

Substitute House Bill 33 (Passed by Ohio House and Pending in Ohio Senate) Summary
April 26, 2023

K-12 Education

School Funding

- Updates the fiscal years from 2018 to 2022 to be used for the base cost inputs for fiscal year (FY) 2024 and 2025 of the school funding formula and continues the phase-in of the formula at 50% of the phase in FY 2024 and 66.67% in FY 2025. By updating the base cost components, it is estimated that the average per student base cost will increase from \$7,352 in the current fiscal year to \$8,241 in FY 2024. This represents a 12.1% increase from the current per-pupil amount. This increases state funding to public schools by nearly \$1 billion over the biennium.
- Retains the executive budget proposal school funding guarantee provisions, which guarantees that a district’s funding does not fall below base FY 2020 levels for the “temporary transitional aid guarantee” and below FY 2021 levels for the “formula transition supplement.”
- Eliminates the proposed \$388 million appropriation over the biennium for school resource officers.
- Appropriates \$500,000 for an economically disadvantaged student cost study.
- Maintains the Student Wellness and Success Funds spending deadlines and restrictions.
- Permits school bus purchase funds awarded in FY 2022 and FY 2023 to be used through FY 2025.
- Requires ODE to conduct a study on access to all-day kindergarten, including barriers to offering all-day kindergarten, and age cut-off dates.
- Requires ODE to conduct an evaluation of student wellness and success funds on measures such as school climate, attendