.

(3) Has met additional criteria for granting an honors diploma.

These additional criteria shall be the same as those prescribed by the state board under division (B) of section 3313.61 of the Revised Code for the granting of such diplomas by school districts. No honors diploma shall be granted to anyone failing to comply with this division and not more than one honors diploma shall be granted to any student under this division.

(C) A diploma or honors diploma awarded under this section shall be signed by the superintendent of public instruction and the superintendent of the state school for the blind or the superintendent of the state school for the deaf, as applicable. Each diploma shall bear the date of its issue and be in such form as the school superintendent prescribes.

(D) Upon granting a diploma to a student under this section, the superintendent of the state school in which the student is enrolled shall provide notice of receipt of the diploma to the board of education of the school district where the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code when not residing at the state school for the blind or the state school for the deaf. The notice shall indicate the type of diploma granted.

Sec. 3326.11. Each science, technology, engineering, and mathematics school established under this chapter and its governing body shall comply with sections 9.90, 9.91, 109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.18, 2921.42, 2921.43, 3301.0714, 3301.0715, 3313.14, 3313.15, 3313.16, 3313.18, 3313.201, 3313.26, 3313.472, 3313.48, 3313.481, 3313.482, 3313.50, 3313.536, 3313.608, 3313.6012, 3313.6013, 3313.6014, 3313.6015, 3313.61, 3313.611, 3313.614, 3313.615, 3313.643, 3313.648, 3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.67, 3313.671, 3313.672, 3313.673, ~~3313.674~~, 3313.69, 3313.71, 3313.716, 3313.718, 3313.719, 3313.80, 3313.801, 3313.814, 3313.816, 3313.817, 3313.86, 3313.88, 3313.96, 3319.073, 3319.21, 3319.32, 3319.321, 3319.35, 3319.39, 3319.391, 3319.41, 3319.45, 3321.01, 3321.041, 3321.13, 3321.14, 3321.17, 3321.18, 3321.19, 3321.191, 3327.10, 4111.17, 4113.52, and 5705.391 and Chapters 102., 117., 1347., 2744., 3307., 3309., 3365., 3742., 4112., 4123., 4141., and 4167. of the Revised Code as if it were a school district.

Sec. 3326.111. If a science, technology, engineering, and mathematics school is the recipient of moneys from a grant awarded under the federal race to the top program, Division (A), Title XIV, Sections 14005 and 14006 of the "American Recovery and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115, the governing body of the school shall pay teachers based upon performance in accordance with section 3317.141 and shall

comply with section 3319.111 of the Revised Code as if it were a school district board of education.

Sec. 3326.33. Payments and deductions under this section for fiscal years ~~2010~~ 2012 and ~~2011~~ 2013 shall be made in accordance with section 3326.39 of the Revised Code.

For each student enrolled in a science, technology, engineering, and mathematics school established under this chapter, the department of education annually shall deduct from the state education aid of a student's resident school district and, if necessary, from the payment made to the district under sections 321.24 and 323.156 of the Revised Code and pay to the school the sum of the following:

(A) The sum of the formula amount plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code.

(B) If the student is receiving special education and related services pursuant to an IEP, the product of the applicable special education weight times the formula amount;

(C) If the student is enrolled in vocational education programs or classes that are described in section 3317.014 of the Revised Code, are provided by the school, and are comparable as determined by the superintendent of public instruction to school district vocational education programs and classes eligible for state weighted funding under section 3317.014 of the Revised Code, the product of the applicable vocational education weight times the formula amount times the percentage of time the student spends in the vocational education programs or classes;

(D) If the student is included in the poverty student count of the student's resident district, the per pupil amount of the district's payment under division (C) of section 3317.029 of the Revised Code;

(E) If the student is identified as limited English proficient and the student's resident district receives a payment for services to limited English proficient students under division (F) of section 3317.029 of the Revised Code, the per pupil amount of the district's payment under that division, calculated in the same manner as per pupil payments are calculated under division (C)(6) of section 3314.08 of the Revised Code;

(F) If the student's resident district receives a payment under division (G), (H), or (I) of section 3317.029 of the Revised Code, the per pupil amount of the district's payments under each division, calculated in the same manner as per pupil payments are calculated under divisions (C)(7) and (8) of section 3314.08 of the Revised Code;

(G) If the student's resident district receives a parity aid payment under

section 3317.0217 of the Revised Code, the per pupil amount calculated for the district under division (C) or (D) of that section.

Sec. 3326.39. For purposes of applying sections 3326.31 to 3326.37 of the Revised Code to fiscal years ~~2010~~ 2012 and ~~2011~~ 2013:

(A) The formula amount for STEM schools for ~~each of fiscal year 2010 is \$5,718, and for fiscal year 2011 is \$5,703. These respective amounts~~ years 2012 and 2013 is \$5,653. That amount shall be applied wherein sections 3326.31 to 3326.37 of the Revised Code the formula amount is specified, except for deducting and paying amounts for special education weighted funding and vocational education weighted funding.

(B) The base funding supplements under section 3317.012 of the Revised Code shall be deemed in each year to be the amounts specified in that section for fiscal year 2009. Accordingly, when computing the per-pupil base funding supplements for a STEM school under that section for fiscal years 2012 and 2013, the department of education shall substitute \$5,732 for the "formula amount" as used in divisions (C)(2), (3), and (4) of that section.

(C) Special education additional weighted funding shall be calculated by first grouping children with disabilities into the appropriate disability categories prescribed by section 3317.013 of the Revised Code as that section existed for fiscal year 2009, and then by multiplying the applicable weight ~~respectively~~ multiple specified for that same fiscal year in that same version of that section 3317.013 of the Revised Code for fiscal year 2009, times \$5,732.

(D) Vocational education additional weighted funding shall be calculated by multiplying the applicable weight specified in section 3317.014 of the Revised Code for fiscal year 2009 times \$5,732.

(E) The per pupil amounts paid to a school district under sections 3317.029 and 3317.0217 of the Revised Code shall be deemed to be the respective per pupil amounts paid under those sections to that district for fiscal year 2009.

Sec. 3327.02. (A) After considering each of the following factors, the board of education of a city, exempted village, or local school district may determine that it is impractical to transport a pupil who is eligible for transportation to and from a school under section 3327.01 of the Revised Code:

- (1) The time and distance required to provide the transportation;
- (2) The number of pupils to be transported;
- (3) The cost of providing transportation in terms of equipment, maintenance, personnel, and administration;
- (4) Whether similar or equivalent service is provided to other pupils

eligible for transportation;

(5) Whether and to what extent the additional service unavoidably disrupts current transportation schedules;

(6) Whether other reimbursable types of transportation are available.

(B)(1) Based on its consideration of the factors established in division (A) of this section, the board may pass a resolution declaring the impracticality of transportation. The resolution shall include each pupil's name and the reason for impracticality.

(2) The board shall report its determination to the state board of education in a manner determined by the state board.

(3) The board of education of a local school district additionally shall submit the resolution for concurrence to the educational service center that contains the local district's territory. If the educational service center governing board considers transportation by school conveyance practicable, it shall so inform the local board and transportation shall be provided by such local board. If the educational service center board agrees with the view of the local board, the local board may offer payment in lieu of transportation as provided in this section.

(C) After passing the resolution declaring the impracticality of transportation, the district board shall offer to provide payment in lieu of transportation by doing the following:

(1) In accordance with guidelines established by the department of education, informing the pupil's parent, guardian, or other person in charge of the pupil of both of the following:

(a) The board's resolution;

(b) The right of the pupil's parent, guardian, or other person in charge of the pupil to accept the offer of payment in lieu of transportation or to reject the offer and instead request the department to initiate mediation procedures.

(2) Issuing the pupil's parent, guardian, or other person in charge of the pupil a contract or other form on which the parent, guardian, or other person in charge of the pupil is given the option to accept or reject the board's offer of payment in lieu of transportation.

(D) If the parent, guardian, or other person in charge of the pupil accepts the offer of payment in lieu of providing transportation, the board shall pay the parent, guardian, or other person in charge of the ~~child~~ pupil an amount that shall be not less than the amount determined by the department of education as the minimum for payment in lieu of transportation, and not more than the amount determined by the department as the average cost of pupil transportation for the previous school year. Payment may be prorated if the time period involved is only a part of the school year.

(E)(1)(a) Upon the request of a parent, guardian, or other person in charge of the pupil who rejected the payment in lieu of transportation, the department shall conduct mediation procedures.

(b) If the mediation does not resolve the dispute, the state board of education shall conduct a hearing in accordance with Chapter 119. of the Revised Code. The state board may approve the payment in lieu of transportation or may order the board of education to provide transportation. The decision of the state board is binding in subsequent years and on future parties in interest provided the facts of the determination remain comparable.

(2) The school district shall provide transportation for the pupil from the time the parent, guardian, or other person in charge of the pupil requests mediation until the matter is resolved under division (E)(1)(a) or (b) of this section.

(F)(1) If the department determines that a school district board has failed or is failing to provide transportation as required by division (E)(2) of this section or as ordered by the state board under division (E)(1)(b) of this section, the department shall order the school district board to pay to the pupil's parent, guardian, or other person in charge of the pupil, an amount equal to the state average daily cost of transportation as determined by the state board of education for the previous year. The school district board shall make payments on a schedule ordered by the department.

(2) If the department subsequently finds that a school district board is not in compliance with an order issued under division (F)(1) of this section and the affected pupils are enrolled in a nonpublic or community school, the department shall deduct the amount that the board is required to pay under that order from any pupil transportation payments the department makes to the school district board under section ~~3306.42~~ 3317.0212 of the Revised Code or other provisions of law. The department shall use the moneys so deducted to make payments to the nonpublic or community school attended by the pupil. The department shall continue to make the deductions and payments required under this division until the school district board either complies with the department's order issued under division (F)(1) of this section or begins providing transportation.

(G) A nonpublic or community school that receives payments from the department under division (F)(2) of this section shall do either of the following:

(1) Disburse the entire amount of the payments to the parent, guardian, or other person in ~~control~~ charge of the pupil affected by the failure of the school district of residence to provide transportation;

(2) Use the entire amount of the payments to provide acceptable transportation for the affected pupil.

Sec. 3327.04. (A) The board of education of any city, exempted village, or local school district may contract with the board of another district for the admission or transportation, or both, of pupils into any school in such other district, on terms agreed upon by such boards.

(B) The boards of two school districts may enter into a contract under this section to share the provision of transportation to a child who resides in one school district and attends school in the other district. Under such an agreement, one district may claim the total transportation subsidy available for such child under section ~~3306.12~~ 3317.0212 of the Revised Code or other provisions of law and may agree to pay any portion of such subsidy to the other district sharing the provision of transportation to that child. The contract shall delineate the transportation responsibilities of each district.

A school district that enters into a contract under this section is not liable for any injury, death, or loss to the person or property of a student that may occur while the student is being furnished transportation by the other school district that is a party to the contract.

(C) Whenever a board not maintaining a high school enters into an agreement with one or more boards maintaining such school for the schooling of all its high school pupils, the board making such agreement is exempt from the payment of tuition at other high schools of pupils living within three miles of the school designated in the agreement. In case no such agreement is entered into, the high school to be attended can be selected by the pupil holding an eighth grade diploma, and the tuition shall be paid by the board of the district of school residence.

Sec. 3327.05. (A) Except as provided in division (B) of this section, no board of education of any school district shall provide transportation for any pupil who is a school resident of another school district unless the pupil is enrolled pursuant to section 3313.98 of the Revised Code or the board of the other district has given its written consent thereto. If the board of any school district files with the state board of education a written complaint that transportation for resident pupils is being provided by the board of another school district contrary to this division, the state board of education shall make an investigation of such complaint. If the state board of education finds that transportation is being provided contrary to this section, it may withdraw from state funds due the offending district any part of the amount that has been approved for transportation pursuant to section ~~3306.12~~ 3317.0212 of the Revised Code or other provisions of law.

(B) Notwithstanding division (D) of section 3311.19 and division (D) of

section 3311.52 of the Revised Code, this division does not apply to any joint vocational or cooperative education school district.

A board of education may provide transportation to and from the nonpublic school of attendance if both of the following apply:

(1) The parent, guardian, or other person in charge of the pupil agrees to pay the board for all costs incurred in providing the transportation that are not reimbursed pursuant to Chapter ~~3306~~ or 3317. of the Revised Code;

(2) The pupil's school district of residence does not provide transportation for public school pupils of the same grade as the pupil being transported under this division, or that district is not required under section 3327.01 of the Revised Code to transport the pupil to and from the nonpublic school because the direct travel time to the nonpublic school is more than thirty minutes.

Upon receipt of the request to provide transportation, the board shall review the request and determine whether the board will accommodate the request. If the board agrees to transport the pupil, the board may transport the pupil to and from the nonpublic school and a collection point in the district, as determined by the board. If the board transports the pupil, the board may include the pupil in the district's transportation ADM reported to the department of education under section 3317.03 of the Revised Code and, accordingly, may receive a state payment under section ~~3306.12~~ 3317.0212 of the Revised Code or other provisions of law for transporting the pupil.

If the board declines to transport the pupil, the board, in a written communication to the parent, guardian, or other person in charge of the pupil, shall state the reasons for declining the request.

Sec. 3328.01. As used in this chapter:

(A) "Child with a disability," "IEP," and "school district of residence" have the same meanings as in section 3323.01 of the Revised Code.

(B) "Eligible student" means a student who is entitled to attend school in a participating school district; is at risk of academic failure; is from a family whose income is below two hundred per cent of the federal poverty guidelines, as defined in section 5101.46 of the Revised Code; meets any additional criteria prescribed by agreement between the state board of education and the operator of the college-preparatory boarding school in which the student seeks enrollment; and meets at least two of the following additional conditions:

(1) The student has a record of in-school disciplinary actions, suspensions, expulsions, or truancy.

(2) The student has not attained at least a proficient score on the state achievement assessments in English language arts, reading, or mathematics

prescribed under section 3301.0710 of the Revised Code, after those assessments have been administered to the student at least once, or the student has not attained at least a score designated by the board of trustees of the college-preparatory boarding school in which the student seeks enrollment under this chapter on an end-of-course examination in English language arts or mathematics prescribed under section 3301.0712 of the Revised Code.

(3) The student is a child with a disability.

(4) The student has been referred for academic intervention services.

(5) The student's head of household is a single parent. As used in this division and in division (B)(6) of this section, "head of household" means a person who occupies the same household as the student and who is financially responsible for the student.

(6) The student's head of household is not the student's custodial parent.

(7) A member of the student's family has been imprisoned, as defined in section 1.05 of the Revised Code.

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

(D) "Formula ADM" and "category one through six special education ADM" have the same meanings as in section 3306.02 of the Revised Code.

(E) "Operator" means the operator of a college-preparatory boarding school selected under section 3328.11 of the Revised Code.

(F) "Participating school district" means either of the following:

(1) The school district in which a college-preparatory boarding school established under this chapter is located;

(2) A school district other than one described in division (F)(1) of this section that, pursuant to procedures adopted by the state board of education under section 3328.04 of the Revised Code, agrees to be a participating school district so that eligible students entitled to attend school in that district may enroll in a college-preparatory boarding school established under this chapter.

(G) "State education aid" has the same meaning as in section 3317.02 of the Revised Code.

Sec. 3328.02. Each college-preparatory boarding school established under this chapter is a public school and is part of the state's program of education, subject to a charter granted by the state board of education under section 3301.16 of the Revised Code.

Sec. 3328.03. In accordance with Section 22 of Article II, Ohio Constitution, no agreement or contract entered into under this chapter shall create an obligation of state funds for a period longer than two years;

however, the general assembly, every two years, may authorize renewal of any such obligation.

Sec. 3328.04. The city, exempted village, or local school district in which a college-preparatory boarding school established under this chapter is located is a participating school district under this chapter. Any other city, exempted village, or local school district may agree to be a participating school district. The state board of education shall adopt procedures for districts to agree to be participating school districts.

Sec. 3328.11. (A) In accordance with the procedures prescribed in division (B) of this section, the state board of education shall select a private nonprofit corporation that meets the following qualifications to operate each college-preparatory boarding school established under this chapter:

(1) The corporation has experience operating a school or program similar to the schools authorized under this chapter.

(2) The school or program described in division (A)(1) of this section has demonstrated to the satisfaction of the state board success in improving the academic performance of students.

(3) The corporation has demonstrated to the satisfaction of the state board that the corporation has the capacity to secure private funds for the development of the school authorized under this chapter.

(B)(1) Not later than sixty days after the effective date of this section, the state board shall issue a request for proposals from private nonprofit corporations qualified to operate a college-preparatory boarding school established under this chapter. If the state board subsequently determines that the establishment of one or more additional college-preparatory boarding schools is advisable, the state board shall issue requests for proposals from private nonprofit corporations qualified to operate those additional schools.

In all cases, the state board shall select the school's operator from among the qualified responders within one hundred eighty days after the issuance of the request for proposals. If no qualified responder submits a proposal, the state board may issue another request for proposals.

(2) Each proposal submitted to the state board shall contain the following information:

(a) The proposed location of the college-preparatory boarding school, which may differ from any location recommended by the state board in the request for proposals;

(b) A plan for offering grade six in the school's initial year of operation and a plan for increasing the grade levels offered by the school in subsequent years;

(c) Any other information about the proposed educational program, facilities, or operations of the school considered necessary by the state board.

(C) No college-preparatory boarding school established under this chapter shall open for operation prior to the 2013-2014 school year.

Sec. 3328.12. The state board of education shall enter into a contract with the operator of each college-preparatory boarding school established under this chapter. The contract shall stipulate the following:

(A) The school may operate only if and to the extent the school holds a valid charter granted by the state board under section 3301.16 of the Revised Code.

(B) The operator shall oversee the acquisition of a facility for the school.

(C) The operator shall operate the school in accordance with the terms of the proposal accepted by the state board under section 3328.11 of the Revised Code, including the plan for increasing the grade levels offered by the school.

(D) The school shall comply with the provisions of this chapter.

(E) The school shall comply with any other provisions of law specified in the contract, the charter granted by the state board, and the rules adopted by the state board under section 3328.50 of the Revised Code.

(F) The school shall comply with the bylaws adopted by the operator under section 3328.13 of the Revised Code.

(G) The school shall meet the academic goals and other performance standards specified in the contract.

(H) The state board or the operator may terminate the contract in accordance with the procedures specified in the contract, which shall include at least a requirement that the party seeking termination give prior notice of the intent to terminate the contract and a requirement that the party receiving such notice be granted an opportunity to redress any grievances cited in the notice prior to the termination.

(I) If the school closes for any reason, the school's board of trustees shall execute the closing in the manner specified in the contract.

Sec. 3328.13. Each operator of a college-preparatory boarding school established under this chapter shall adopt bylaws for the oversight and operation of the school that are consistent with the provisions of this chapter, the rules adopted under section 3328.50 of the Revised Code, the contract between the operator and the state board of education, and the charter granted to the school by the state board. The bylaws shall include procedures for the appointment of members of the school's board of trustees,

whose terms of office shall be as prescribed in section 3328.15 of the Revised Code. The bylaws also shall include standards for the admission of students to the school and their dismissal from the school. The bylaws shall be subject to the approval of the state board.

Sec. 3328.14. Each operator of a college-preparatory boarding school established under this chapter shall adopt a program of outreach to inform every city, local, and exempted village school district about the school and the procedures for admission to the school and for becoming a participating school district.

Sec. 3328.15. (A) Each college-preparatory boarding school established under this chapter shall be governed by a board of trustees consisting of up to twenty-five members. Five of those members shall be appointed by the governor, with the advice and consent of the senate. The governor's appointments may be based on nonbinding recommendations made by the superintendent of public instruction. The remaining members shall be appointed pursuant to the bylaws adopted under section 3328.13 of the Revised Code.

(B) The terms of office of the initial members shall be as follows:

(1) Two members appointed by the governor shall serve for an initial term of three years.

(2) Two members appointed by the governor shall serve for an initial term of two years.

(3) One member appointed by the governor shall serve for an initial term of one year.

(4) One-third of the members appointed pursuant to the bylaws, rounded down to the nearest whole number, shall serve for an initial term of three years.

(5) One-third of the members appointed pursuant to the bylaws, rounded down to the nearest whole number, shall serve for an initial term of two years.

(6) One-third of the members appointed pursuant to the bylaws, rounded down to the nearest whole number, shall serve for an initial term of one year.

(7) Any remaining members appointed pursuant to the bylaws shall serve for an initial term of one year.

Thereafter the terms of office of all members shall be for three years.

The beginning date and ending date of terms of office shall be as prescribed in the bylaws adopted under section 3328.13 of the Revised Code.

(C) Vacancies on the board shall be filled in the same manner as the

initial appointments. A member appointed to an unexpired term shall serve for the remainder of that term and may be reappointed subject to division (D) of this section.

(D) No member may serve for more than three consecutive three-year terms.

(E) The officers of the board shall be selected by and from among the members of the board.

(F) Compensation for the members of the board, if any, shall be as prescribed in the bylaws adopted under section 3328.13 of the Revised Code.

Sec. 3328.17. Employees of a college-preparatory boarding school established under this chapter may organize and collectively bargain pursuant to Chapter 4117. of the Revised Code. Notwithstanding division (D)(1) of section 4117.06 of the Revised Code, a unit containing teaching and nonteaching employees employed under this section may be considered an appropriate unit.

Sec. 3328.18. (A) As used in this section, "license" has the same meaning as in section 3319.31 of the Revised Code.

(B) If a person who is employed by a college-preparatory boarding school established under this chapter or its operator is arrested, summoned, or indicted for an alleged violation of an offense listed in division (C) of section 3319.31 of the Revised Code, if the person holds a license, or an offense listed in division (B)(1) of section 3319.39 of the Revised Code, if the person does not hold a license, the chief administrator of the school in which that person works shall suspend that person from all duties that require the care, custody, or control of a child during the pendency of the criminal action against the person. If the person who is arrested, summoned, or indicted for an alleged violation of an offense listed in division (C) of section 3319.31 or division (B)(1) of section 3319.39 of the Revised Code is the chief administrator of the school, the board of trustees of the school shall suspend the chief administrator from all duties that require the care, custody, or control of a child.

(C) When a person who holds a license is suspended in accordance with this section, the chief administrator or board that imposed the suspension promptly shall report the person's suspension to the department of education. The report shall include the offense for which the person was arrested, summoned, or indicted.

Sec. 3328.19. (A) As used in this section:

(1) "Conduct unbecoming to the teaching profession" shall be as described in rules adopted by the state board of education.

(2) "Intervention in lieu of conviction" means intervention in lieu of conviction under section 2951.041 of the Revised Code.

(3) "License" has the same meaning as in section 3319.31 of the Revised Code.

(4) "Pre-trial diversion program" means a pre-trial diversion program under section 2935.36 of the Revised Code or a similar diversion program under rules of a court.

(B) The chief administrator of each college-preparatory boarding school established under this chapter, or the president or chairperson of the board of trustees of the school if division (C) of this section applies, shall promptly submit to the superintendent of public instruction the information prescribed in division (D) of this section when any of the following conditions applies to a person employed to work in the school who holds a license issued by the state board of education:

(1) The chief administrator, or president or chairperson, knows that the employee has pleaded guilty to, has been found guilty by a jury or court of, has been convicted of, has been found to be eligible for intervention in lieu of conviction for, or has agreed to participate in a pre-trial diversion program for an offense described in division (B)(2) or (C) of section 3319.31 or division (B)(1) of section 3319.39 of the Revised Code.

(2) The board of trustees of the school, or the operator, has initiated termination or nonrenewal proceedings against, has terminated, or has not renewed the contract of the employee because the board or operator has reasonably determined that the employee has committed an act that is unbecoming to the teaching profession or an offense described in division (B)(2) or (C) of section 3319.31 or division (B)(1) of section 3319.39 of the Revised Code.

(3) The employee has resigned under threat of termination or nonrenewal as described in division (B)(2) of this section.

(4) The employee has resigned because of or in the course of an investigation by the board or operator regarding whether the employee has committed an act that is unbecoming to the teaching profession or an offense described in division (B)(2) or (C) of section 3319.31 or division (B)(1) of section 3319.39 of the Revised Code.

(C) If the employee to whom any of the conditions prescribed in divisions (B)(1) to (4) of this section applies is the chief administrator of the school, the president or chairperson of the board of trustees of the school shall make the report required under this section.

(D) If a report is required under this section, the chief administrator, or president or chairperson, shall submit to the superintendent of public

instruction the name and social security number of the employee about whom the information is required and a factual statement regarding any of the conditions prescribed in divisions (B)(1) to (4) of this section that apply to the employee.

(E) A determination made by the board or operator as described in division (B)(2) of this section or a termination, nonrenewal, resignation, or other separation described in divisions (B)(2) to (4) of this section does not create a presumption of the commission or lack of the commission by the employee of an act unbecoming to the teaching profession or an offense described in division (B)(2) or (C) of section 3319.31 or division (B)(1) of section 3319.39 of the Revised Code.

(F) No individual required to submit a report under division (B) of this section shall knowingly fail to comply with that division.

(G) An individual who provides information to the superintendent of public instruction in accordance with this section in good faith shall be immune from any civil liability that otherwise might be incurred or imposed for injury, death, or loss to person or property as a result of the provision of that information.

Sec. 3328.191. The board of trustees of each college-preparatory boarding school established under this chapter shall require that the reports of any investigation by the board or by the school's operator of an employee who works in the school, regarding whether the employee has committed an act or offense for which the chief administrator of the school or the president or chairperson of the board is required to make a report to the superintendent of public instruction under section 3328.19 of the Revised Code, be kept in the employee's personnel file. If, after an investigation under division (A) of section 3319.311 of the Revised Code, the superintendent of public instruction determines that the results of that investigation do not warrant initiating action under section 3319.31 of the Revised Code, the board shall require the reports of the investigation to be moved from the employee's personnel file to a separate public file.

Sec. 3328.192. Notwithstanding any provision to the contrary in Chapter 4117. of the Revised Code, the provisions of sections 3328.19 and 3328.191 of the Revised Code prevail over any conflicting provisions of a collective bargaining agreement or contract for employment entered into on or after the effective date of this section.

Sec. 3328.193. (A) As used in this section, "license" has the same meaning as in section 3319.31 of the Revised Code.

(B) No employee of a college-preparatory boarding school established under this chapter or its operator shall do either of the following:

(1) Knowingly make a false report to the chief administrator of the school, or the chief administrator's designee, alleging misconduct by another employee of the school or its operator;

(2) Knowingly cause the chief administrator, or the chief administrator's designee, to make a false report of the alleged misconduct to the superintendent of public instruction or the state board of education.

(C) Any employee of a college-preparatory boarding school established under this chapter or its operator who in good faith reports to the chief administrator of the school, or the chief administrator's designee, information about alleged misconduct committed by another employee of the school or operator shall be immune from any civil liability that otherwise might be incurred or imposed for injury, death, or loss to person or property as a result of the reporting of that information.

If the alleged misconduct involves a person who holds a license but the chief administrator is not required to submit a report to the superintendent of public instruction under section 3328.19 of the Revised Code and the chief administrator, or the chief administrator's designee, in good faith reports the alleged misconduct to the superintendent of public instruction or the state board, the chief administrator, or the chief administrator's designee, shall be immune from any civil liability that otherwise might be incurred or imposed for injury, death, or loss to person or property as a result of the reporting of that information.

(D)(1) In any civil action brought against a person in which it is alleged and proved that the person violated division (B) of this section, the court shall award the prevailing party reasonable attorney's fees and costs that the prevailing party incurred in the civil action or as a result of the false report that was the basis of the violation.

(2) If a person is convicted of or pleads guilty to a violation of division (B) of this section, if the subject of the false report that was the basis of the violation was charged with any violation of a law or ordinance as a result of the false report, and if the subject of the false report is found not to be guilty of the charges brought against the subject as a result of the false report or those charges are dismissed, the court that sentences the person for the violation of division (B) of this section, as part of the sentence, shall order the person to pay restitution to the subject of the false report, in an amount equal to reasonable attorney's fees and costs that the subject of the false report incurred as a result of or in relation to the charges.

Sec. 3328.20. (A) As used in this section:

(1) "Designated official" means the chief administrator of a college-preparatory boarding school established under this chapter, or the

chief administrator's designee.

(2) "Essential school services" means services provided by a private company under contract with a college-preparatory boarding school established under this chapter that the chief administrator of the school has determined are necessary for the operation of the school and that would need to be provided by persons employed by the school or its operator if the services were not provided by the private company.

(3) "License" has the same meaning as in section 3319.31 of the Revised Code.

(B) This section applies to any person who is an employee of a private company under contract with a college-preparatory boarding school established under this chapter to provide essential school services and who will work in the school in a position that does not require a license issued by the state board of education, is not for the operation of a vehicle for pupil transportation, and that involves routine interaction with a child or regular responsibility for the care, custody, or control of a child.

(C) No college-preparatory boarding school established under this chapter shall permit a person to whom this section applies to work in the school, unless one of the following applies to the person:

(1) The person's employer presents proof of both of the following to the designated official:

(a) That the person has been the subject of a criminal records check conducted in accordance with division (D) of this section within the five-year period immediately prior to the date on which the person will begin working in the school;

(b) That the criminal records check indicates that the person has not been convicted of or pleaded guilty to any offense described in division (B)(1) of section 3319.39 of the Revised Code.

(2) During any period of time in which the person will have routine interaction with a child or regular responsibility for the care, custody, or control of a child, the designated official has arranged for an employee of the school to be present in the same room with the child or, if outdoors, to be within a thirty-yard radius of the child or to have visual contact with the child.

(D) Any private company that has been hired or seeks to be hired by a college-preparatory boarding school established under this chapter to provide essential school services may request the bureau of criminal identification and investigation to conduct a criminal records check of any of its employees for the purpose of complying with division (C)(1) of this section. Each request for a criminal records check under this division shall

be made to the superintendent of the bureau in the manner prescribed in section 3319.39 of the Revised Code. Upon receipt of a request, the bureau shall conduct the criminal records check in accordance with section 109.572 of the Revised Code as if the request had been made under section 3319.39 of the Revised Code.

Notwithstanding division (H) of section 109.57 of the Revised Code, the private company may share the results of any criminal records check conducted under this division with the designated official for the purpose of complying with division (C)(1) of this section, but in no case shall the designated official release that information to any other person.

Sec. 3328.21. (A) Any eligible student may apply for admission to a college-preparatory boarding school established under this chapter in a grade level offered by the school that is appropriate for the student and shall be admitted to the school in that grade level to the extent the student's admission is within the capacity of the school as established by the school's board of trustees, subject to division (B) of this section. If more eligible students apply for admission than the number of students permitted by the capacity established by the board of trustees, admission shall be by lot.

(B) In the first year of operation, each school established under this chapter shall offer only grade six and shall not admit more than eighty students to the school. In each subsequent year of operation, the school may add additional grade levels as specified in the contract under section 3328.12 of the Revised Code, but at no time shall the school's total student population exceed four hundred students.

Sec. 3328.22. The educational program of a college-preparatory boarding school established under this chapter shall include at least all of the following:

(A) A remedial curriculum for students in grades lower than grade nine;

(B) A college-preparatory curriculum for high school students that, at a minimum, shall comply with section 3313.603 of the Revised Code as that section applies to school districts;

(C) Extracurricular activities, including athletic and cultural activities;

(D) College admission counseling;

(E) Health and mental health services;

(F) Tutoring services;

(G) Community services opportunities;

(H) A residential student life program.

Sec. 3328.23. (A) A college-preparatory boarding school established under this chapter and the school's operator shall comply with Chapter 3323. of the Revised Code as if the school were a school district. For each child

with a disability enrolled in the school for whom an IEP has been developed, the school and its operator shall verify in the manner prescribed by the department of education that the school is providing the services required under the child's IEP.

(B) The school district in which a child with a disability enrolled in the college-preparatory boarding school is entitled to attend school and the child's school district of residence, if different, are not obligated to provide the student with a free appropriate public education under Chapter 3323. of the Revised Code for as long as the child is enrolled in the college-preparatory boarding school.

Sec. 3328.24. A college-preparatory boarding school established under this chapter, its operator, and its board of trustees shall comply with sections 3301.0710, 3301.0711, 3301.0712, 3301.0714, 3319.39, and 3319.391 of the Revised Code as if the school and the operator were a school district and the school's board of trustees were a district board of education.

Sec. 3328.25. (A) The board of trustees of a college-preparatory boarding school established under this chapter shall grant a diploma to any student enrolled in the school to whom all of the following apply:

(1) The student has successfully completed the school's high school curriculum or the IEP developed for the student by the school pursuant to section 3323.08 of the Revised Code or has qualified under division (D) or (F) of section 3313.603 of the Revised Code, provided that the school shall not require a student to remain in school for any specific number of semesters or other terms if the student completes the required curriculum early.

(2) Subject to section 3313.614 of the Revised Code, the student has met the assessment requirements of division (A)(2)(a) or (b) of this section, as applicable.

(a) If the student entered ninth grade prior to the date prescribed by rule of the state board of education under division (D)(2) of section 3301.0712 of the Revised Code, the student either:

(i) Has attained at least the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all the assessments prescribed by that division unless division (L) of section 3313.61 of the Revised Code applies to the student;

(ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the person entered ninth grade on or after the date prescribed by rule of the state board under division (D)(2) of section 3301.0712 of the Revised Code, the student has met the requirements of the entire assessment

system prescribed under division (B)(2) of section 3301.0710 of the Revised Code, except to the extent that the student is excused from some portion of that assessment system pursuant to division (L) of section 3313.61 of the Revised Code.

(3) The student is not eligible to receive an honors diploma granted under division (B) of this section.

No diploma shall be granted under this division to anyone except as provided in this division.

(B) In lieu of a diploma granted under division (A) of this section, the board of trustees shall grant an honors diploma, in the same manner that boards of education of school districts grant honors diplomas under division (B) of section 3313.61 of the Revised Code, to any student enrolled in the school who accomplishes all of the following:

(1) Successfully completes the school's high school curriculum or the IEP developed for the student by the school pursuant to section 3323.08 of the Revised Code;

(2) Subject to section 3313.614 of the Revised Code, has met the assessment requirements of division (B)(2)(a) or (b) of this section, as applicable.

(a) If the student entered ninth grade prior to the date prescribed by rule of the state board under division (D)(2) of section 3301.0712 of the Revised Code, the student either:

(i) Has attained at least the applicable scores designated under division (B)(1) of section 3301.0710 of the Revised Code on all the assessments prescribed under that division;

(ii) Has satisfied the alternative conditions prescribed in section 3313.615 of the Revised Code.

(b) If the person entered ninth grade on or after the date prescribed by rule of the state board under division (D)(2) of section 3301.0712 of the Revised Code, the student has met the requirements of the entire assessment system prescribed under division (B)(2) of section 3301.0710 of the Revised Code.

(3) Has met the additional criteria for granting an honors diploma prescribed by the state board under division (B) of section 3313.61 of the Revised Code for the granting of honors diplomas by school districts.

An honors diploma shall not be granted to a student who is subject to the Ohio core curriculum prescribed in division (C) of section 3313.603 of the Revised Code but elects the option of division (D) or (F) of that section. No honors diploma shall be granted to anyone failing to comply with this division, and not more than one honors diploma shall be granted to any

student under this division.

(C) A diploma or honors diploma awarded under this section shall be signed by the presiding officer of the board of trustees. Each diploma shall bear the date of its issue and be in such form as the board of trustees prescribes.

(D) Upon granting a diploma to a student under this section, the presiding officer of the board of trustees shall provide notice of receipt of the diploma to the board of education of the city, exempted village, or local school district where the student is entitled to attend school when not residing at the college-preparatory boarding school. The notice shall indicate the type of diploma granted.

Sec. 3328.26. (A) The department of education shall issue an annual report card for each college-preparatory boarding school established under this chapter that includes all information applicable to school buildings under section 3302.03 of the Revised Code.

(B) For each student enrolled in the school, the department shall combine data regarding the academic performance of that student with comparable data from the school district in which the student is entitled to attend school for the purpose of calculating the performance of the district as a whole on the report card issued for the district under section 3302.03 of the Revised Code.

(C) Each college-preparatory boarding school and its operator shall comply with sections 3302.04 and 3302.041 of the Revised Code, except that any action required to be taken by a school district pursuant to those sections shall be taken by the school.

Sec. 3328.31. Each college-preparatory boarding school established under this chapter shall report to the department of education, in the form and manner prescribed by the department, the following information:

(A) The total number of students enrolled in the school;

(B) The number of students enrolled in the school who are receiving special education and related services pursuant to an IEP;

(C) The city, exempted village, or local school district in which each student reported under division (A) of this section is entitled to attend school;

(D) Any additional information the department determines necessary to make payments to the school under this chapter.

Sec. 3328.32. The city, exempted village, or local school district in which each child enrolled in a college-preparatory boarding school established under this chapter is entitled to attend school shall count that child in the district's average daily membership and in the district's category

one through six special education ADM, as appropriate, as reported under divisions (A) and (B)(5) to (10) of section 3317.03 of the Revised Code.

The department of education shall count that child in the district's formula ADM.

Sec. 3328.33. (A) For each child enrolled in a college-preparatory boarding school, as reported under section 3328.31 of the Revised Code, the department of education shall deduct from the state education aid and, if necessary, from the payment under sections 321.24 and 323.156 of the Revised Code, for the city, exempted village, or local school district in which the child is entitled to attend school the amount calculated under division (B) of this section, as set forth in the agreement filed with the department under division (C) of this section.

(B) Each participating school district, in consultation with the college-preparatory boarding school's board of trustees, shall calculate the amount of funds per student to be deducted from the district's account under division (A) of this section, which shall be set forth in the agreement required by division (C) of this section. The amount to be deducted for each student shall equal eighty-five per cent of the operating expenditure per pupil of that district.

As used in this division, a district's "operating expenditure per pupil" is the total amount of state payments and other nonfederal revenue spent by the district for operating expenses during the previous fiscal year, divided by the district's average daily membership, as reported under division (A) of section 3317.03 of the Revised Code, for the previous fiscal year.

(C) Each participating school district and the college-preparatory boarding school's board of trustees shall execute an agreement setting forth the amount per student to be deducted from the district's account, as calculated under division (B) of this section, and shall file a copy of that agreement with the department.

Sec. 3328.34. (A) For each child enrolled in a college-preparatory boarding school, as reported under section 3328.31 of the Revised Code, the department of education shall pay to the school the sum of the amount deducted from a participating school district's account for that child under section 3328.33 of the Revised Code plus the per-pupil boarding amount specified in division (B) of this section.

(B) For the first fiscal year in which a college-preparatory boarding school may be established under this chapter, the "per-pupil boarding amount" is twenty-five thousand dollars. For each fiscal year thereafter, that amount shall be adjusted by the rate of inflation, as measured by the consumer price index (all urban consumers, all items) prepared by the

bureau of labor statistics of the United States department of labor, for the previous twelve-month period.

(C) The state board of education may accept funds from federal and state noneducation support services programs for the purpose of funding the per pupil boarding amount prescribed in division (B) of this section. Notwithstanding any other provision of the Revised Code, the state board shall coordinate and streamline any noneducation program requirements in order to eliminate redundant or conflicting requirements, licensing provisions, and oversight by government programs or agencies. The applicable regulatory entities shall, to the maximum extent possible, use independent reports and financial audits provided by the operator and coordinated by the department of education to eliminate or reduce contract and administrative reviews. Regulatory entities other than the state board may suggest reasonable additional items to be included in such independent reports and financial audits to meet any requirements of federal law. Reporting paperwork prepared for the state board shall be shared with and accepted by other state and local entities to the maximum extent feasible.

(D)(1) Notwithstanding division (A) of this section, if, in any fiscal year, the operator of a college-preparatory boarding school receives federal funds for the purpose of supporting the school's operations, the amount of those federal funds shall be deducted from the total per-pupil boarding amount for all enrolled students paid by the department to the school for that fiscal year, unless the operator and the department determine otherwise in a written agreement. Any portion of the total per-pupil boarding amount for all enrolled students remaining after the deduction of the federal funds shall be paid by the department to the school from state funds appropriated to the department.

(2) Notwithstanding division (A) of this section, if, in any fiscal year, the department receives federal funds for the purpose of supporting the operations of a college-preparatory boarding school, the department shall use those federal funds first to pay the school the total per-pupil boarding amount for all enrolled students for that fiscal year. Any portion of the total per-pupil boarding amount for all enrolled students remaining after the use of the federal funds shall be paid by the department to the school from state funds appropriated to the department.

(3) If any federal funds are used for the purpose prescribed in division (D)(1) or (2) of this section, the department shall comply with all requirements upon which the acceptance of the federal funds is conditioned, including any requirements set forth in the funding application submitted by the operator or the department and, to the extent sufficient funds are

appropriated by the general assembly, any requirements regarding maintenance of effort in expenditures.

Sec. 3328.35. To the extent permitted by federal law, the department of education shall include college-preparatory boarding schools established under this chapter in its annual allocation of federal moneys under Title I of the "Elementary and Secondary Education Act of 1965," 20 U.S.C. 6301, et seq. The department may apply for any other federal moneys that may be used to support the operations of college-preparatory boarding schools established under this chapter.

Sec. 3328.36. A college-preparatory boarding school established under this chapter shall be considered a school district and its board of trustees, on behalf of the school's operator, shall be considered a board of education for the purpose of applying to any state or federal agency for grants that a school district or public school may receive under federal or state law or any appropriations act of the general assembly. The college-preparatory boarding school and its operator may apply to any private entity to receive and accept funds.

Sec. 3328.41. Each participating school district shall be responsible for providing transportation on a weekly basis for each student enrolled in a college-preparatory boarding school established under this chapter who is entitled to attend school in the district to and from that college-preparatory boarding school.

Sec. 3328.45. (A) If the state board of education determines that a college-preparatory boarding school established under this chapter is not in compliance with any provision of this chapter or the terms of the contract entered into under section 3328.12 of the Revised Code, or that the school has failed to meet the academic goals or performance standards specified in that contract, the state board may initiate the termination procedures specified in the contract. No termination shall take effect prior to the end of a school year. Upon the effective date of a termination, the school shall close.

(B) If a college-preparatory boarding school is required to close under division (A) of this section or closes for any other reason, the school's board of trustees shall execute the closing as provided in the contract under section 3328.12 of the Revised Code.

Sec. 3328.50. The state board of education shall adopt rules in accordance with Chapter 119. of the Revised Code prescribing procedures necessary for the implementation of this chapter.

Sec. 3328.99. (A) Whoever violates division (F) of section 3328.19 of the Revised Code shall be punished as follows:

(1) Except as otherwise provided in division (A)(2) of this section, the person is guilty of a misdemeanor of the fourth degree.

(2) The person is guilty of a misdemeanor of the first degree if both of the following conditions apply:

(a) The employee who is the subject of the report that the person fails to submit was required to be reported for the commission or alleged commission of an act or offense involving the infliction on a child of any physical or mental wound, injury, disability, or condition of a nature that constitutes abuse or neglect of the child.

(b) During the period between the violation of division (F) of section 3328.19 of the Revised Code and the conviction of or plea of guilty by the person for that violation, the employee who is the subject of the report that the person fails to submit inflicts on any child attending a school district, educational service center, public or nonpublic school, or county board of developmental disabilities where the employee works any physical or mental wound, injury, disability, or condition of a nature that constitutes abuse or neglect of the child.

(B) Whoever violates division (B) of section 3328.193 of the Revised Code is guilty of a misdemeanor of the first degree.

Sec. 3329.08. At any regular meeting, the board of education of each local school district, ~~from lists adopted by the educational service center governing board, and the board of education of each~~ city, and exempted village school district shall determine by a majority vote of all members elected or appointed under division (B) or (F) of section 3311.71 of the Revised Code which of such textbooks or electronic textbooks so filed shall be used in the schools under its control.

Sec. 3331.01. (A) As used in this chapter:

(1) "Superintendent" or "superintendent of schools" of a school district means the person employed as the superintendent or that person's designee. ~~In the case of a local school district, such designee may be the superintendent of the educational service center to which the school district belongs.~~

(2) "Chief administrative officer" means the chief administrative officer of a nonpublic or community school or that person's designee.

(B)(1) Except as provided in division (B)(2) of this section, an age and schooling certificate may be issued only by the superintendent of the city, local, joint vocational, or exempted village school district in which the child in whose name such certificate is issued resides or by the chief administrative officer of the nonpublic or community school the child attends, and only upon satisfactory proof that the child to whom the

certificate is issued is at least fourteen years of age.

(2) A child who resides in this state shall apply for an age and schooling certificate to the superintendent of the school district in which the child resides, or to the chief administrative officer of the school that the child attends. Residents of other states who work in Ohio shall apply to the superintendent of the school district in which the place of employment is located, as a condition of employment or service.

(C) Any such age and schooling certificate may be issued only upon satisfactory proof that the employment contemplated by the child is not prohibited by any law regulating the employment of such children. Section 4113.08 of the Revised Code does not apply to such employer in respect to such child while engaged in an employment legal for a child of the age stated therein.

(D) Age and schooling certificate forms shall be approved by the state board of education, including forms submitted electronically. Forms shall not display the social security number of the child. Except as otherwise provided in this section, every application for an age and schooling certificate must be signed in the presence of the officer issuing it by the child in whose name it is issued.

(E) A child shall furnish the superintendent or chief administrative officer all information required by this chapter in support of the issuance of a certificate.

(F) On and after September 1, 2002, each superintendent and chief administrative officer who issues an age and schooling certificate shall file electronically the certificate with the director of commerce in accordance with rules adopted by the director of administrative services pursuant to section 1306.21 of the Revised Code. On and after September 1, 2002, only electronically filed certificates are valid to satisfy the requirements of Chapter 4109. of the Revised Code.

Sec. 3333.03. (A) The governor, with the advice and consent of the senate, shall appoint the chancellor of the Ohio board of regents. ~~The governor may remove the chancellor in accordance with section 3.04 of the Revised Code, except that the removal shall not require the advice and consent of the senate. The chancellor shall serve at the pleasure of the governor, and the~~ governor shall prescribe the chancellor's duties in addition to the chancellor's duties prescribed by law. ~~In no case shall the chancellor assume any duties prescribed by the governor or law until the senate has consented to the chancellor's appointment.~~ The governor shall fix the compensation for the chancellor. The chancellor shall be a member of the governor's cabinet.

~~(B) The term of office of the chancellor shall be five years. Any person appointed chancellor to fill a vacancy occurring prior to the expiration of the term for which the predecessor was appointed shall hold office for the remainder of that term. Any vacancy in the office shall be filled within sixty days after the vacancy occurs. Each chancellor shall continue in office subsequent to the expiration date of the term for which the chancellor was appointed until a successor takes office, or until a period of sixty days has elapsed, whichever occurs first. The chancellor may be reappointed. The term of the chancellor in office on the effective date of this amendment shall coincide with the term of that chancellor's appointing governor. Subsequent appointments to the office of chancellor shall be made pursuant to division (A) of this section.~~

(C) The chancellor is responsible for appointing and fixing the compensation of all professional, administrative, and clerical employees and staff members necessary to assist in the performance of the chancellor's duties. All employees and staff shall serve at the chancellor's pleasure.

(D) The chancellor shall be a person qualified by training and experience to understand the problems and needs of the state in the field of higher education and to devise programs, plans, and methods of solving the problems and meeting the needs.

(E) Neither the chancellor nor any staff member or employee of the chancellor shall be a trustee, officer, or employee of any public or private college or university while serving as chancellor, staff member, or employee.

Sec. 3333.043. (A) As used in this section:

(1) "Institution of higher education" means the state universities listed in section 3345.011 of the Revised Code, municipal educational institutions established under Chapter 3349. of the Revised Code, community colleges established under Chapter 3354. of the Revised Code, university branches established under Chapter 3355. of the Revised Code, technical colleges established under Chapter 3357. of the Revised Code, state community colleges established under Chapter 3358. of the Revised Code, any institution of higher education with a certificate of registration from the state board of career colleges and schools, and any institution for which the chancellor of the Ohio board of regents receives a notice pursuant to division (C) of this section.

(2) "Community service" has the same meaning as in section 3313.605 of the Revised Code.

(B)(1) The board of trustees or other governing entity of each institution of higher education shall encourage and promote participation of students in

community service through a program appropriate to the mission, student population, and environment of each institution. The program may include, but not be limited to, providing information about community service opportunities during student orientation or in student publications; providing awards for exemplary community service; encouraging faculty members to incorporate community service into students' academic experiences wherever appropriate to the curriculum; encouraging recognized student organizations to undertake community service projects as part of their purposes; and establishing advisory committees of students, faculty members, and community and business leaders to develop cooperative programs that benefit the community and enhance student experience. The program shall be flexible in design so as to permit participation by the greatest possible number of students, including part-time students and students for whom participation may be difficult due to financial, academic, personal, or other considerations. The program shall emphasize community service opportunities that can most effectively use the skills of students, such as tutoring or literacy programs. The programs shall encourage students to perform services that will not supplant the hiring of, result in the displacement of, or impair any existing employment contracts of any particular employee of any private or governmental entity for which services are performed.

(2) The chancellor of the Ohio board of regents shall encourage all institutions of higher education in the development of community service programs. With the assistance of the Ohio ~~community~~ commission on service council and volunteerism created in section 121.40 of the Revised Code, the chancellor shall make available information about higher education community service programs to institutions of higher education and to statewide organizations involved with or promoting volunteerism, including information about model community service programs, teacher training courses, and community service curricula and teaching materials for possible use by institutions of higher education in their programs. The chancellor shall encourage institutions of higher education to jointly coordinate higher education community service programs through consortia of institutions or other appropriate means of coordination.

(C) The board of trustees of any nonprofit institution with a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code or the governing authority of a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code may notify the chancellor that it is making itself subject to divisions (A) and (B) of this section. Upon receipt of such a notice, these

divisions shall apply to that institution.

Sec. 3333.0411. Not later than December 31, 2012, and annually thereafter, the chancellor of the Ohio board of regents shall report aggregate academic growth data for students assigned to graduates of teacher preparation programs approved under section 3333.048 of the Revised Code who teach English language arts or mathematics in any of grades four to eight in a public school in Ohio. For this purpose, the chancellor shall use the value-added progress dimension prescribed by section 3302.021 of the Revised Code. The chancellor shall aggregate the data by graduating class for each approved teacher preparation program, except that if a particular class has ten or fewer graduates to which this section applies, the chancellor shall report the data for a group of classes over a three-year period. In no case shall the report identify any individual graduate. The department of education shall share any data necessary for the report with the chancellor.

Sec. 3333.31. (A) For state subsidy and tuition surcharge purposes, status as a resident of Ohio shall be defined by the chancellor of the Ohio board of regents by rule promulgated pursuant to Chapter 119. of the Revised Code. No adjudication as to the status of any person under such rule, however, shall be required to be made pursuant to Chapter 119. of the Revised Code. The term "resident" for these purposes shall not be equated with the definition of that term as it is employed elsewhere under the laws of this state and other states, and shall not carry with it any of the legal connotations appurtenant thereto. Rather, except as provided in ~~division~~ divisions (B) and (D) of this section, for such purposes, the rule promulgated under this section shall have the objective of excluding from treatment as residents those who are present in the state primarily for the purpose of attending a state-supported or state-assisted institution of higher education, and may prescribe presumptive rules, rebuttable or conclusive, as to such purpose based upon the source or sources of support of the student, residence prior to first enrollment, evidence of intention to remain in the state after completion of studies, or such other factors as the chancellor deems relevant.

(B) The rules of the chancellor for determining student residency shall grant residency status to a veteran and to the veteran's spouse and any dependent of the veteran, if both of the following conditions are met:

(1) The veteran either:

(a) Served one or more years on active military duty and was honorably discharged or received a medical discharge that was related to the military service;

(b) Was killed while serving on active military duty or has been

declared to be missing in action or a prisoner of war.

(2) If the veteran seeks residency status for tuition surcharge purposes, the veteran has established domicile in this state as of the first day of a term of enrollment in an institution of higher education. If the spouse or a dependent of the veteran seeks residency status for tuition surcharge purposes, the veteran and the spouse or dependent seeking residency status have established domicile in this state as of the first day of a term of enrollment in an institution of higher education, except that if the veteran was killed while serving on active military duty or has been declared to be missing in action or a prisoner of war, only the spouse or dependent seeking residency status shall be required to have established domicile in accordance with this division.

(C) The rules of the chancellor for determining student residency shall not deny residency status to a student who is either a dependent child of a parent, or the spouse of a person who, as of the first day of a term of enrollment in an institution of higher education, has accepted full-time employment and established domicile in this state for reasons other than gaining the benefit of favorable tuition rates.

Documentation of full-time employment and domicile shall include both of the following documents:

(1) A sworn statement from the employer or the employer's representative on the letterhead of the employer or the employer's representative certifying that the parent or spouse of the student is employed full-time in Ohio;

(2) A copy of the lease under which the parent or spouse is the lessee and occupant of rented residential property in the state, a copy of the closing statement on residential real property of which the parent or spouse is the owner and occupant in this state or, if the parent or spouse is not the lessee or owner of the residence in which the parent or spouse has established domicile, a letter from the owner of the residence certifying that the parent or spouse resides at that residence.

Residency officers may also evaluate, in accordance with the chancellor's rule, requests for immediate residency status from dependent students whose parents are not living and whose domicile follows that of a legal guardian who has accepted full-time employment and established domicile in the state for reasons other than gaining the benefit of favorable tuition rates.

(D)(1) The rules of the chancellor for determining student residency shall grant residency status to a person who, while a resident of this state for state subsidy and tuition surcharge purposes, graduated from a high school in this state, if the person enrolls in an institution of higher education and

establishes domicile in this state, regardless of the student's residence prior to that enrollment.

(2) The rules of the chancellor for determining student residency shall not grant residency status to an alien if the alien is not also an immigrant or a nonimmigrant.

(E) As used in this section:

(1) "Dependent," "domicile," "institution of higher education," and "residency officer" have the meanings ascribed in the chancellor's rules adopted under this section.

(2) "Alien" means a person who is not a United States citizen or a United States national.

(3) "Immigrant" means an alien who has been granted the right by the United States bureau of citizenship and immigration services to reside permanently in the United States and to work without restrictions in the United States.

(4) "Nonimmigrant" means an alien who has been granted the right by the United States bureau of citizenship and immigration services to reside temporarily in the United States.

Sec. 3333.43. This section does not apply to any baccalaureate degree program that is a cooperative education program, as defined in section 3333.71 of the Revised Code.

(A) The chancellor of the Ohio board of regents shall require all state institutions of higher education that offer baccalaureate degrees, as a condition of reauthorization for certification of each baccalaureate program offered by the institution, to submit a statement describing how each major for which the school offers a baccalaureate degree may be completed within three academic years. The chronology of the statement shall begin with the fall semester of a student's first year of the baccalaureate program.

(B) The statement required under this section may include, but not be limited to, any of the following methods to contribute to earning a baccalaureate degree in three years:

(1) Advanced placement credit;

(2) International baccalaureate program credit;

(3) A waiver of degree and credit-hour requirements by completion of courses that are widely available at community colleges in the state or through online programs offered by state institutions of higher education or private nonprofit institutions of higher education holding certificates of authorization under Chapter 1713. of the Revised Code, and through courses taken by the student through the post-secondary enrollment options program under Chapter 3365. of the Revised Code;

(4) Completion of coursework during summer sessions;

(5) A waiver of foreign-language degree requirements based on a proficiency examination specified by the institution.

(C)(1) Not later than October 15, 2012, each state institution of higher education shall provide statements required under this section for ten per cent of all baccalaureate degree programs offered by the institution.

(2) Not later than June 30, 2014, each state institution of higher education shall provide statements required under this section for sixty per cent of all baccalaureate degree programs offered by the institution.

(D) Each state institution of higher education required to submit statements under this section shall post its three-year option on its web site and also provide that information to the department of education. The department shall distribute that information to the superintendent, high school principal, and guidance counselor, or equivalents, of each school district, community school established under Chapter 3314. of the Revised Code, and STEM school established under Chapter 3326. of the Revised Code.

(E) Nothing in this section requires an institution to take any action that would violate the requirements of any independent association accrediting baccalaureate degree programs.

Sec. 3333.66. (A)(1) Except as provided in division (A)(2) of this section, in each academic year, no student who receives a choose Ohio first scholarship shall receive less than one thousand five hundred dollars or more than one-half of the highest in-state undergraduate instructional and general fees charged by all state universities. For this purpose, if Miami university is implementing the pilot tuition restructuring plan originally recognized in Am. Sub. H.B. 95 of the 125th general assembly, that university's instructional and general fees shall be considered to be the average full-time in-state undergraduate instructional and general fee amount after taking into account the Ohio resident and Ohio leader scholarships and any other credit provided to all Ohio residents.

(2) The chancellor of the Ohio board of regents may authorize a state university or college or a nonpublic Ohio institution of higher education to award a choose Ohio first scholarship in an amount greater than one-half of the highest in-state undergraduate instructional and general fees charged by all state universities to either of the following:

(a) Any undergraduate student who qualifies for a scholarship and is enrolled in a program leading to a teaching profession in science, technology, engineering, mathematics, or medicine;

(b) Any graduate student who qualifies for a scholarship, if any

initiatives are selected for award under division (B) of this section.

(B) The chancellor shall encourage state universities and colleges, alone or in collaboration with other state institutions of higher education, nonpublic Ohio universities and colleges, or other public or private Ohio entities, to submit proposals under the choose Ohio first scholarship program for initiatives that recruit either of the following:

(1) Ohio residents who enrolled in colleges and universities in other states or other countries to return to Ohio and enroll in state universities or colleges as graduate students in the fields of science, technology, engineering, mathematics, and medicine, or in the fields of science, technology, engineering, mathematics, or medical education. If such proposals are submitted and meet the chancellor's competitive criteria for awards, the chancellor, subject to approval by the controlling board, shall give at least one of the proposals preference for an award.

(2) Graduates, or undergraduates who will graduate in time to participate in the program described in this division by the subsequent school year, from an Ohio college or university who received, or will receive, a degree in science, technology, engineering, mathematics, or medicine to participate in a graduate-level teacher education masters program in one of those fields that requires the student to establish a domicile in the state and to commit to teach for a minimum of three years in a hard-to-staff school district in the state upon completion of the master's degree program. The chancellor may require a college or university to give priority to qualified candidates who graduated from a high school in this state.

"Hard-to-staff" shall be as defined by the department of education.

(C) The general assembly intends that money appropriated for the choose Ohio first scholarship program in each fiscal year be used for scholarships in the following academic year.

Sec. 3333.81. As used in sections 3333.81 to 3333.88 of the Revised Code:

(A) "Clearinghouse" means the clearinghouse established under section 3333.82 of the Revised Code.

(B) "Community school" means a community school established under Chapter 3314. of the Revised Code.

(C) "Common statewide platform" means a software program that facilitates the delivery of courses via computers from multiple course providers to multiple end users, tracks the progress of the end user, and includes an integrated searchable database of standards-based course content.

(D) "Course provider" means a school district, community school, STEM school, state institution of higher education, private college or university, or nonprofit or for-profit private entity that creates or is an agent of the creator of original course content for a course offered through the clearinghouse.

(E) "Instructor" means an individual who holds a license issued by the state board of education, as defined in section 3319.31 of the Revised Code, or an individual employed as an instructor or professor by a state institution of higher education or a private college or university.

(F) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

(G) "STEM school" means a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code.

(H) A "student's community school" means the community school in which the student is enrolled instead of being enrolled in a school operated by a school district.

(I) A "student's school district" means the school district operating the school in which the student is lawfully enrolled.

(J) "A student's STEM school" means the STEM school in which the student is enrolled instead of being enrolled in a school operated by a school district.

(K) "School district" means a city, exempted village, local, or joint vocational school district.

Sec. 3333.82. (A) The chancellor of the Ohio board of regents shall establish a clearinghouse of interactive distance learning courses and other distance learning courses delivered via a computer-based method offered by school districts, community schools, STEM schools, state institutions of higher education, private colleges and universities, and other nonprofit and for-profit course providers for sharing with other school districts, community schools, STEM schools, state institutions of higher education, private colleges and universities, and individuals for the fee set pursuant to section 3333.84 of the Revised Code. The chancellor shall not be responsible for the content of courses offered through the clearinghouse; however, all such courses shall be delivered only in accordance with technical specifications approved by the chancellor and on a common statewide platform administered by the chancellor.

The clearinghouse's distance learning program for students in grades kindergarten to twelve shall be based on the following principles:

(1) All Ohio students shall have access to high quality distance learning courses at any point in their educational careers.

(2) All students shall be able to customize their education using distance learning courses offered through the clearinghouse and no student shall be denied access to any course in the clearinghouse in which the student is eligible to enroll.

(3) Students may take distance learning courses for all or any portion of their curriculum requirements and may utilize a combination of distance learning courses and courses taught in a traditional classroom setting.

(4) Students may earn an unlimited number of academic credits through distance learning courses.

(5) Students may take distance learning courses at any time of the calendar year.

(6) Student advancement to higher coursework shall be based on a demonstration of subject area competency instead of completion of any particular number of hours of instruction.

(B) To offer a course through the clearinghouse, a course provider shall apply to the chancellor in a form and manner prescribed by the chancellor. The application for each course shall describe the course of study in as much detail as required by the chancellor, whether an instructor is provided, the qualification and credentials of the instructor, the number of hours of instruction, and any other information required by the chancellor. The chancellor may require course providers to include in their applications information recommended by the state board of education under former section 3353.30 of the Revised Code.

(C) The chancellor shall review the technical specifications of each application submitted under division (B) of this section. In reviewing applications, the chancellor may consult with the department of education; however, the responsibility to either approve or not approve a course for the clearinghouse belongs to the chancellor. The chancellor may request additional information from a course provider that submits an application under division (B) of this section, if the chancellor determines that such information is necessary. The chancellor may negotiate changes in the proposal to offer a course, if the chancellor determines that changes are necessary in order to approve the course.

(D) The chancellor shall catalog each course approved for the clearinghouse, through a print or electronic medium, displaying the following:

(1) Information necessary for a student and the student's parent, guardian, or custodian and the student's school district, community school, STEM school, college, or university to decide whether to enroll in or subscribe to the course;

(2) Instructions for enrolling in that course, including deadlines for enrollment.

(E) Any expenses related to the installation of a course into the common statewide platform shall be borne by the course provider.

(F) ~~The chancellor may contract with an entity to perform any or all of the chancellor's duties under sections 3333.81 to 3333.88 of the Revised Code.~~ The eTech Ohio commission, in consultation with the chancellor and the state board, shall distribute information to students and parents describing the clearinghouse. The information shall be provided in an easily understandable format.

Sec. 3333.83. (A) ~~A student who is enrolled in a school operated by a school district or in a community school or STEM school may enroll in a course through the clearinghouse only if both of the following conditions are satisfied:~~

~~(1) The student's enrollment in the course is approved by the student's school district, community school, or STEM school.~~

~~(2) The student's school district, community school, or STEM school agrees to accept for credit the grade assigned by the course provider, if that provider is another school district, community school, or STEM school.~~ Each school district, community school, and STEM school shall encourage students to take advantage of the distance learning opportunities offered through the clearinghouse and shall assist any student electing to participate in the clearinghouse with the selection and scheduling of courses that satisfy the district's or school's curriculum requirements and promote the student's post-secondary college or career plans.

(B) For each student enrolled in a school operated by a school district or in a community school or STEM school who is enrolling in a course provided through the clearinghouse by another school district, community school, or STEM school, the student's school district, community school, or STEM school shall transmit the student's name to the course provider.

The course provider may request from the student's school district, community school, or STEM school other information from the student's school record. The district or school shall provide the requested information only in accordance with section 3319.321 of the Revised Code.

(C) The student's school district, community school, or STEM school shall determine the manner in which and facilities at which the student shall participate in the course consistent with specifications for technology and connectivity adopted by the chancellor of the Ohio board of regents.

(D) A student may withdraw from a course prior to the end of the course only by a date and in a manner prescribed by the student's school district,

community school, or STEM school.

(E) A student who is enrolled in a school operated by a school district or in a community school or STEM school and who takes a course through the clearinghouse shall be counted in the formula ADM of a school district under section 3317.03 of the Revised Code as if the student were taking the course from the student's school district, community school, or STEM school.

Sec. 3333.84. (A) The fee charged for any course offered through the clearinghouse shall be set by the course provider.

(B) The chancellor of the Ohio board of regents shall prescribe the manner in which the fee for a course shall be collected or deducted from the school district, school, college or university, or individual subscribing to the course and in which manner the fee shall be paid to the course provider.

(C) The chancellor may retain a percentage of the fee charged for a course to offset the cost of maintaining and operating the clearinghouse, including the payment of compensation for an entity or a private entity that is under contract with the chancellor under division (F) of section 3333.82 of the Revised Code. The percentage retained shall be determined by the chancellor.

(D) Nothing in this section shall be construed to require the school district, community school, or STEM school in which a student is enrolled to pay the fee charged for a course taken by the student.

Sec. 3333.85. (A) The grade for a student enrolled in a school operated by a school district or in a community school or STEM school for a course provided through the clearinghouse by another school district, community school, or STEM school shall be assigned by the course provider and shall be transmitted to the student's school district, community school, or STEM school.

(B) The district or school enrolling the student shall award the student credit for successful completion of the course. The credit awarded shall be equivalent to any credit that would be granted for successful completion of a similar course offered by the district or school.

(C) No district or school shall prohibit or otherwise limit any student's access to or participation in courses offered through the clearinghouse, or refuse to recognize such courses as fulfilling curriculum requirements, including the requirements for a high school diploma under section 3313.603 of the Revised Code.

Sec. 3333.87. The chancellor of the Ohio board of regents and the state board of education jointly, and in consultation with the director of the governor's office of 21st century education, shall adopt rules in accordance

with Chapter 119. of the Revised Code prescribing procedures for the implementation of sections 3333.81 to 3333.86 of the Revised Code.

Sec. 3333.90. (A) As used in this section:

(1) "Allocated state share of instruction" means, for any fiscal year, the amount of the state share of instruction appropriated to the Ohio board of regents by the general assembly that is allocated to a community or technical college or community or technical college district for such fiscal year.

(2) "~~Authority~~ Issuing authority" ~~means the Ohio building authority has the same meaning as in section 154.01 of the Revised Code.~~

(3) "Bond service charges" has the same meaning as in section ~~152.09~~ 154.01 of the Revised Code.

(4) "Chancellor" means the chancellor of the Ohio board of regents.

(5) "Community or technical college" or "college" means any of the following state-supported or state-assisted institutions of higher education:

(a) A community college as defined in section 3354.01 of the Revised Code;

(b) A technical college as defined in section 3357.01 of the Revised Code;

(c) A state community college as defined in section 3358.01 of the Revised Code.

(6) "Community or technical college district" or "district" means any of the following institutions of higher education that are state-supported or state-assisted:

(a) A community college district as defined in section 3354.01 of the Revised Code;

(b) A technical college district as defined in section 3357.01 of the Revised Code;

(c) A state community college district as defined in section 3358.01 of the Revised Code.

(7) "Credit enhancement facilities" has the same meaning as in section 133.01 of the Revised Code.

(8) "Obligations" has the meaning as in section ~~152.09~~ 154.01 or 3345.12 of the Revised Code, as the context requires.

(B) The board of trustees of any community or technical college district authorizing the issuance of obligations under section 3354.12, 3354.121, 3357.11, 3357.112, or 3358.10 of the Revised Code, or for whose benefit and on whose behalf the issuing authority proposes to issue obligations under ~~division (G) of section 152.09~~ 154.25 of the Revised Code, may adopt a resolution requesting the chancellor to enter into an agreement with the

community or technical college district and the primary paying agent or fiscal agent for such obligations, providing for the withholding and deposit of funds otherwise due the district or the community or technical college it operates in respect of its allocated state share of instruction, for the payment of bond service charges on such obligations.

The board of trustees shall deliver to the chancellor a copy of the resolution and any additional pertinent information the chancellor may require.

The chancellor and the office of budget and management, and the issuing authority in the case of obligations to be issued by the issuing authority, shall evaluate each request received from a community or technical college district under this section. The chancellor, with the advice and consent of the director of budget and management and the issuing authority in the case of obligations to be issued by the issuing authority, shall approve each request if all of the following conditions are met:

(1) Approval of the request will enhance the marketability of the obligations for which the request is made;

(2) The chancellor and the office of budget and management, and the issuing authority in the case of obligations to be issued by the issuing authority, have no reason to believe the requesting community or technical college district or the community or technical college it operates will be unable to pay when due the bond service charges on the obligations for which the request is made, and bond service charges on those obligations are therefore not anticipated to be paid pursuant to this section from the allocated state share of instruction for purposes of Section 17 of Article VIII, Ohio Constitution.

(3) Any other pertinent conditions established in rules adopted under division (H) of this section.

(C) If the chancellor approves the request of a community or technical college district to withhold and deposit funds pursuant to this section, the chancellor shall enter into a written agreement with the district and the primary paying agent or fiscal agent for the obligations, which agreement shall provide for the withholding of funds pursuant to this section for the payment of bond service charges on those obligations. The agreement may also include both of the following:

(1) Provisions for certification by the district to the chancellor, prior to the deadline for payment of the applicable bond service charges, whether the district and the community or technical college it operates are able to pay those bond service charges when due;

(2) Requirements that the district or the community or technical college

it operates deposits amounts for the payment of those bond service charges with the primary paying agent or fiscal agent for the obligations prior to the date on which the bond service charges are due to the owners or holders of the obligations.

(D) Whenever a district or the community or technical college it operates notifies the chancellor that it will not be able to pay the bond service charges when they are due, subject to the withholding provisions of this section, or whenever the applicable paying agent or fiscal agent notifies the chancellor that it has not timely received from a district or from the college it operates the full amount needed for payment of the bond service charges when due to the holders or owners of such obligations, the chancellor shall immediately contact the district or college and the paying agent or fiscal agent to confirm that the district and the college are not able to make the required payment by the date on which it is due.

If the chancellor confirms that the district and the college are not able to make the payment and the payment will not be made pursuant to a credit enhancement facility, the chancellor shall promptly pay to the applicable primary paying agent or fiscal agent the lesser of the amount due for bond service charges or the amount of the next periodic distribution scheduled to be made to the district or to the college in respect of its allocated state share of instruction. If this amount is insufficient to pay the total amount then due the agent for the payment of bond service charges, the chancellor shall continue to pay to the agent from each periodic distribution thereafter, and until the full amount due the agent for unpaid bond service charges is paid in full, the lesser of the remaining amount due the agent for bond service charges or the amount of the next periodic distribution scheduled to be made to the district or college in respect of its allocated state share of instruction.

(E) The chancellor may make any payments under this section by direct deposit of funds by electronic transfer.

Any amount received by a paying agent or fiscal agent under this section shall be applied only to the payment of bond service charges on the obligations of the community or technical college district or community or technical college subject to this section or to the reimbursement of the provider of a credit enhancement facility that has paid the bond service charges.

(F) The chancellor may make payments under this section to paying agents or fiscal agents during any fiscal biennium of the state only from and to the extent that money is appropriated to the board of regents by the general assembly for distribution during such biennium for the state share of instruction and only to the extent that a portion of the state share of

instruction has been allocated to the community or technical college district or community or technical college. Obligations of the issuing authority or of a community or technical college district to which this section is made applicable do not constitute an obligation or a debt or a pledge of the faith, credit, or taxing power of the state, and the holders or owners of those obligations have no right to have excises or taxes levied or appropriations made by the general assembly for the payment of bond service charges on the obligations, and the obligations shall contain a statement to that effect. The agreement for or the actual withholding and payment of money under this section does not constitute the assumption by the state of any debt of a community or technical college district or a community or technical college, and bond service charges on the related obligations are not anticipated to be paid from the state general revenue fund for purposes of Section 17 of Article VIII, Ohio Constitution.

(G) In the case of obligations subject to the withholding provisions of this section, the issuing community or technical college district, or the issuing authority in the case of obligations issued by the issuing authority, shall appoint a paying agent or fiscal agent who is not an officer or employee of the district or college.

(H) The chancellor, with the advice and consent of the office of budget and management, may adopt reasonable rules not inconsistent with this section for the implementation of this section to secure payment of bond service charges on obligations issued by a community or technical college district or by the issuing authority for the benefit of a community or technical college district or the community or technical college it operates. Those rules shall include criteria for the evaluation and approval or denial of community or technical college district requests for withholding under this section.

(I) The authority granted by this section is in addition to and not a limitation on any other authorizations granted by or pursuant to law for the same or similar purposes.

Sec. 3334.19. (A) The Ohio tuition trust authority shall adopt an investment plan that sets forth investment policies and guidelines to be utilized in administering the variable college savings program and investment options offered by the authority. The investment options shall include a default option to benefit contributors who are first-time investors or have low to moderate incomes. Except as provided in section 3334.20 of the Revised Code, the authority shall contract with one or more insurance companies, banks, or other financial institutions to act as its investment agents and to provide such services as the authority considers appropriate to

the investment plan, including:

- (1) Purchase, control, and safekeeping of assets;
- (2) Record keeping and accounting for individual accounts and for the program as a whole;

- (3) Provision of consolidated statements of account.

(B) The authority or its investment agents shall maintain a separate account for the beneficiary of each contract entered into under the variable college savings program. If a beneficiary has more than one such account, the authority or its agents shall track total contributions and earnings and provide a consolidated system of account distributions to institutions of higher education.

(C) The authority or its investment agents may place assets of the program in savings accounts and may purchase fixed or variable life insurance or annuity contracts, securities, evidence of indebtedness, or other investment products pursuant to the investment plan.

(D) Contributors shall not direct the investment of their contributions under the investment plan. The authority shall impose other limits on contributors' investment discretion to the extent required under section 529 of the Internal Revenue Code.

(E) The investment agents with which the authority contracts shall discharge their duties with respect to program funds with the care and diligence that a prudent person familiar with such matters and with the character and aims of the program would use.

(F) The assets of the program shall be preserved, invested, and expended solely for the purposes of this chapter and shall not be loaned or otherwise transferred or used by the state for any other purpose. This section shall not be construed to prohibit the investment agents of the authority from investing, by purchase or otherwise, in bonds, notes, or other obligations of the state or any agency or instrumentality of the state. Unless otherwise specified by the authority, assets of the program shall be expended in the following order of priority:

- (1) To make payments on behalf of beneficiaries;
- (2) To make refunds upon termination of variable college savings program contracts;
- (3) To pay the authority's costs of administering the program;
- (4) To pay or cover any other expenditure or disbursement the authority determines necessary or appropriate.

(G) Fees, charges, and other costs imposed or collected by the authority in connection with the variable college savings program, including any fees or other payments that the authority requires an investment agent to pay to

the authority, shall be credited to either the variable operating fund or the index operating fund at the discretion of the authority. These funds are hereby created in the state treasury. Expenses incurred in the administration of the variable college savings program, as well as other expenses, disbursements, or payments the authority considers appropriate for the benefit of any college savings programs administered by the authority, the state of Ohio and its citizens, shall be paid from the variable operating fund or the index operating fund at the discretion of the authority.

(H) No records of the authority indicating the identity of purchasers, contributors, and beneficiaries under the program or amounts contributed to, earned by, or distributed from program accounts are public records within the meaning of section 149.43 of the Revised Code.

Sec. 3345.023. (A) No state institution of higher education shall take any action or enforce any policy that would deny a religious student group any benefit available to any other student group based on the religious student group's requirement that its leaders or members adhere to its sincerely held religious beliefs or standards of conduct.

(B) As used in this section:

(1) "Benefits" include, without limitation:

(a) Recognition;

(b) Registration;

(c) The use of facilities of the state institution of higher education for meetings or speaking purposes, subject to section 3345.021 of the Revised Code;

(d) The use of channels of communication of the state institution of higher education;

(e) Funding sources that are otherwise available to any other student group in the state institution of higher education.

(2) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

Sec. 3345.061. (A) Ohio's two-year institutions of higher education are respected points of entry for students embarking on post-secondary careers and courses completed at those institutions are transferable to state universities in accordance with articulation and transfer agreements developed under sections 3333.16, 3333.161, and 3333.162 of the Revised Code.

(B) Beginning with undergraduate students who commence undergraduate studies in the 2014-2015 academic year, no state university listed in section 3345.011 of the Revised Code, except Central state university, Shawnee state university, and Youngstown state university, shall

receive any state operating subsidies for any academic remedial or developmental courses for undergraduate students, including courses prescribed in the Ohio core curriculum for high school graduation under division (C) of section 3313.603 of the Revised Code, offered at its main campus, except as provided in divisions (B)(1) to (4) of this section.

(1) In the 2014-2015 and 2015-2016 academic years, a state university may receive state operating subsidies for academic remedial or developmental courses for not more than three per cent of the total undergraduate credit hours provided by the university at its main campus.

(2) In the 2016-2017 academic year, a state university may receive state operating subsidies for academic remedial or developmental courses for not more than fifteen per cent of the first-year students who have graduated from high school within the previous twelve months and who are enrolled in the university at its main campus, as calculated on a full-time-equivalent basis.

(3) In the 2017-2018 academic year, a state university may receive state operating subsidies for academic remedial or developmental courses for not more than ten per cent of the first-year students who have graduated from high school within the previous twelve months and who are enrolled in the university at its main campus, as calculated on a full-time-equivalent basis.

(4) In the 2018-2019 academic year, a state university may receive state operating subsidies for academic remedial or developmental courses for not more than five per cent of the first-year students who have graduated from high school within the previous twelve months and who are enrolled in the university at its main campus, as calculated on a full-time-equivalent basis.

Each state university may continue to offer academic remedial and developmental courses at its main campus beyond the extent for which state operating subsidies may be paid under this division and may continue to offer such courses beyond the 2018-2019 academic year. However, the university shall not receive any state operating subsidies for such courses above the maximum amounts permitted in this division.

(C) Except as otherwise provided in division (B) of this section, beginning with students who commence undergraduate studies in the 2014-2015 academic year, state operating subsidies for academic remedial or developmental courses offered by state institutions of higher education may be paid only to Central state university, Shawnee state university, Youngstown state university, any university branch, any community college, any state community college, or any technical college.

(D) Each state university shall grant credit for academic remedial or developmental courses successfully completed at an institution described in

division (C) of this section pursuant to any applicable articulation and transfer agreements the university has entered into in accordance with policies and procedures adopted under section 3333.16, 3333.161, or 3333.162 of the Revised Code.

(E) The chancellor of the Ohio board of regents shall do all of the following:

(1) Withhold state operating subsidies for academic remedial or developmental courses provided by a state university as required in order to conform to divisions (B) and (C) of this section;

(2) Adopt uniform statewide standards for academic remedial and developmental courses offered by all state institutions of higher education; ~~as defined in section 3345.011 of the Revised Code;~~

(3) Encourage and assist in the design and establishment of academic remedial and developmental courses by institutions of higher education;

(4) Define "academic year" for purposes of this section and section 3345.06 of the Revised Code;

(5) Encourage and assist in the development of articulation and transfer agreements between state universities and other institutions of higher education in accordance with policies and procedures adopted under sections 3333.16, 3333.161, and 3333.162 of the Revised Code.

(F) Not later than December 31, 2012, the presidents, or equivalent position, of all state institutions of higher education, or their designees, jointly shall establish uniform statewide standards in mathematics, science, reading, and writing each student enrolled in a state institution of higher education must meet to be considered in remediation-free status. The presidents also shall establish assessments, if they deem necessary, to determine if a student meets the standards adopted under this division. Each institution is responsible for assessing the needs of its enrolled students in the manner adopted by the presidents. The board of trustees or managing authority of each state institution of higher education shall adopt the remediation-free status standard, and any related assessments, into the institution's policies.

The chancellor shall assist in coordinating the work of the presidents under this division.

(G) Each year, not later than a date established by the chancellor, each state institution of higher education shall report to the governor, the general assembly, the chancellor, and the superintendent of public instruction all of the following for the prior academic year:

(1) The institution's aggregate costs for providing academic remedial or developmental courses;

(2) The amount of those costs disaggregated according to the city, local, or exempted village school districts from which the students taking those courses received their high school diplomas;

(3) Any other information with respect to academic remedial and developmental courses that the chancellor considers appropriate.

(H) Not later than December 31, 2011, and the thirty-first day of each December thereafter, the chancellor and the superintendent of public instruction shall issue a report recommending policies and strategies for reducing the need for academic remediation and developmental courses at state institutions of higher education.

(I) As used in this section, "state institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.

Sec. 3345.14. (A) As used in this section, "state college or university" means any state university or college defined in division (A)(1) of section 3345.12 of the Revised Code, and any other institution of higher education defined in division (A)(2) of that section.

(B) All rights to and interests in discoveries, inventions, or patents which result from research or investigation conducted in any experiment station, bureau, laboratory, research facility, or other facility of any state college or university, or by employees of any state college or university acting within the scope of their employment or with funding, equipment, or infrastructure provided by or through any state college or university, shall be the sole property of that college or university. No person, firm, association, corporation, or governmental agency which uses the facilities of such college or university in connection with such research or investigation and no faculty member, employee, or student of such college or university participating in or making such discoveries or inventions, shall have any rights to or interests in such discoveries or inventions, including income therefrom, except as may, by determination of the board of trustees of such college or university, be assigned, licensed, transferred, or paid to such persons or entities in accordance with division (C) of this section or in accordance with rules adopted under division (D) of this section.

(C) As may be determined from time to time by the board of trustees of any state college or university, the college or university may retain, assign, license, transfer, sell, or otherwise dispose of, in whole or in part and upon such terms as the board of trustees may direct, any and all rights to, interests in, or income from any such discoveries, inventions, or patents which the college or university owns or may acquire. Such dispositions may be to any individual, firm, association, corporation, or governmental agency, or to any faculty member, employee, or student of the college or university as the

board of trustees may direct. Any and all income or proceeds derived or retained from such dispositions shall be applied to the general or special use of the college or university as determined by the board of trustees of such college or university.

(D)(1) Notwithstanding any provision of the Revised Code to the contrary, including but not limited to sections 102.03, 102.04, 2921.42, and 2921.43 of the Revised Code, the board of trustees of any state college or university may adopt rules in accordance with section 111.15 of the Revised Code that set forth circumstances under which an employee of the college or university may solicit or accept, and under which a person may give or promise to give to such an employee, a financial interest in any firm, corporation, or other association to which the board has assigned, licensed, transferred, or sold the college or university's interests in its intellectual property, including discoveries or inventions made or created by that employee or in patents issued to that employee.

(2) Rules established under division (D)(1) of this section shall include the following:

(a) A requirement that each college or university employee disclose to the college or university board of trustees any financial interest the employee holds in a firm, corporation, or other association as described in division (D)(1) of this section;

(b) A requirement that all disclosures made under division (D)(2)(a) of this section are reviewed by officials designated by the college or university board of trustees. The officials designated under this division shall determine the information that shall be disclosed and safeguards that shall be applied in order to manage, reduce, or eliminate any actual or potential conflict of interest.

(c) A requirement that in implementing division (D) of this section all members of the college or university board of trustees shall be governed by Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code.

(d) Guidelines to ensure that any financial interest held by any employee of the college or university does not result in misuse of the students, employees, or resources of the college or university for the benefit of the firm, corporation, or other association in which such interest is held or does not otherwise interfere with the duties and responsibilities of the employee who holds such an interest.

(3) Rules established under division (D)(1) of this section may include other provisions at the discretion of the college or university board of trustees.

(E) Notwithstanding division (D) of this section, the Ohio ethics

commission retains authority to provide assistance to a college or university board of trustees in the implementation of division (D)(2) of this section and to address any matter that is outside the scope of the exception to division (B) of this section as set forth in division (D) of this section or as set forth in rules established under division (D) of this section.

Sec. 3345.54. (A) As used in this section:

(1) "Auxiliary facilities" has the same meaning as in section 3345.12 of the Revised Code.

(2) "Conduit entity" means an organization described in section 501(c)(3) of the Internal Revenue Code qualified as a public charity under section 509(a)(2) or 509(a)(3) of the Internal Revenue Code, whose corporate purpose allows it to perform the functions and obligations of a conduit entity pursuant to the terms of a financing agreement.

(3) "Conveyed property" means auxiliary facilities conveyed by a state institution to a conduit entity pursuant to a financing agreement.

(4) "Financing agreement" means a contract described in division (C) of this section.

(5) "Independent funding source" means a private entity that enters into a financing agreement with a conduit entity and a state institution.

(6) "State institution" means a state institution of higher education as defined in section 3345.011 of the Revised Code.

(B) The board of trustees of a state institution, with the approval of the chancellor of the Ohio board of regents and the controlling board, may enter into a financing agreement with a conduit entity and an independent funding source selected either through a competitive selection process or by direct negotiations, and may convey to the conduit entity title to any auxiliary facilities owned by the state institution pursuant to the terms of a financing agreement.

(C) A financing agreement under this section is a written contract entered into among a state institution, a conduit entity, and an independent funding source that provides for:

(1) The conveyance of auxiliary facilities owned by a state institution to the conduit entity for consideration deemed adequate by the state institution;

(2) The lease of the conveyed property by the conduit entity to the independent funding source and leaseback of the conveyed property to the conduit entity for a term not to exceed ninety-nine years;

(3) Such other terms and conditions that may be negotiated and agreed upon by the parties, including, but not limited to, terms regarding:

(a) Payment to the state institution by the conduit entity of revenues received by it from the operations of the conveyed property in excess of the

payments it is required to make to the independent funding source under the lease-leaseback arrangement described in division (C)(2) of this section;

(b) Pledge, assignment, or creation of a lien in favor of the independent funding source by the conduit entity of any revenues derived from the conveyed property;

(c) Reverter or conveyance of title to the conveyed property to the state institution when the conveyed property is no longer subject to a lease with the independent funding source.

(4) Terms and conditions required by the chancellor or the controlling board as a condition of approval of the financing agreement.

(D) The state institution and the conduit entity may enter into such other management agreements or other contracts regarding the conveyed property the parties deem appropriate, including agreements pursuant to which the state institution may maintain or administer the conveyed property and collect and disburse revenues from the conveyed property on behalf of the conduit entity.

(E) The parties may modify or extend the term of the financing agreement with the approval of the chancellor and the controlling board.

(F) The conveyed property shall retain its exemption from property taxes and assessments as though title to the conveyed property were held by the state institution during any part of a tax year that title is held by the state institution or the conduit entity and, if held by the conduit entity, remains subject to the lease-leaseback arrangement described in division (C)(2) of this section. However, as a condition of the continued exemption of the conveyed property during the term of the lease-leaseback arrangement the conduit entity shall apply for and maintain the exemption as provided by law.

(G) Nothing in this section is intended to abrogate, amend, limit, or replace any existing authority state institutions may have with respect to the conveyance, lease, lease-leaseback, finance, or acquisition of auxiliary facilities including, but not limited to, authority granted under sections 3345.07, 3345.11, and 3345.12 of the Revised Code.

Sec. 3345.55. (A) For purposes of this section, "university" includes a state institution of higher education as defined in section 3345.011 of the Revised Code and a university housing commission created under section 3347.01 of the Revised Code.

(B) Each university may enter into a lease agreement with a nonpublic vendor to provide housing services in campus housing facilities to students of the university. The lease agreement may require the vendor to construct new campus housing facilities to serve students. The vendor with whom the

university enters into an agreement shall be responsible for the operation and maintenance of the housing facilities. The lease shall be for a term of at least twenty years but shall not exceed thirty years. The lease agreement shall specify that the vendor is required to lease housing units to students of the university. Any university housing policies shall extend to and be enforced by the vendors with whom the university contracts.

(C) If the vendors with whom the university has entered into a lease agreement violate the terms of the lease, the university may revoke the lease and regain operational control over the dormitory.

Sec. 3345.81. (A) The chancellor of the Ohio board of regents shall develop a plan for designating public institutions of higher education as charter universities. In developing the plan, the chancellor shall:

(1) Study the administrative and financial relationships between the state and its public institutions of higher education to determine the extent to which public colleges and universities can manage their operations more effectively when accorded flexibility through selected delegation of authority;

(2) Examine legal and other issues related to the feasibility and practicability of restructuring the administrative and financial relationships between the state and its public institutions of higher education;

(3) Consult with the presidents of the institutions of higher education of the university system of Ohio.

(B) The office of budget and management, the department of administrative services, and each state institution of higher education shall provide the chancellor, upon the chancellor's request, with research assistance, fiscal and policy analysis, and other services in conducting the study and developing the plan under this section. Each state agency shall provide the chancellor with any other assistance requested by the chancellor in conducting the study and developing the plan.

(C) The chancellor shall specify in the plan:

(1) The manner in which a state institution of higher education may become eligible for restructured financial and operational authority, and performance measures and criteria to determine eligibility. The performance measures and criteria shall address the institution's ability to manage successfully its administrative and financial operations without jeopardizing the financial integrity and stability of the institution.

(2) Specific areas of financial and operational authority that are subject to increased flexibility;

(3) The nature and term of the management agreement required between the state and an institution.

(D) Not later than August 15, 2011, the chancellor shall submit to the general assembly and the governor a report of findings and recommendations for use in developing policy, statutory, and administrative rule changes necessary to implement the plan. No institution shall be designated a charter university until the general assembly, after considering the chancellor's plan, has enacted legislation establishing a procedure for making the designation. The chancellor shall not adopt, amend, or rescind any rules with respect to designating institutions as charter universities until that legislation is enacted. The general assembly intends that the general assembly, governor, and chancellor will take actions necessary for implementation of the plan for charter universities to commence July 1, 2012.

Sec. 3349.29. An agreement made pursuant to sections 3349.27 and 3349.28 of the Revised Code is not effective unless it has been approved by the legislative authority of the municipal corporation with which the municipal university is identified, upon such legislative authority's determination that such agreement will be beneficial to the municipal corporation, and also approved by the Ohio board of regents, and, if required by any applicable appropriation measure, by the state controlling board, and any payment from state tax moneys provided for in the agreement will be subject to appropriations made by the general assembly. If provision is to be made under such agreement for the transfer of, or grant of the right to use, all or a substantial part of the assets of the municipal university to the state university and assumption by the state university of educational functions of the municipal university, such agreement shall not become effective, under sections 3349.27 to 3349.30 of the Revised Code until the electors of the municipal corporation have approved such transfer or grant.

The legislative authority of the municipal corporation shall, by ordinance, submit the question to the electors at a general, primary, or a special election to be held on the date specified in the ordinance. The ordinance shall be certified to the board of elections not later than the forty-fifth day preceding the date of the election. Notice of the election shall be published in one ~~or more newspapers~~ newspaper of general circulation in the municipal corporation once a week for two consecutive weeks or as provided in section 7.16 of the Revised Code, prior to the election ~~and, if~~. If the board of elections operates and maintains a web site, notice of the election also shall be posted on that web site for thirty days prior to the election. The form of the ballot to be used at the election shall be substantially as follows, with such variations as may be appropriate to reflect the general nature of the transfer or grant of use of assets and the

transfer of educational functions contemplated:

"Shall assets of the municipal university known as be transferred to (make available for use by) a state university known as and the state university assume educational functions of the municipal university and provide higher education in (or in close proximity to) the city of to the residents of the city of and of the state of Ohio and such others as shall be admitted?"

The favorable vote of a majority of those voting on the proposition constitutes such approval as is required by this section.

Sec. 3353.04. (A) The eTech Ohio commission may perform any act necessary to carry out the functions of this chapter, including any of the following:

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

(2) Establish a reporting system for school districts, community schools, other educational institutions, affiliates, and educational technology organizations that receive financial assistance from the commission. The system may require the reporting of information regarding the manner in which the assistance was expended, the manner in which the equipment or services purchased with the assistance is being utilized, the results or outcome of the utilization, the manner in which the utilization is compatible with the statewide academic standards adopted by the state board of education pursuant to section 3301.079 of the Revised Code, and any other information determined by the commission.

(3) Ensure that, where appropriate, products produced by any entity to which the commission provides financial assistance for use in elementary and secondary education are aligned with the statewide academic standards adopted by the state board pursuant to section 3301.079 of the Revised Code;

(4) Promote accessibility to educational products aligned with the statewide academic standards, adopted by the state board pursuant to section 3301.079 of the Revised Code, for school districts, community schools, and other entities serving grades kindergarten through twelve;

(5) Own or operate transmission facilities and interconnection facilities, or contract for transmission facilities and interconnection facilities, for an

educational television, radio, or radio reading service network;

(6) Establish standards for interconnection facilities used by the commission in the transmission of educational television, radio, or radio reading service programming;

(7) Enter into agreements with noncommercial educational television or radio broadcasting stations or radio reading services for the operation of the interconnection;

(8) Enter into agreements with noncommercial educational television or radio broadcasting stations or radio reading services for the production and use of educational television, radio, or radio reading service programs to be transmitted by the educational telecommunications network;

(9) Execute contracts and other agreements necessary and desirable to carry out the purposes of this chapter and other duties prescribed to the commission by law or authorize the executive director of the commission to execute such contracts and agreements on the commission's behalf;

(10) Act as consultant with educational television and educational radio stations and radio reading services toward coordination within the state of the distribution of federal funds that may become available for equipment for educational broadcasting or radio reading services;

(11) Make payments to noncommercial Ohio educational television or radio broadcasting stations or radio reading services to sustain the operation of such stations or services;

(12) In consultation with participants in programs administered by the commission, establish guidelines governing purchasing and procurement that facilitate the timely and effective implementation of such programs;

(13) In consultation with participants in programs administered by the commission, consider the efficiency and cost savings of statewide procurement prior to allocating and releasing funds for such programs;

(14) In consultation with participants in programs administered by the commission, establish a systems support network to facilitate the timely implementation of the programs and other projects and activities for which the commission provides assistance.

(B) Chapters 123., 124., 125., and 153. of the Revised Code and sections 9.331, ~~9.332~~, and ~~9.333~~ to 9.335 of the Revised Code do not apply to contracts, programs, projects, or activities of the commission.

Sec. 3353.15. There is hereby created in the state treasury the information technology service fund. The fund shall consist of money received by the eTech Ohio commission pursuant to agreements with educational entities for the provision of information technology services to support initiatives to align education from preschool through college, and

any other money deposited into the fund by the commission. Money in the fund shall be used to provide the services specified in the agreements, including implementation and maintenance of an electronic clearinghouse for student transcript transfers and development of the education data repository described in section 3301.94 of the Revised Code. Investment earnings of the fund shall be credited to the fund.

Sec. 3354.12. (A) Upon the request by resolution approved by the board of trustees of a community college district, and upon certification to the board of elections not less than ninety days prior to the election, the boards of elections of the county or counties comprising such district shall place upon the ballot in their respective counties the question of levying a tax on all the taxable property in the community college district outside the ten-mill limitation, for a specified period of years or for a continuing period of time, to provide funds for any one or more of the following purposes: the acquisition of sites, the erection, furnishing, and equipment of buildings, the acquisition, construction, or improvement of any property which the board of trustees of a community college district is authorized to acquire, construct, or improve and which has an estimated life of usefulness of five years or more as certified by the fiscal officer, and the payment of operating costs. Not more than two special elections shall be held in any one calendar year. Levies for a continuing period of time adopted under this section may be reduced in accordance with section 5705.261 of the Revised Code.

If such proposal is to be or include the renewal of an existing levy at the expiration thereof, the ballot for such election shall state whether it is a renewal of a tax; a renewal of a stated number of mills and an increase of a stated number of mills, or a renewal of a part of an existing levy with a reduction of a stated number of mills; the year of the tax duplicate on which such renewal will first be made; and if earlier, the year of the tax duplicate on which such additional levy will first be made, which may include the tax duplicate for the current year unless the election is to be held after the first Tuesday after the first Monday in November of the current tax year. The ballot shall also state the period of years for such levy or that it is for a continuing period of time. If a levy for a continuing period of time provides for but is not limited to current expenses, the resolution of the board of trustees providing for the election on such levy shall apportion the annual rate of the levy between current expenses and the other purpose or purposes. Such apportionment need not be the same for each year of the levy, but the respective portions of the rate actually levied each year for current expenses and the other purpose or purposes shall be limited by such apportionment. The portion of the rate apportioned to the other purpose or purposes shall be

reduced as provided in division (B) of this section.

If a majority of the electors in such district voting on such question approve thereof, the county auditor or auditors of the county or counties comprising such district shall annually, for the applicable years, place such levy on the tax duplicate in such district, in an amount determined by the board of trustees, but not to exceed the amount set forth in the proposition approved by the electors.

The boards of trustees of a community college district shall establish a special fund for all revenue derived from any tax levied pursuant to this section.

The boards of elections of the county or counties comprising the district shall cause to be published in a newspaper of general circulation in each such county an advertisement of the proposed tax levy question once a week for two consecutive weeks, or as provided in section 7.16 of the Revised Code, prior to the election at which the question is to appear on the ballot; ~~and, if~~. If a board of elections operates and maintains a web site, that board also shall post ~~a similar~~ the advertisement on its web site for thirty days prior to that election.

After the approval of such levy by vote, the board of trustees of a community college district may anticipate a fraction of the proceeds of such levy and from time to time issue anticipation notes having such maturity or maturities that the aggregate principal amount of all such notes maturing in any calendar year shall not exceed seventy-five per cent of the anticipated proceeds from such levy for such year, and that no note shall mature later than the thirty-first day of December of the tenth calendar year following the calendar year in which such note is issued. Each issue of notes shall be sold as provided in Chapter 133. of the Revised Code.

The amount of bonds or anticipatory notes authorized pursuant to Chapter 3354. of the Revised Code, may include sums to repay moneys previously borrowed, advanced, or granted and expended for the purposes of such bond or anticipatory note issues, whether such moneys were advanced from the available funds of the community college district or by other persons, and the community college district may restore and repay to such funds or persons from the proceeds of such issues the moneys so borrowed, advanced or granted.

All operating costs of such community college may be paid out of any gift or grant from the state, pursuant to division (K) of section 3354.09 of the Revised Code; out of student fees and tuition collected pursuant to division (G) of section 3354.09 of the Revised Code; or out of unencumbered funds from any other source of the community college

income not prohibited by law.

(B) Prior to the application of section 319.301 of the Revised Code, the rate of a levy that is limited to, or to the extent that it is apportioned to, purposes other than current expenses shall be reduced in the same proportion in which the district's total valuation increases during the life of the levy because of additions to such valuation that have resulted from improvements added to the tax list and duplicate.

Sec. 3354.16. (A) When the board of trustees of a community college district has by resolution determined to let by contract the work of improvements pursuant to the official plan of such district, contracts in amounts exceeding a dollar amount set by the board, which dollar amount shall not exceed ~~fifty~~ two hundred thousand dollars, shall be advertised after notices calling for bids have been published once a week for three consecutive weeks or as provided in section 7.16 of the Revised Code, in ~~at least one~~ a newspaper of general circulation within the community college district wherein the work is to be done. Subject to section 3354.10 of the Revised Code, the board of trustees of the district may let such contract to the lowest responsive and responsible bidder, in accordance with section 9.312 of the Revised Code, who meets the requirements of section 153.54 of the Revised Code. Such contract shall be in writing and shall be accompanied by or shall refer to plans and specifications for the work to be done. Such contract shall be approved by the board of trustees and signed by the president of the board and by the contractor.

(B) On the first day of January of every even-numbered year, the chancellor of the board of regents shall adjust the ~~fifty~~ two hundred thousand dollar contract limit set forth in division (A) of this section, as adjusted in any previous year pursuant to this division. The chancellor shall adjust the limit according to the average increase or decrease for each of the two years immediately preceding the adjustment as set forth in the United States department of commerce, bureau of economic analysis implicit price deflator for gross domestic product, nonresidential structures, or an alternative if the federal government ceases to publish this metric, provided that no increase or decrease for any year shall exceed three per cent of the contract limit in existence at the time of the adjustment. Notwithstanding division (A) of this section, the limit adjusted under this division shall be used thereafter in lieu of the limit in division (A) of this section.

(C) Before entering into an improvement pursuant to division (A) of this section, and except for contracts made with a construction manager at risk, a design-build firm, or a general contracting firm, as those terms are defined in section 153.50 of the Revised Code, the board of trustees of a community

college district shall require separate and distinct proposals to be made for furnishing materials or doing work on the improvement, or both, in the board's discretion, for each separate and distinct branch or class of work entering into the improvement. The board of trustees also may require a single, combined proposal for the entire project for materials or doing work, or both, in the board's discretion, that includes each separate and distinct branch or class of work entering into the improvement. ~~The board of trustees need not solicit separate proposals for a branch or class of work for an improvement if the estimate cost for that branch or class of work is less than five thousand dollars.~~

(D) When more than one branch or class of work is required, no contract for the entire job, or for a greater portion thereof than is embraced in one such branch or class of work shall be awarded, unless the separate bids do not cover all the work and materials required or the bids for the whole or for two or more kinds of work or materials are lower than the separate bids in the aggregate. ~~The board of trustees need not award separate contracts for a branch or class of work entering into an improvement if the estimated cost for that branch or class of work is less than five thousand dollars.~~

Sec. 3355.09. Upon receipt of a request from the university branch district managing authority, the boards of elections of the county or counties comprising such district shall place upon the ballot in the district at the next primary or general election occurring not less than ninety days after submission of such request by such managing authority, the question of levying a tax outside the ten-mill limitation, for a specified period of years, to provide funds for any of the following purposes:

- (A) Purchasing a site or enlargement thereof;
- (B) The erection and equipment of buildings;
- (C) Enlarging, improving, or rebuilding buildings;

(D) The acquisition, construction, or improvement of any property which the university branch district managing authority is authorized to acquire, construct, or improve and which has been certified by the fiscal officer to have an estimated useful life of five or more years.

If a majority of the electors in such district voting on such question approve, the county auditor of the county or counties comprising such district shall annually place such levy on the tax duplicate in such district, in the amount set forth in the proposition approved by the electors.

The managing authority of the university branch district shall establish a special fund pursuant to section 3355.07 of the Revised Code for all revenue derived from any tax levied pursuant to provisions of this section.

The boards of election of the county or counties comprising the district shall cause to be published in a newspaper of general circulation in each such county an advertisement of the proposed tax levy question once a week for two consecutive weeks, or as provided in section 7.16 of the Revised Code, prior to the election at which the question is to appear on the ballot; ~~and, if~~. If a board of elections operates and maintains a web site, that board also shall post ~~a similar~~ the advertisement on its web site for thirty days prior to the election.

After the approval of such levy by vote, the managing authority of the university branch district may anticipate a fraction of the proceeds of such levy and from time to time, during the life of such levy, issue anticipation notes in an amount not to exceed seventy-five per cent of the estimated proceeds of such levy to be collected in each year over a period of five years after the date of the issuance of such notes, less an amount equal to the proceeds of such levy previously obligated for such year by the issuance of anticipation notes, provided, that the total amount maturing in any one year shall not exceed seventy-five per cent of the anticipated proceeds of such levy for that year.

Each issue of notes shall be sold as provided in Chapter 133. of the Revised Code and shall mature serially in substantially equal amounts, during each remaining year of the levy, not to exceed five, after their issuance.

Sec. 3357.16. (A) When the board of trustees of a technical college district has by resolution determined to let by contract the work of improvements pursuant to the official plan of such district, contracts in amounts exceeding a dollar amount set by the board, which dollar amount shall not exceed ~~fifty~~ two hundred thousand dollars, shall be advertised after notice calling for bids has been published once a week for three consecutive weeks or as provided in section 7.16 of the Revised Code, in ~~at least one~~ a newspaper of general circulation within the technical college district where the work is to be done. The board of trustees of the technical college district may let such contract to the lowest responsive and responsible bidder, in accordance with section 9.312 of the Revised Code, who meets the requirements of section 153.54 of the Revised Code. Such contract shall be in writing and shall be accompanied by or shall refer to plans and specifications for the work to be done. Such contract shall be approved by the board of trustees and signed by the president of the board and by the contractor.

(B) On the first day of January of every even-numbered year, the chancellor of the board of regents shall adjust the ~~fifty~~ two hundred

thousand dollar contract limit set forth in division (A) of this section, as adjusted in any previous year pursuant to this division. The chancellor shall adjust the limit according to the average increase or decrease for each of the two years immediately preceding the adjustment as set forth in the United States department of commerce, bureau of economic analysis implicit price deflator for gross domestic product, nonresidential structures, or an alternative if the federal government ceases to publish this metric, provided that no increase or decrease for any year shall exceed three per cent of the contract limit in existence at the time of the adjustment. Notwithstanding division (A) of this section, the limit adjusted under this division shall be used thereafter in lieu of the limit in division (A) of this section.

(C) Before entering into an improvement pursuant to division (A) of this section, and except for contracts made with a construction manager at risk, a design-build firm, or a general contracting firm, as those terms are defined in section 153.50 of the Revised Code, the board of trustees of a technical college district shall require separate and distinct proposals to be made for furnishing materials or doing work on the improvement, or both, in the board's discretion, for each separate and distinct branch or class of work entering into the improvement. The board of trustees also may require a single, combined proposal for the entire project for materials or doing work, or both, in the board's discretion, that includes each separate and distinct branch or class of work entering into the improvement. ~~The board of trustees need not solicit separate proposals for a branch or class of work for an improvement if the estimate cost for that branch or class of work is less than five thousand dollars.~~

(D) When more than one branch or class of work is required, no contract for the entire job, or for a greater portion thereof than is embraced in one such branch or class of work shall be awarded, unless the separate bids do not cover all the work and materials required or the bids for the whole or for two or more kinds of work or materials are lower than the separate bids in the aggregate. ~~The board of trustees need not award separate contracts for a branch or class of work entering into an improvement if the estimated cost for that branch or class of work is less than five thousand dollars.~~

Sec. 3365.01. As used in this chapter:

(A) "College" means any state-assisted college or university described in section 3333.041 of the Revised Code, any nonprofit institution holding a certificate of authorization pursuant to Chapter 1713. of the Revised Code, any private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, and

any institution holding a certificate of registration from the state board of career colleges and schools and program authorization for an associate or bachelor's degree program issued under section 3332.05 of the Revised Code.

(B) "School district," except as specified in division (G) of this section, means any school district to which a student is admitted under section 3313.64, 3313.65, 3313.98, or 3317.08 of the Revised Code and does not include a joint vocational or cooperative education school district.

(C) "Parent" has the same meaning as in section 3313.64 of the Revised Code.

(D) "Participant" means a student enrolled in a college under the post-secondary enrollment options program established by this chapter.

(E) "Secondary grade" means the ninth through twelfth grades.

(F) "School foundation payments" means the amount required to be paid to a school district for a fiscal year under ~~Chapters 3306. and Chapter~~ 3317. of the Revised Code.

(G) "Tuition base" means, with respect to a participant's school district, the sum of the formula amount plus the per pupil amount of the base funding supplements specified in divisions (C)(1) to (4) of section 3317.012 of the Revised Code for fiscal year 2009.

The participant's "school district" in the case of a participant enrolled in a community school shall be the school district in which the student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

(H) "Educational program" means enrollment in one or more school districts, in a nonpublic school, or in a college under division (B) of section 3365.04 of the Revised Code.

(I) "Nonpublic school" means a chartered or nonchartered school for which minimum standards are prescribed by the state board of education pursuant to division (D) of section 3301.07 of the Revised Code.

(J) "School year" means the year beginning on the first day of July and ending on the thirtieth day of June.

(K) "Community school" means any school established pursuant to Chapter 3314. of the Revised Code that includes secondary grades.

(L) "STEM school" means a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code.

Sec. 3365.08. (A) A college that expects to receive or receives reimbursement under section 3365.07 of the Revised Code or through alternative funding agreements entered into under rules adopted under section 3365.12 of the Revised Code shall furnish to a participant all

textbooks and materials directly related to a course taken by the participant under division (B) of section 3365.04 of the Revised Code. No college shall charge such participant for tuition, textbooks, materials, or other fees directly related to any such course.

(B) No student enrolled under this chapter in a course for which credit toward high school graduation is awarded shall receive direct financial aid through any state or federal program.

(C) If a school district provides transportation for resident school students in grades eleven and twelve under section 3327.01 of the Revised Code, a parent of a pupil enrolled in a course under division (A)(2) or (B) of section 3365.04 of the Revised Code may apply to the board of education for full or partial reimbursement for the necessary costs of transporting the student between the secondary school the student attends and the college in which the student is enrolled. Reimbursement may be paid solely from funds received by the district for pupil transportation under section ~~3306.12~~ 3317.0212 of the Revised Code or other provisions of law. The state board of education shall establish guidelines, based on financial need, under which a district may provide such reimbursement.

(D) If a community school provides or arranges transportation for its pupils in grades nine through twelve under section 3314.091 of the Revised Code, a parent of a pupil of the community school who is enrolled in a course under division (A)(2) or (B) of section 3365.04 of the Revised Code may apply to the governing authority of the community school for full or partial reimbursement of the necessary costs of transporting the student between the community school and the college. The governing authority may pay the reimbursement in accordance with the state board's rules adopted under division (C) of this section solely from funds paid to it under section 3314.091 of the Revised Code.

Sec. 3375.41. When a board of library trustees appointed pursuant to section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, or 3375.30 of the Revised Code determines to construct, demolish, alter, repair, or reconstruct a library or make any improvements or repairs, the cost of which will exceed twenty-five thousand dollars, except in cases of urgent necessity or for the security and protection of library property, it shall proceed as follows:

(A) The board shall advertise for a period of two weeks for sealed bids in ~~some a~~ a newspaper of general circulation in the district, ~~and, if there are two such newspapers, the board shall advertise in both of them or as provided in section 7.16 of the Revised Code.~~ If no newspaper has a general circulation in the district, the board shall post the advertisement in three

public places in the district. The advertisement shall be entered in full by the fiscal officer on the record of proceedings of the board.

(B) The sealed bids shall be filed with the fiscal officer by twelve noon of the last day stated in the advertisement.

(C) The sealed bids shall be opened at the next meeting of the board, shall be publicly read by the fiscal officer, and shall be entered in full on the records of the board; provided that the board, by resolution, may provide for the public opening and reading of the bids by the fiscal officer, immediately after the time for their filing has expired, at the usual place of meeting of the board, and for the tabulation of the bids and a report of the tabulation to the board at its next meeting.

(D) Each sealed bid shall contain the name of every person interested in it and shall meet the requirements of section 153.54 of the Revised Code.

(E) When both labor and materials are embraced in the work bid for, the board may require that each be separately stated in the sealed bid, with their price, or may require that bids be submitted without the separation.

(F) None but the lowest responsible bid shall be accepted. The board may reject all the bids or accept any bid for both labor and material for the improvement or repair which is the lowest in the aggregate.

(G) The contract shall be between the board and the bidders. The board shall pay the contract price for the work in cash at the times and in the amounts as provided by sections 153.12, 153.13, and 153.14 of the Revised Code.

(H) When two or more bids are equal, in whole or in part, and are lower than any others, either may be accepted, but in no case shall the work be divided between these bidders.

(I) When there is reason to believe there is collusion or combination among the bidders, the bids of those concerned in the collusion or combination shall be rejected.

Sec. 3381.11. The board of trustees of a regional arts and cultural district or any officer or employee designated by such board may make any contract for the purchase of supplies or material or for labor for any work, under the supervision of the board, the cost of which shall not exceed ten thousand dollars. When an expenditure, other than for the acquisition of real estate, the discharge of noncontractual claims, personal services, or for the product or services of public utilities, exceeds ten thousand dollars, such expenditure shall be made only after a notice calling for bids has been published once a week for two consecutive weeks in ~~at least~~ one newspaper of general circulation within the territory of the district or as provided in section 7.16 of the Revised Code. The board may then let said contract to

the lowest and best bidder, who shall give a good and approved bond with ample security conditioned on the carrying out of the contract. Such contract shall be in writing and shall be accompanied by or shall refer to plans and specifications for the work to be done, approved by the board. The plans and specifications shall at all times be made and considered part of the contract. The contract shall be approved by the board and signed on behalf of the district and by the contractor. No sale of any real or personal property or a lease thereof having a term thereof in excess of five years shall be made except with the highest and best bidder after publication of notice for bids in the manner above provided.

Competitive bidding under this section is not required when:

(A) The board, by a two-thirds affirmative vote of its members, determines that a real and present emergency exists and such determination and the reasons therefor are entered in the proceedings of the board, when:

- (1) The estimated cost is less than fifteen thousand dollars; or
- (2) There is actual physical damage to structures or equipment.

(B) Such purchase consists of supplies or a replacement or supplemental part or parts for a product or equipment owned or leased by the district and the only source of supply for such supplies, part, or parts is limited to a single supplier;

(C) The lease is a renewal of a lease for electronic data processing equipment, services, or systems;

(D) Services or supplies are available from a qualified nonprofit agency pursuant to sections 4115.31 to 4115.35 of the Revised Code;

(E) With respect to any contract, agreement, or lease by a district with any arts or cultural organization or any governmental body or agency.

Sec. 3501.03. At least ten days before the time for holding an election the board of elections shall give public notice by a proclamation, posted in a conspicuous place in the courthouse and city hall, or by one insertion in a newspaper published of general circulation in the county, ~~but if no newspaper is published in such county, then in a newspaper of general circulation therein.~~

The board shall have authority to publicize information relative to registration or elections.

Sec. 3501.17. (A) The expenses of the board of elections shall be paid from the county treasury, in pursuance of appropriations by the board of county commissioners, in the same manner as other county expenses are paid. If the board of county commissioners fails to appropriate an amount sufficient to provide for the necessary and proper expenses of the board of elections pertaining to the conduct of elections, the board of elections may

apply to the court of common pleas within the county, which shall fix the amount necessary to be appropriated and the amount shall be appropriated. Payments shall be made upon vouchers of the board of elections certified to by its chairperson or acting chairperson and the director or deputy director, upon warrants of the county auditor.

The board of elections shall not incur any obligation involving the expenditure of money unless there are moneys sufficient in the funds appropriated therefor to meet the obligation. If the board of elections requests a transfer of funds from one of its appropriation items to another, the board of county commissioners shall adopt a resolution providing for the transfer except as otherwise provided in section 5705.40 of the Revised Code. The expenses of the board of elections shall be apportioned among the county and the various subdivisions as provided in this section, and the amount chargeable to each subdivision shall be withheld by the county auditor from the moneys payable thereto at the time of the next tax settlement. At the time of submitting budget estimates in each year, the board of elections shall submit to the taxing authority of each subdivision, upon the request of the subdivision, an estimate of the amount to be withheld from the subdivision during the next fiscal year.

A board of township trustees may, by resolution, request that the county auditor withhold expenses charged to the township from a specified township fund that is to be credited with revenue at a tax settlement. The resolution shall specify the tax levy ballot issue, the date of the election on the levy issue, and the township fund from which the expenses the board of elections incurs related to that ballot issue shall be withheld.

(B) Except as otherwise provided in division (F) of this section, the compensation of the members of the board of elections and of the director, deputy director, and regular employees in the board's offices, other than compensation for overtime worked; the expenditures for the rental, furnishing, and equipping of the office of the board and for the necessary office supplies for the use of the board; the expenditures for the acquisition, repair, care, and custody of the polling places, booths, guardrails, and other equipment for polling places; the cost of tally sheets, maps, flags, ballot boxes, and all other permanent records and equipment; the cost of all elections held in and for the state and county; and all other expenses of the board which are not chargeable to a political subdivision in accordance with this section shall be paid in the same manner as other county expenses are paid.

(C) The compensation of judges of elections and intermittent employees in the board's offices; the cost of renting, moving, heating, and lighting

polling places and of placing and removing ballot boxes and other fixtures and equipment thereof, including voting machines, marking devices, and automatic tabulating equipment; the cost of printing and delivering ballots, cards of instructions, registration lists required under section 3503.23 of the Revised Code, and other election supplies, including the supplies required to comply with division (H) of section 3506.01 of the Revised Code; the cost of contractors engaged by the board to prepare, program, test, and operate voting machines, marking devices, and automatic tabulating equipment; and all other expenses of conducting primaries and elections in the odd-numbered years shall be charged to the subdivisions in and for which such primaries or elections are held. The charge for each primary or general election in odd-numbered years for each subdivision shall be determined in the following manner: first, the total cost of all chargeable items used in conducting such elections shall be ascertained; second, the total charge shall be divided by the number of precincts participating in such election, in order to fix the cost per precinct; third, the cost per precinct shall be prorated by the board of elections to the subdivisions conducting elections for the nomination or election of offices in such precinct; fourth, the total cost for each subdivision shall be determined by adding the charges prorated to it in each precinct within the subdivision.

(D) The entire cost of special elections held on a day other than the day of a primary or general election, both in odd-numbered or in even-numbered years, shall be charged to the subdivision. Where a special election is held on the same day as a primary or general election in an even-numbered year, the subdivision submitting the special election shall be charged only for the cost of ballots and advertising. Where a special election is held on the same day as a primary or general election in an odd-numbered year, the subdivision submitting the special election shall be charged for the cost of ballots and advertising for such special election, in addition to the charges prorated to such subdivision for the election or nomination of candidates in each precinct within the subdivision, as set forth in the preceding paragraph.

(E) Where a special election is held on the day specified by division (E) of section 3501.01 of the Revised Code for the holding of a primary election, for the purpose of submitting to the voters of the state constitutional amendments proposed by the general assembly, and a subdivision conducts a special election on the same day, the entire cost of the special election shall be divided proportionally between the state and the subdivision based upon a ratio determined by the number of issues placed on the ballot by each, except as otherwise provided in division (G) of this section. Such proportional division of cost shall be made only to the extent

funds are available for such purpose from amounts appropriated by the general assembly to the secretary of state. If a primary election is also being conducted in the subdivision, the costs shall be apportioned as otherwise provided in this section.

(F) When a precinct is open during a general, primary, or special election solely for the purpose of submitting to the voters a statewide ballot issue, the state shall bear the entire cost of the election in that precinct and shall reimburse the county for all expenses incurred in opening the precinct.

(G)(1) The state shall bear the entire cost of advertising in newspapers statewide ballot issues, explanations of those issues, and arguments for or against those issues, as required by Section 1g of Article II and Section 1 of Article XVI, Ohio Constitution, and any other section of law. Appropriations made to the controlling board shall be used to reimburse the secretary of state for all expenses the secretary of state incurs for such advertising under division (G) of section 3505.062 of the Revised Code.

(2) There is hereby created in the state treasury the statewide ballot advertising fund. The fund shall receive transfers approved by the controlling board, and shall be used by the secretary of state to pay the costs of advertising state ballot issues as required under division (G)(1) of this section. Any such transfers may be requested from and approved by the controlling board prior to placing the advertising, in order to facilitate timely provision of the required advertising.

(H) The cost of renting, heating, and lighting registration places; the cost of the necessary books, forms, and supplies for the conduct of registration; and the cost of printing and posting precinct registration lists shall be charged to the subdivision in which such registration is held.

(I) At the request of a majority of the members of the board of elections, the board of county commissioners may, by resolution, establish an elections revenue fund. Except as otherwise provided in this division, the purpose of the fund shall be to accumulate revenue withheld by or paid to the county under this section for the payment of any expense related to the duties of the board of elections specified in section 3501.11 of the Revised Code, upon approval of a majority of the members of the board of elections. The fund shall not accumulate any revenue withheld by or paid to the county under this section for the compensation of the members of the board of elections or of the director, deputy director, or other regular employees in the board's offices, other than compensation for overtime worked.

Notwithstanding sections 5705.14, 5705.15, and 5705.16 of the Revised Code, the board of county commissioners may, by resolution, transfer money to the elections revenue fund from any other fund of the political

subdivision from which such payments lawfully may be made. Following an affirmative vote of a majority of the members of the board of elections, the board of county commissioners may, by resolution, rescind an elections revenue fund established under this division. If an elections revenue fund is rescinded, money that has accumulated in the fund shall be transferred to the county general fund.

(J) As used in this section:

(1) "Political subdivision" and "subdivision" mean any board of county commissioners, board of township trustees, legislative authority of a municipal corporation, board of education, or any other board, commission, district, or authority that is empowered to levy taxes or permitted to receive the proceeds of a tax levy, regardless of whether the entity receives tax settlement moneys as described in division (A) of this section;

(2) "Statewide ballot issue" means any ballot issue, whether proposed by the general assembly or by initiative or referendum, that is submitted to the voters throughout the state.

Sec. 3505.13. A contract for the printing of ballots involving a cost in excess of ten thousand dollars shall not be let until after five days' notice published once in a ~~leading~~ newspaper ~~published of general circulation~~ in the county or upon notice given by mail by the board of elections, addressed to the responsible printing offices within the state. Except as otherwise provided in this section, each bid for such printing must be accompanied by a bond with at least two sureties, or a surety company, satisfactory to the board, in a sum double the amount of the bid, conditioned upon the faithful performance of the contract for such printing as is awarded and for the payment as damages by such bidder to the board of any excess of cost over the bid which it may be obliged to pay for such work by reason of the failure of the bidder to complete the contract. No bid unaccompanied by such bond shall be considered by the board. The board may, however, waive the requirement that each bid be accompanied by a bond if the cost of the contract is ten thousand dollars or less. The contract shall be let to the lowest responsible bidder in the state. All ballots shall be printed within the state.

Sec. 3506.05. (A) As used in this section, except when used as part of the phrase "tabulating equipment" or "automatic tabulating equipment":

(1) "Equipment" means a voting machine, marking device, automatic tabulating equipment, or software.

(2) "Vendor" means the person that owns, manufactures, distributes, or has the legal right to control the use of equipment, or the person's agent.

(B) No voting machine, marking device, automatic tabulating equipment, or software for the purpose of casting or tabulating votes or for

communications among systems involved in the tabulation, storage, or casting of votes shall be purchased, leased, put in use, or continued to be used, except for experimental use as provided in division (B) of section 3506.04 of the Revised Code, unless it, a manual of procedures governing its use, and training materials, service, and other support arrangements have been certified by the secretary of state and unless the board of elections of each county where the equipment will be used has assured that a demonstration of the use of the equipment has been made available to all interested electors. The secretary of state shall appoint a board of voting machine examiners to examine and approve equipment and its related manuals and support arrangements. The board shall consist of four members, who shall be appointed as follows:

(1) Two members appointed by the secretary of state.

(2) One member appointed by either the speaker of the house of representatives or the minority leader of the house of representatives, whichever is a member of the opposite political party from the one to which the secretary of state belongs.

(3) One member appointed by either the president of the senate or the minority leader of the senate, whichever is a member of the opposite political party from the one to which the secretary of state belongs.

In all cases of a tie vote or a disagreement in the board, if no decision can be arrived at, the board shall submit the matter in controversy to the secretary of state, who shall summarily decide the question, and the secretary of state's decision shall be final. Each member of the board shall be a competent and experienced election officer or a person who is knowledgeable about the operation of voting equipment and shall serve during the secretary of state's term. Any vacancy on the board shall be filled in the same manner as the original appointment. The secretary of state shall provide staffing assistance to the board, at the board's request.

For the member's service, each member of the board shall receive three hundred dollars per day for each combination of marking device, tabulating equipment, and voting machine examined and reported, but in no event shall a member receive more than six hundred dollars to examine and report on any one marking device, item of tabulating equipment, or voting machine. Each member of the board shall be reimbursed for expenses the member incurs during an examination or during the performance of any related duties that may be required by the secretary of state. Reimbursement of these expenses shall be made in accordance with, and shall not exceed, the rates provided for under section 126.31 of the Revised Code.

Neither the secretary of state nor the board, nor any public officer who

participates in the authorization, examination, testing, or purchase of equipment, shall have any pecuniary interest in the equipment or any affiliation with the vendor.

(C)(1) A vendor who desires to have the secretary of state certify equipment shall first submit the equipment, all current related procedural manuals, and a current description of all related support arrangements to the board of voting machine examiners for examination, testing, and approval. The submission shall be accompanied by a fee of ~~eighteen~~ two thousand four hundred dollars and a detailed explanation of the construction and method of operation of the equipment, a full statement of its advantages, and a list of the patents and copyrights used in operations essential to the processes of vote recording and tabulating, vote storage, system security, and other crucial operations of the equipment as may be determined by the board. An additional fee, in an amount to be set by rules promulgated by the board, may be imposed to pay for the costs of alternative testing or testing by persons other than board members, record-keeping, and other extraordinary costs incurred in the examination process. Moneys not used shall be returned to the person or entity submitting the equipment for examination.

(2) Fees collected by the secretary of state under this section shall be deposited into the state treasury to the credit of the board of voting machine examiners fund, which is hereby created. All moneys credited to this fund shall be used solely for the purpose of paying for the services and expenses of each member of the board or for other expenses incurred relating to the examination, testing, reporting, or certification of voting machine devices, the performance of any related duties as required by the secretary of state, or the reimbursement of any person submitting an examination fee as provided in this chapter.

(D) Within sixty days after the submission of the equipment and payment of the fee, or as soon thereafter as is reasonably practicable, but in any event within not more than ninety days after the submission and payment, the board of voting machine examiners shall examine the equipment and file with the secretary of state a written report on the equipment with its recommendations and its determination or condition of approval regarding whether the equipment, manual, and other related materials or arrangements meet the criteria set forth in sections 3506.07 and 3506.10 of the Revised Code and can be safely used by the voters at elections under the conditions prescribed in Title XXXV of the Revised Code, or a written statement of reasons for which testing requires a longer period. The board may grant temporary approval for the purpose of allowing

experimental use of equipment. If the board finds that the equipment meets the criteria set forth in sections 3506.06, 3506.07, and 3506.10 of the Revised Code, can be used safely and can be depended upon to record and count accurately and continuously the votes of electors, and has the capacity to be warranted, maintained, and serviced, it shall approve the equipment and recommend that the secretary of state certify the equipment. The secretary of state shall notify all boards of elections of any such certification. Equipment of the same model and make, if it provides for recording of voter intent, system security, voter privacy, retention of vote, and communication of voting records in an identical manner, may then be adopted for use at elections.

(E) The vendor shall notify the secretary of state, who shall then notify the board of voting machine examiners, of any enhancement and any significant adjustment to the hardware or software that could result in a patent or copyright change or that significantly alters the methods of recording voter intent, system security, voter privacy, retention of the vote, communication of voting records, and connections between the system and other systems. The vendor shall provide the secretary of state with an updated operations manual for the equipment, and the secretary of state shall forward the manual to the board. Upon receiving such a notification and manual, the board may require the vendor to submit the equipment to an examination and test in order for the equipment to remain certified. The board or the secretary of state shall periodically examine, test, and inspect certified equipment to determine continued compliance with the requirements of this chapter and the initial certification. Any examination, test, or inspection conducted for the purpose of continuing certification of any equipment in which a significant problem has been uncovered or in which a record of continuing problems exists shall be performed pursuant to divisions (C) and (D) of this section, in the same manner as the examination, test, or inspection is performed for initial approval and certification.

(F) If, at any time after the certification of equipment, the board of voting machine examiners or the secretary of state is notified by a board of elections of any significant problem with the equipment or determines that the equipment fails to meet the requirements necessary for approval or continued compliance with the requirements of this chapter, or if the board of voting machine examiners determines that there are significant enhancements or adjustments to the hardware or software, or if notice of such enhancements or adjustments has not been given as required by division (E) of this section, the secretary of state shall notify the users and vendors of that equipment that certification of the equipment may be

withdrawn.

(G)(1) The notice given by the secretary of state under division (F) of this section shall be in writing and shall specify both of the following:

(a) The reasons why the certification may be withdrawn;

(b) The date on which certification will be withdrawn unless the vendor takes satisfactory corrective measures or explains why there are no problems with the equipment or why the enhancements or adjustments to the equipment are not significant.

(2) A vendor who receives a notice under division (F) of this section shall, within thirty days after receiving it, submit to the board of voting machine examiners in writing a description of the corrective measures taken and the date on which they were taken, or the explanation required under division (G)(1)(b) of this section.

(3) Not later than fifteen days after receiving a written description or explanation under division (G)(2) of this section from a vendor, the board shall determine whether the corrective measures taken or the explanation is satisfactory to allow continued certification of the equipment, and the secretary of state shall send the vendor a written notice of the board's determination, specifying the reasons for it. If the board has determined that the measures taken or the explanation given is unsatisfactory, the notice shall include the effective date of withdrawal of the certification. This date may be different from the date originally specified in division (G)(1)(b) of this section.

(4) A vendor who receives a notice under division (G)(3) of this section indicating a decision to withdraw certification may, within thirty days after receiving it, request in writing that the board hold a hearing to reconsider its decision. Any interested party shall be given the opportunity to submit testimony or documentation in support of or in opposition to the board's recommendation to withdraw certification. Failure of the vendor to take appropriate steps as described in division (G)(1)(b) or to comply with division (G)(2) of this section results in a waiver of the vendor's rights under division (G)(4) of this section.

(H)(1) The secretary of state, in consultation with the board of voting machine examiners, shall establish, by rule, guidelines for the approval, certification, and continued certification of the voting machines, marking devices, and tabulating equipment to be used under Title XXXV of the Revised Code. The guidelines shall establish procedures requiring vendors or computer software developers to place in escrow with an independent escrow agent approved by the secretary of state a copy of all source code and related documentation, together with periodic updates as they become

known or available. The secretary of state shall require that the documentation include a system configuration and that the source code include all relevant program statements in low- or high-level languages. As used in this division, "source code" does not include variable codes created for specific elections.

(2) Nothing in any rule adopted under division (H) of this section shall be construed to limit the ability of the secretary of state to follow or adopt, or to preclude the secretary of state from following or adopting, any guidelines proposed by the federal election commission, any entity authorized by the federal election commission to propose guidelines, the election assistance commission, or any entity authorized by the election assistance commission to propose guidelines.

(3)(a) Before the initial certification of any direct recording electronic voting machine with a voter verified paper audit trail, and as a condition for the continued certification and use of those machines, the secretary of state shall establish, by rule, standards for the certification of those machines. Those standards shall include, but are not limited to, all of the following:

(i) A definition of a voter verified paper audit trail as a paper record of the voter's choices that is verified by the voter prior to the casting of the voter's ballot and that is securely retained by the board of elections;

(ii) Requirements that the voter verified paper audit trail shall not be retained by any voter and shall not contain individual voter information;

(iii) A prohibition against the production by any direct recording electronic voting machine of anything that legally could be removed by the voter from the polling place, such as a receipt or voter confirmation;

(iv) A requirement that paper used in producing a voter verified paper audit trail be sturdy, clean, and resistant to degradation;

(v) A requirement that the voter verified paper audit trail shall be capable of being optically scanned for the purpose of conducting a recount or other audit of the voting machine and shall be readable in a manner that makes the voter's ballot choices obvious to the voter without the use of computer or electronic codes;

(vi) A requirement, for office-type ballots, that the voter verified paper audit trail include the name of each candidate selected by the voter;

(vii) A requirement, for questions and issues ballots, that the voter verified paper audit trail include the title of the question or issue, the name of the entity that placed the question or issue on the ballot, and the voter's ballot selection on that question or issue, but not the entire text of the question or issue.

(b) The secretary of state, by rule adopted under Chapter 119. of the

Revised Code, may waive the requirement under division (H)(3)(a)(v) of this section, if the secretary of state determines that the requirement is cost prohibitive.

(4)(a) Except as otherwise provided in division (H)(4)(c) of this section, any voting machine, marking device, or automatic tabulating equipment initially certified or acquired on or after December 1, 2008, shall have the most recent federal certification number issued by the election assistance commission.

(b) Any voting machine, marking device, or automatic tabulating equipment certified for use in this state on ~~the effective date of this amendment~~ September 12, 2008, shall meet, as a condition of continued certification and use, the voting system standards adopted by the federal election commission in 2002.

(c) A county that acquires additional voting machines, marking devices, or automatic tabulating equipment on or after December 1, 2008, shall not be considered to have acquired those machines, devices, or equipment on or after December 1, 2008, for the purpose of division (H)(4)(a) of this section if all of the following apply:

(i) The voting machines, marking devices, or automatic tabulating equipment acquired are the same as the machines, devices, or equipment currently used in that county.

(ii) The acquisition of the voting machines, marking devices, or automatic tabulating equipment does not replace or change the primary voting system used in that county.

(iii) The acquisition of the voting machines, marking devices, or automatic tabulating equipment is for the purpose of replacing inoperable machines, devices, or equipment or for the purpose providing additional machines, devices, or equipment required to meet the allocation requirements established pursuant to division (I) of section 3501.11 of the Revised Code.

Sec. 3701.021. (A) The public health council shall adopt, in accordance with Chapter 119. of the Revised Code, such rules as are necessary to carry out sections 3701.021 to 3701.0210 of the Revised Code, including, but not limited to, rules to establish the following:

(1) Medical and financial eligibility requirements for the program for medically handicapped children;

(2) Eligibility requirements for providers of services for medically handicapped children;

(3) Procedures to be followed by the department of health in disqualifying providers for violating requirements adopted under division

(A)(2) of this section;

(4) Procedures to be used by the department regarding application for diagnostic services under division (B) of section 3701.023 of the Revised Code and payment for those services under division (E) of that section;

(5) Standards for the provision of service coordination by the department of health and city and general health districts;

(6) Procedures for the department to use to determine the amount to be paid annually by each county for services for medically handicapped children and to allow counties to retain funds under divisions (A)(2) and (3) of section 3701.024 of the Revised Code;

(7) Financial eligibility requirements for services for Ohio residents twenty-one years of age or older who have cystic fibrosis;

(8) Criteria for payment of approved providers who provide services for medically handicapped children;

(9) Criteria for the department to use in determining whether the payment of health insurance premiums of participants in the program for medically handicapped children is cost-effective;

(10) Procedures for appeal of denials of applications under divisions (A) and (D) of section 3701.023 of the Revised Code, disqualification of providers, and amounts paid for services;

(11) Terms of appointment for members of the medically handicapped children's medical advisory council created in section 3701.025 of the Revised Code;

(12) Eligibility requirements for the hemophilia program, including income and hardship requirements;

(13) If a manufacturer discount program is established under division (J)(1) of section 3701.023 of the Revised Code, procedures for administering the program, including criteria and other requirements for participation in the program by manufacturers of drugs and nutritional formulas.

(B) The department of health shall develop a manual of operational procedures and guidelines for the program for medically handicapped children to implement sections 3701.021 to 3701.0210 of the Revised Code.

Sec. 3701.023. (A) The department of health shall review applications for eligibility for the program for medically handicapped children that are submitted to the department by city and general health districts and physician providers approved in accordance with division (C) of this section. The department shall determine whether the applicants meet the medical and financial eligibility requirements established by the public health council pursuant to division (A)(1) of section 3701.021 of the

Revised Code, and by the department in the manual of operational procedures and guidelines for the program for medically handicapped children developed pursuant to division (B) of that section. Referrals of potentially eligible children for the program may be submitted to the department on behalf of the child by parents, guardians, public health nurses, or any other interested person. The department of health may designate other agencies to refer applicants to the department of health.

(B) In accordance with the procedures established in rules adopted under division (A)(4) of section 3701.021 of the Revised Code, the department of health shall authorize a provider or providers to provide to any Ohio resident under twenty-one years of age, without charge to the resident or the resident's family and without restriction as to the economic status of the resident or the resident's family, diagnostic services necessary to determine whether the resident has a medically handicapping or potentially medically handicapping condition.

(C) The department of health shall review the applications of health professionals, hospitals, medical equipment suppliers, and other individuals, groups, or agencies that apply to become providers. The department shall enter into a written agreement with each applicant who is determined, pursuant to the requirements set forth in rules adopted under division (A)(2) of section 3701.021 of the Revised Code, to be eligible to be a provider in accordance with the provider agreement required by the medical assistance program established under section 5111.01 of the Revised Code. No provider shall charge a medically handicapped child or the child's parent or guardian for services authorized by the department under division (B) or (D) of this section.

The department, in accordance with rules adopted under division (A)(3) of section 3701.021 of the Revised Code, may disqualify any provider from further participation in the program for violating any requirement set forth in rules adopted under division (A)(2) of that section. The disqualification shall not take effect until a written notice, specifying the requirement violated and describing the nature of the violation, has been delivered to the provider and the department has afforded the provider an opportunity to appeal the disqualification under division (H) of this section.

(D) The department of health shall evaluate applications from city and general health districts and approved physician providers for authorization to provide treatment services, service coordination, and related goods to children determined to be eligible for the program for medically handicapped children pursuant to division (A) of this section. The department shall authorize necessary treatment services, service

coordination, and related goods for each eligible child in accordance with an individual plan of treatment for the child. As an alternative, the department may authorize payment of health insurance premiums on behalf of eligible children when the department determines, in accordance with criteria set forth in rules adopted under division (A)(9) of section 3701.021 of the Revised Code, that payment of the premiums is cost-effective.

(E) The department of health shall pay, from appropriations to the department, any necessary expenses, including but not limited to, expenses for diagnosis, treatment, service coordination, supportive services, transportation, and accessories and their upkeep, provided to medically handicapped children, provided that the provision of the goods or services is authorized by the department under division (B) or (D) of this section. Money appropriated to the department of health may also be expended for reasonable administrative costs incurred by the program. The department of health also may purchase liability insurance covering the provision of services under the program for medically handicapped children by physicians and other health care professionals.

Payments made to providers by the department of health pursuant to this division for inpatient hospital care, outpatient care, and all other medical assistance furnished to eligible recipients shall be made in accordance with rules adopted by the public health council pursuant to division (A) of section 3701.021 of the Revised Code.

The departments of health and job and family services shall jointly implement procedures to ensure that duplicate payments are not made under the program for medically handicapped children and the medical assistance program established under section 5111.01 of the Revised Code and to identify and recover duplicate payments.

(F) At the time of applying for participation in the program for medically handicapped children, a medically handicapped child or the child's parent or guardian shall disclose the identity of any third party against whom the child or the child's parent or guardian has or may have a right of recovery for goods and services provided under division (B) or (D) of this section. The department of health shall require a medically handicapped child who receives services from the program or the child's parent or guardian to apply for all third-party benefits for which the child may be eligible and require the child, parent, or guardian to apply all third-party benefits received to the amount determined under division (E) of this section as the amount payable for goods and services authorized under division (B) or (D) of this section. The department is the payer of last resort and shall pay for authorized goods or services, up to the amount determined

under division (E) of this section for the authorized goods or services, only to the extent that payment for the authorized goods or services is not made through third-party benefits. When a third party fails to act on an application or claim for benefits by a medically handicapped child or the child's parent or guardian, the department shall pay for the goods or services only after ninety days have elapsed since the date the child, parents, or guardians made an application or claim for all third-party benefits. Third-party benefits received shall be applied to the amount determined under division (E) of this section. Third-party payments for goods and services not authorized under division (B) or (D) of this section shall not be applied to payment amounts determined under division (E) of this section. Payment made by the department shall be considered payment in full of the amount determined under division (E) of this section. Medicaid payments for persons eligible for the medical assistance program established under section 5111.01 of the Revised Code shall be considered payment in full of the amount determined under division (E) of this section.

(G) The department of health shall administer a program to provide services to Ohio residents who are twenty-one or more years of age who have cystic fibrosis and who meet the eligibility requirements established by the rules of the public health council pursuant to division (A)(7) of section 3701.021 of the Revised Code, subject to all provisions of this section, but not subject to section 3701.024 of the Revised Code.

(H) The department of health shall provide for appeals, in accordance with rules adopted under section 3701.021 of the Revised Code, of denials of applications for the program for medically handicapped children under division (A) or (D) of this section, disqualification of providers, or amounts paid under division (E) of this section. Appeals under this division are not subject to Chapter 119. of the Revised Code.

The department may designate ombudspersons to assist medically handicapped children or their parents or guardians, upon the request of the children, parents, or guardians, in filing appeals under this division and to serve as children's, parents', or guardians' advocates in matters pertaining to the administration of the program for medically handicapped children and eligibility for program services. The ombudspersons shall receive no compensation but shall be reimbursed by the department, in accordance with rules of the office of budget and management, for their actual and necessary travel expenses incurred in the performance of their duties.

(I) The department of health, and city and general health districts providing service coordination pursuant to division (A)(2) of section 3701.024 of the Revised Code, shall provide service coordination in

accordance with the standards set forth in the rules adopted under section 3701.021 of the Revised Code, without charge, and without restriction as to economic status.

(J)(1) The department of health may establish a manufacturer discount program under which a manufacturer of a drug or nutritional formula is permitted to enter into an agreement with the department to provide a discount on the price of the drug or nutritional formula distributed to medically handicapped children participating in the program for medically handicapped children. The program shall be administered in accordance with rules adopted under section 3701.021 of the Revised Code.

(2) If a manufacturer enters into an agreement with the department as described in division (J)(1) of this section, the manufacturer and the department may negotiate the amount and terms of the discount.

(3) In lieu of establishing a discount program as described in division (J)(1) of this section, the department and a manufacturer of a drug or nutritional formula may discuss a donation of drugs, nutritional formulas, or money by the manufacturer to the department.

Sec. 3701.0211. For each year that federal funds are made available to states under Title V of the "Social Security Act," 124 Stat. 352 (2010), 42 U.S.C. 710, as amended, for use in providing abstinence education, the director of health shall submit to the United States secretary of health and human services an application for the allotment of those funds that is available to this state. The director shall use the funds received in accordance with any conditions under which the application was approved.

Sec. 3701.032. The director of health may adopt rules defining what constitutes a "health home" for the purpose of any entity that is authorized to provide care coordination services. The rules shall be adopted in accordance with Chapter 119. of the Revised Code.

Sec. 3701.07. (A) The public health council shall adopt rules in accordance with Chapter 119. of the Revised Code defining and classifying hospitals and dispensaries and providing for the reporting of information by hospitals and dispensaries. Except as otherwise provided in the Revised Code, the rules providing for the reporting of information shall not require inclusion of any confidential patient data or any information concerning the financial condition, income, expenses, or net worth of the facilities other than that financial information already contained in those portions of the medicare or medicaid cost report that is necessary for the department of health to certify the per diem cost under section 3701.62 of the Revised Code. The rules may require the reporting of information in the following categories:

- (1) Information needed to identify and classify the institution;
- (2) Information on facilities and type and volume of services provided by the institution;
- (3) The number of beds listed by category of care provided;
- (4) The number of licensed or certified professional employees by classification;
- (5) The number of births that occurred at the institution the previous calendar year;
- (6) Any other information that the council considers relevant to the safety of patients served by the institution.

Every hospital and dispensary, public or private, annually shall register with and report to the department of health. Reports shall be submitted in the manner prescribed in rules adopted under this division.

(B) Every governmental entity or private nonprofit corporation or association whose employees or representatives are defined as residents' rights advocates under divisions (E)(1) and (2) of section 3721.10 ~~or division (A)(10) of section 3722.04~~ of the Revised Code shall register with the department of health on forms furnished by the director of health and shall provide such reasonable identifying information as the director may prescribe.

The department shall compile a list of the governmental entities, corporations, or associations registering under this division and shall update the list annually. Copies of the list shall be made available to nursing home administrators as defined in division (C) of section 3721.10 of the Revised Code and to adult care facility managers as defined in section ~~3722.04~~ 5119.70 of the Revised Code.

Sec. 3701.61. (A) The department of health shall establish the help me grow program ~~for the purpose of encouraging to encourage~~ early prenatal and well-baby care, provide parenting education to promote the comprehensive health and development of children, and provide early intervention services in accordance with part C of the "Individuals with Disabilities Education Act," 118 Stat. 2744 (2004), 20 U.S.C. 1431 et seq. The program shall include ~~distributing subsidies to counties to provide~~ the following services:

(1) ~~Home-visiting~~ Home visiting services to newborn infants and their families with a pregnant woman or an infant or toddler under three years of age who meet the eligibility requirements established in rules adopted under this section;

(2) ~~Services~~ Part C early intervention services to infants and toddlers under three years of age ~~who are at risk for, or who have, a developmental~~

delay or disability and their families meet the eligibility requirements established in rules adopted under this section.

(B) The department shall not provide home visiting services under the help me grow program unless requested in writing by a parent of the infant or toddler director of health may enter into an interagency agreement with one or more state agencies to implement the help me grow program and ensure coordination of early childhood programs.

(C) The director may distribute help me grow program funds through contracts, grants, or subsidies to entities providing services under the program.

(D) To the extent funds are available, the department shall establish a system of payment to providers of home visiting and part C early intervention services.

(E) As a condition of receiving payments for home visiting services, providers shall report to the director data on the program performance indicators that are used to assess progress toward achieving the goals of the program. The report shall include data on the performance indicator of birth outcomes, including risk indicators of low birth weight and preterm births, and data on all other performance indicators specified in rules adopted under this section. The providers shall report the data in the format and within the time frames specified in the rules.

The director shall prepare an annual report on the data received from the providers.

(F) Pursuant to Chapter 119. of the Revised Code, the department director shall adopt rules that are necessary and proper to implement this section. The rules shall specify all of the following:

(1) Eligibility requirements for home visiting services and part C early intervention services;

(2) Eligibility requirements for providers of home visiting services and providers of part C early intervention services;

(3) Standards and procedures for the provision of program services, including data collection, program monitoring, and program evaluation;

(4) Procedures for appealing the denial of an application for program services or the termination of services;

(5) Procedures for appealing the denial of an application to become a provider of program services or the termination of the department's approval of a provider;

(6) Procedures for addressing complaints;

(7) The program performance indicators on which data must be reported by providers of home visiting services under division (E) of this section.

which, to the extent possible, shall be consistent with federal reporting requirements for federally funded home visiting services;

(8) The format in which reports must be submitted under division (E) of this section and the time frames within which the reports must be submitted;

(9) Criteria for payment of approved providers of program services;

(10) Any other rules necessary to implement the program.

(G) A family enrolled in the help me grow at-risk program on the effective date of this amendment shall be eligible for at-risk services until December 31, 2013, or until the eligible child reaches three years of age, whichever occurs first.

Sec. 3701.74. (A) As used in this section and section 3701.741 of the Revised Code:

(1) "Ambulatory care facility" means a facility that provides medical, diagnostic, or surgical treatment to patients who do not require hospitalization, including a dialysis center, ambulatory surgical facility, cardiac catheterization facility, diagnostic imaging center, extracorporeal shock wave lithotripsy center, home health agency, inpatient hospice, birthing center, radiation therapy center, emergency facility, and an urgent care center. "Ambulatory care facility" does not include the private office of a physician or dentist, whether the office is for an individual or group practice.

(2) "Chiropractor" means an individual licensed under Chapter 4734. of the Revised Code to practice chiropractic.

(3) "Emergency facility" means a hospital emergency department or any other facility that provides emergency medical services.

(4) "Health care practitioner" means all of the following:

(a) A dentist or dental hygienist licensed under Chapter 4715. of the Revised Code;

(b) A registered or licensed practical nurse licensed under Chapter 4723. of the Revised Code;

(c) An optometrist licensed under Chapter 4725. of the Revised Code;

(d) A dispensing optician, spectacle dispensing optician, contact lens dispensing optician, or spectacle-contact lens dispensing optician licensed under Chapter 4725. of the Revised Code;

(e) A pharmacist licensed under Chapter 4729. of the Revised Code;

(f) A physician;

(g) A physician assistant authorized under Chapter 4730. of the Revised Code to practice as a physician assistant;

(h) A practitioner of a limited branch of medicine issued a certificate under Chapter 4731. of the Revised Code;

- (i) A psychologist licensed under Chapter 4732. of the Revised Code;
 - (j) A chiropractor;
 - (k) A hearing aid dealer or fitter licensed under Chapter 4747. of the Revised Code;
 - (l) A speech-language pathologist or audiologist licensed under Chapter 4753. of the Revised Code;
 - (m) An occupational therapist or occupational therapy assistant licensed under Chapter 4755. of the Revised Code;
 - (n) A physical therapist or physical therapy assistant licensed under Chapter 4755. of the Revised Code;
 - (o) A professional clinical counselor, professional counselor, social worker, or independent social worker licensed, or a social work assistant registered, under Chapter 4757. of the Revised Code;
 - (p) A dietitian licensed under Chapter 4759. of the Revised Code;
 - (q) A respiratory care professional licensed under Chapter 4761. of the Revised Code;
 - (r) An emergency medical technician-basic, emergency medical technician-intermediate, or emergency medical technician-paramedic certified under Chapter 4765. of the Revised Code.
- (5) "Health care provider" means a hospital, ambulatory care facility, long-term care facility, pharmacy, emergency facility, or health care practitioner.
- (6) "Hospital" has the same meaning as in section 3727.01 of the Revised Code.
- (7) "Long-term care facility" means a nursing home, residential care facility, or home for the aging, as those terms are defined in section 3721.01 of the Revised Code; an adult care facility, as defined in section ~~3722.01~~ 5119.70 of the Revised Code; a nursing facility or intermediate care facility for the mentally retarded, as those terms are defined in section 5111.20 of the Revised Code; a facility or portion of a facility certified as a skilled nursing facility under Title XVIII of the "Social Security Act," 49 Stat. 286 (1965), 42 U.S.C.A. 1395, as amended.
- (8) "Medical record" means data in any form that pertains to a patient's medical history, diagnosis, prognosis, or medical condition and that is generated and maintained by a health care provider in the process of the patient's health care treatment.
- (9) "Medical records company" means a person who stores, locates, or copies medical records for a health care provider, or is compensated for doing so by a health care provider, and charges a fee for providing medical records to a patient or patient's representative.

(10) "Patient" means either of the following:

(a) An individual who received health care treatment from a health care provider;

(b) A guardian, as defined in section 1337.11 of the Revised Code, of an individual described in division (A)(10)(a) of this section.

(11) "Patient's personal representative" means a minor patient's parent or other person acting in loco parentis, a court-appointed guardian, or a person with durable power of attorney for health care for a patient, the executor or administrator of the patient's estate, or the person responsible for the patient's estate if it is not to be probated. "Patient's personal representative" does not include an insurer authorized under Title XXXIX of the Revised Code to do the business of sickness and accident insurance in this state, a health insuring corporation holding a certificate of authority under Chapter 1751. of the Revised Code, or any other person not named in this division.

(12) "Pharmacy" has the same meaning as in section 4729.01 of the Revised Code.

(13) "Physician" means a person authorized under Chapter 4731. of the Revised Code to practice medicine and surgery, osteopathic medicine and surgery, or podiatric medicine and surgery.

(14) "Authorized person" means a person to whom a patient has given written authorization to act on the patient's behalf regarding the patient's medical record.

(B) A patient, a patient's personal representative or an authorized person who wishes to examine or obtain a copy of part or all of a medical record shall submit to the health care provider a written request signed by the patient, personal representative, or authorized person dated not more than one year before the date on which it is submitted. The request shall indicate whether the copy is to be sent to the requestor, physician or chiropractor, or held for the requestor at the office of the health care provider. Within a reasonable time after receiving a request that meets the requirements of this division and includes sufficient information to identify the record requested, a health care provider that has the patient's medical records shall permit the patient to examine the record during regular business hours without charge or, on request, shall provide a copy of the record in accordance with section 3701.741 of the Revised Code, except that if a physician or chiropractor who has treated the patient determines for clearly stated treatment reasons that disclosure of the requested record is likely to have an adverse effect on the patient, the health care provider shall provide the record to a physician or chiropractor designated by the patient. The health care provider shall take reasonable steps to establish the identity of the person making the request to

examine or obtain a copy of the patient's record.

(C) If a health care provider fails to furnish a medical record as required by division (B) of this section, the patient, personal representative, or authorized person who requested the record may bring a civil action to enforce the patient's right of access to the record.

(D)(1) This section does not apply to medical records whose release is covered by section 173.20 or 3721.13 of the Revised Code, by Chapter 1347. or 5122. of the Revised Code, by 42 C.F.R. part 2, "Confidentiality of Alcohol and Drug Abuse Patient Records," or by 42 C.F.R. 483.10.

(2) Nothing in this section is intended to supersede the confidentiality provisions of sections 2305.24, 2305.25, 2305.251, and 2305.252 of the Revised Code.

Sec. 3701.83. (A) There is hereby created in the state treasury the general operations fund. Moneys in the fund shall be used for the purposes specified in sections 3701.04, 3701.344, 3702.20, 3710.15, 3711.16, 3717.45, 3718.06, 3721.02, ~~3722.04~~, 3721.022, 3729.07, ~~3733.04~~, ~~3733.25~~, 3733.43, 3748.04, 3748.05, 3748.07, 3748.12, 3748.13, 3749.04, 3749.07, 4747.04, 4751.04, and 4769.09 of the Revised Code.

(B) The alcohol testing program fund is hereby created in the state treasury. The director of health shall use the fund to administer and enforce the alcohol testing and permit program authorized by section 3701.143 of the Revised Code.

The fund shall receive transfers from the liquor control fund created under section 4301.12 of the Revised Code. All investment earnings of the alcohol testing program fund shall be credited to the fund.

Sec. 3702.52. The director of health shall administer a state certificate of need program in accordance with sections 3702.51 to 3702.62 of the Revised Code and rules adopted under those sections.

(A) The director shall issue rulings on whether a particular proposed project is a reviewable activity. The director shall issue a ruling not later than forty-five days after receiving a request for a ruling accompanied by the information needed to make the ruling. If the director does not issue a ruling in that time, the project shall be considered to have been ruled not a reviewable activity.

~~(B) The director shall review applications for certificates of need. Each application for a certificate of need shall be submitted to the director on forms prescribed by the director, shall include all information required by rules adopted under division (B) of section 3702.57 of the Revised Code, and~~ Each application shall include a plan for obligating the capital expenditures or implementing the proposed project on a timely basis in

accordance with section 3702.525 of the Revised Code. Each application shall also include all other information required by rules adopted under division (B) of section 3702.57 of the Revised Code.

Each application shall be accompanied by the application fee established in rules adopted under division (G) of ~~that~~ section:

Application 3702.57 of the Revised Code. Application fees received by the director under this division shall be deposited into the state treasury to the credit of the certificate of need fund, which is hereby created. The director shall use the fund only to pay the costs of administering sections 3702.11 to 3702.20, 3702.30, and 3702.51 to 3702.62 of the Revised Code and rules adopted under those sections.

The director shall review applications for certificates of need. As part of a review, the director shall determine whether an application is complete. The director shall not consider an application to be complete unless the application meets all criteria for a complete application specified in rules adopted under section 3702.57 of the Revised Code. The director shall mail to the applicant a written notice that the application meets the criteria for a complete application specified in rules adopted under section 3702.57 of the Revised Code is complete, or a written request for additional information, not later than thirty days after receiving an application or a response to an earlier request for information. The Except as provided in section 3702.523 of the Revised Code, the director shall not make more than two requests for additional information.

The director may conduct a public informational hearing in the course of reviewing any application for a certificate of need, and shall conduct one if requested to do so by any affected person not later than fifteen days after the director mails the notice that the application is complete. The hearing shall be conducted in the community in which the activities authorized by the certificate of need would be carried out. Any affected person may testify at the hearing. The director may, with the health service agency's consent, designate a health service agency to conduct the hearing.

Except during a public hearing or as necessary to comply with a subpoena issued under division (E) of this section, after a notice of completeness has been received, no person shall make revisions to information that was submitted to the director before the director mailed the notice of completeness or knowingly discuss in person or by telephone the merits of the application with the director. A person may supplement an application after a notice of completeness has been received by submitting clarifying information to the director. If one or more persons request a meeting in person or by telephone, the director shall make a reasonable

effort to invite interested parties to the meeting or conference call.

(C) All of the following apply to the process of granting or denying a certificate of need:

(1) If the project proposed in a certificate of need application meets all of the applicable certificate of need criteria for approval under sections 3702.51 to 3702.62 of the Revised Code and the rules adopted under those sections, the director shall grant a certificate of need for all or part of the project that is the subject of the application by the applicable deadline specified in division (C)(4) of this section or any extension of it under division (C)(5) of this section.

(2) The director's grant of a certificate of need does not affect, and sets no precedent for, the director's decision to grant or deny other applications for similar reviewable activities proposed to be conducted in the same or different health service areas.

(3) If the director receives written objections to an application from any affected person by the thirtieth day after mailing the notice of completeness, the director shall notify the applicant and assign a hearing examiner to conduct an adjudication hearing concerning the application in accordance with Chapter 119. of the Revised Code. In the case of applications under comparative review, if the director receives written objections to any of the applications from any affected person by the thirtieth day after the director mails the last notice of completeness, the director shall notify all of the applicants and appoint a hearing examiner to conduct a consolidated adjudication hearing concerning the applications in accordance with Chapter 119. of the Revised Code. The hearing examiner shall be employed by or under contract with the department of health.

The adjudication hearings may be conducted in the health service area in which the reviewable activity is proposed to be conducted. Consolidated adjudication hearings for applications in comparative review may be conducted in the geographic region in which all of the reviewable activities will be conducted. The applicant, the director, and the affected persons that filed objections to the application shall be parties to the hearing. If none of the affected persons that submitted written objections to the application appears or prosecutes the hearing, the hearing examiner shall dismiss the hearing and the director shall grant a certificate of need for all or part of the project that is the subject of the application if the proposed project meets all of the applicable certificate of need criteria for approval under sections 3702.51 to 3702.62 of the Revised Code and the rules adopted under those sections. The affected persons bear the burden of proving by a preponderance of evidence that the project is not needed or that granting the

certificate would not be in accordance with sections 3702.51 to 3702.62 of the Revised Code or the rules adopted under those sections.

(4) Except as provided in division (C)(5) of this section, the director shall grant or deny certificate of need applications for which an adjudication hearing is not conducted under division (C)(3) of this section not later than sixty days after mailing the notice of completeness or, in the case of an application proposing addition of long-term care beds, not later than sixty days after such other time as is specified in rules adopted under section 3702.57 of the Revised Code. Except as provided in division (C)(5) of this section, the director shall grant or deny certificate of need applications for which an adjudication hearing is conducted under division (C)(3) of this section not later than thirty days after the expiration of the time for filing objections to the report and recommendation of the hearing examiner under section 119.09 of the Revised Code. The director shall base decisions concerning applications for which an adjudication hearing is conducted under division (C)(3) of this section on the report and recommendations of the hearing examiner.

(5) Except as otherwise provided in division (C) (6) of this section, the director or the applicant may extend the deadline prescribed in division (C)(4) of this section once, for no longer than thirty days, by written notice before the end of the deadline prescribed by division (C)(4) of this section. An extension by the director under division (C)(5) of this section shall apply to all applications that are in comparative review.

(6) No applicant in a comparative review may extend the deadline specified in division (C)(4) of this section.

(7) If the director does not grant or deny the certificate by the applicable deadline specified in division (C)(4) of this section or any extension of it under division (C)(5) of this section, the certificate shall be considered to have been granted.

(8) In granting a certificate of need, the director shall specify as the maximum capital expenditure the certificate holder may obligate under the certificate a figure equal to one hundred ten per cent of the approved project cost.

(9) In granting a certificate of need, the director may grant the certificate with conditions that must be met by the holder of the certificate.

(D) The director shall monitor the activities of persons granted certificates of need during the period beginning with the granting of the certificate of need and ending five years after implementation of the activity for which the certificate was granted.

(E) When reviewing applications for certificates of need or monitoring

activities of persons granted certificates of need, the director may issue and enforce, in the manner provided in section 119.09 of the Revised Code, subpoenas duces tecum to compel the production of documents relevant to review of the application or monitoring of the activities. In addition, the director or the director's designee, which may include a health service agency, may visit the sites where the activities are or will be conducted.

(F) The director may withdraw certificates of need.

(G) The director shall conduct, on a regular basis, health system data collection and analysis activities and prepare reports. The director shall make recommendations based upon these activities to the public health council concerning the adoption of appropriate rules under section 3702.57 of the Revised Code. All health care facilities and other health care providers shall submit to the director, upon request, any information that is necessary to conduct reviews of certificate of need applications and to develop recommendations for criteria for reviews, and that is prescribed by rules adopted under division (H) of section 3702.57 of the Revised Code.

(H) Any decision to grant or deny a certificate of need shall consider the special needs and circumstances resulting from moral and ethical values and the free exercise of religious rights of health care facilities administered by religious organizations, and the special needs and circumstances of inner city and rural communities.

Sec. 3702.523. A person who has an application for a certificate of need pending with the director of health may revise the application to change the site of the proposed project unless either of the following applies:

(A) The director, under section 3702.52 of the Revised Code, has mailed the applicant a written notice that the application is complete.

(B) The application is subject to a comparative review under section 3702.593 of the Revised Code.

The only revision that may be made in the revised application is the site of the proposed project. The revised site of the proposed project must be located in the same county as the site of the proposed project specified in the original application. The director may not accept a revised application if it includes revisions other than the site of the proposed project or if the revised site is located in a different county than the county in which the site specified in the original application is located.

A revised application shall be accompanied by an additional, non-refundable fee equal to twenty-five per cent of the fee charged under section 3702.52 of the Revised Code for the original application. The additional fee shall be deposited into the certificate of need fund created under section 3702.52 of the Revised Code.

On acceptance of a revised application, the director shall continue to review the application as revised in accordance with section 3702.52 of the Revised Code to determine whether it is complete and, if necessary and regardless of whether the director previously made two requests for additional information, may make a final written request to the applicant for additional information not later than thirty days after the date the director accepts the revised application.

Sec. 3702.57. (A) The public health council shall adopt rules establishing procedures and criteria for reviews of applications for certificates of need and issuance, denial, or withdrawal of certificates.

(1) In adopting rules that establish criteria for reviews of applications of certificates of need, the council shall consider the availability of and need for long-term care beds to provide care and treatment to persons diagnosed as having traumatic brain injuries and shall prescribe criteria for reviewing applications that propose to add long-term care beds to provide care and treatment to persons diagnosed as having traumatic brain injuries.

(2) The criteria for reviews of applications for certificates of need shall relate to the need for the reviewable activity and shall pertain to all of the following matters:

(a) The impact of the reviewable activity on the cost and quality of health services in the relevant geographic area, including, but not limited, to the historical and projected utilization of the services to which the application pertains and the effect of the reviewable activity on utilization of other providers of similar services;

(b) The quality of the services to be provided as the result of the activity, as evidenced by the historical performance of the persons that will be involved in providing the services and by the provisions that are proposed in the application to ensure quality, including but not limited to adequate available personnel, available ancillary and support services, available equipment, size and configuration of physical plant, and relations with other providers;

(c) The impact of the reviewable activity on the availability and accessibility of the type of services proposed in the application to the population of the relevant geographic area, and the level of access to the services proposed in the application that will be provided to medically underserved individuals such as recipients of public assistance and individuals who have no health insurance or whose health insurance is insufficient;

(d) The activity's short- and long-term financial feasibility and cost-effectiveness, the impact of the activity on the applicant's costs and

charges, and a comparison of the applicant's costs and charges with those of providers of similar services in the applicant's proposed service area;

(e) The advantages, disadvantages, and costs of alternatives to the reviewable activity;

(f) The impact of the activity on all other providers of similar services in the health service area or other relevant geographic area, including the impact on their utilization, market share, and financial status;

(g) The historical performance of the applicant and related or affiliated parties in complying with previously granted certificates of need and any applicable certification, accreditation, or licensure requirements;

(h) The relationship of the activity to the current edition of the state health resources plan issued under section 3702.521 of the Revised Code;

(i) The historical performance of the applicant and related or affiliated parties in providing cost-effective health care services;

(j) The special needs and circumstances of the applicant or population proposed to be served by the proposed project, including research activities, prevalence of particular diseases, unusual demographic characteristics, cost-effective contractual affiliations, and other special circumstances;

(k) The appropriateness of the zoning status of the proposed site of the activity;

(l) The participation by the applicant in research conducted by the United States food and drug administration or clinical trials sponsored by the national institutes of health.

(3) The criteria for reviews of applications shall include a formula for determining each county's long-term care bed need for purposes of section 3702.593 of the Revised Code and may include other formulas for determining need for beds.

Any rules prescribing criteria that establish ratios of beds to population shall specify the bases for establishing the ratios or mitigating factors or exceptions to the ratios.

(B) The council shall adopt rules specifying all of the following:

(1) Information that must be provided in applications for certificates of need, ~~which shall include a plan for obligating the capital expenditure or implementing the proposed project on a timely basis in accordance with section 3702.525 of the Revised Code;~~

(2) Procedures for reviewing applications for completeness of information;

(3) Criteria for determining that the application is complete.

(C) The council shall adopt rules specifying requirements that holders of certificates of need must meet in order for the certificates to remain valid

and establishing definitions and requirements for obligation of capital expenditures and implementation of projects authorized by certificates of need.

(D) The council shall adopt rules establishing criteria and procedures under which the director of health may withdraw a certificate of need if the holder fails to meet requirements for continued validity of the certificate.

(E) The council shall adopt rules establishing procedures under which the department of health shall monitor project implementation activities of holders of certificates of need. The rules adopted under this division also may establish procedures for monitoring implementation activities of persons that have received nonreviewability rulings.

(F) The council shall adopt rules establishing procedures under which the director of health shall review certificates of need whose holders exceed or appear likely to exceed an expenditure maximum specified in a certificate.

(G) The council shall adopt rules establishing certificate of need application fees sufficient to pay the costs incurred by the department for administering sections 3702.51 to 3702.62 of the Revised Code and to pay health service agencies for the functions they perform under division (D)(5) of section 3702.58 of the Revised Code. Unless rules are adopted under this division establishing different application fees, the application fee for a project not involving a capital expenditure shall be three thousand dollars and the application fee for a project involving a capital expenditure shall be nine-tenths of one per cent of the capital expenditure proposed subject to a minimum of three thousand dollars and a maximum of twenty thousand dollars.

(H) The council shall adopt rules specifying information that is necessary to conduct reviews of certificate of need applications and to develop recommendations for criteria for reviews that health care facilities and other health care providers are to submit to the director under division (G) of section 3702.52 of the Revised Code.

(I) The council shall adopt rules defining "affiliated person," "related person," and "ultimate controlling interest" for purposes of section 3702.524 of the Revised Code.

(J) The council shall adopt rules prescribing requirements for holders of certificates of need to demonstrate to the director under section 3702.526 of the Revised Code that reasonable progress is being made toward completion of the reviewable activity and establishing standards by which the director shall determine whether reasonable progress is being made.

(K) The public health council shall adopt all rules under divisions (A) to

(J) of this section in accordance with Chapter 119. of the Revised Code. The council may adopt other rules as necessary to carry out the purposes of sections 3702.51 to 3702.62 of the Revised Code.

Sec. 3702.59. (A) The director of health shall accept for review certificate of need applications as provided in sections 3702.592, 3702.593, and 3702.594 of the Revised Code.

(B)(1) The director shall not approve an application for a certificate of need for the addition of long-term care beds to an existing health care facility or for the development of a new health care facility if any of the following apply:

(a) The existing health care facility in which the beds are being placed has one or more waivers for life safety code deficiencies, one or more state fire code violations, or one or more state building code violations, and the project identified in the application does not propose to correct all life safety code deficiencies for which a waiver has been granted, all state fire code violations, and all state building code violations at the existing health care facility in which the beds are being placed;

(b) During the sixty-month period preceding the filing of the application, a notice of proposed license revocation was issued under section 3721.03 of the Revised Code for the existing health care facility in which the beds are being placed or a nursing home owned or operated by the applicant or a principal participant.

(c) During the period that precedes the filing of the application and is encompassed by the three most recent standard surveys of the existing health care facility in which the beds are being placed, any of the following occurred:

(i) The facility was cited on three or more separate occasions for final, nonappealable actual harm but not immediate jeopardy deficiencies.

(ii) The facility was cited on two or more separate occasions for final, nonappealable immediate jeopardy deficiencies.

(iii) The facility was cited on two separate occasions for final, nonappealable actual harm but not immediate jeopardy deficiencies and on one occasion for a final, nonappealable immediate jeopardy deficiency.

(d) More than two nursing homes owned or operated in this state by the applicant or a principal participant or, if the applicant or a principal participant owns or operates more than twenty nursing homes in this state, more than ten per cent of those nursing homes, were each cited during the period that precedes the filing of the application for the certificate of need and is encompassed by the three most recent standard surveys of the nursing homes that were so cited in any of the following manners:

(i) On three or more separate occasions for final, nonappealable actual harm but not immediate jeopardy deficiencies;

(ii) On two or more separate occasions for final, nonappealable immediate jeopardy deficiencies;

(iii) On two separate occasions for final, nonappealable actual harm but not immediate jeopardy deficiencies and on one occasion for a final, nonappealable immediate jeopardy deficiency.

(2) In applying divisions (B)(1)(a) to (d) of this section, the director shall not consider deficiencies or violations cited before the applicant or a principal participant acquired or began to own or operate the health care facility at which the deficiencies or violations were cited. The director may disregard deficiencies and violations cited after the health care facility was acquired or began to be operated by the applicant or a principal participant if the deficiencies or violations were attributable to circumstances that arose under the previous owner or operator and the applicant or principal participant has implemented measures to alleviate the circumstances. In the case of an application proposing development of a new health care facility by relocation of beds, the director shall not consider deficiencies or violations that were solely attributable to the physical plant of the existing health care facility from which the beds are being relocated.

(C) The director also shall accept for review any application for the conversion of infirmity beds to long-term care beds if the infirmity meets all of the following conditions:

(1) Is operated exclusively by a religious order;

(2) Provides care exclusively to members of religious orders who take vows of celibacy and live by virtue of their vows within the orders as if related;

(3) Was providing care exclusively to members of such a religious order on January 1, 1994.

~~At no time shall individuals other than those described in division (C)(2) of this section be admitted to a facility to use beds for which a certificate of need is approved under this division.~~

(D) Notwithstanding division (C)(2) of this section, a facility that has been granted a certificate of need under division (C) of this section may provide care to any of the following family members of the individuals described in division (C)(2) of this section: mothers, fathers, brothers, sisters, brothers-in-law, sisters-in-law, or children.

The long-term care beds in a facility that have been granted a certificate of need under division (C) of this section may not be relocated pursuant to sections 3702.592 to 3702.594 of the Revised Code.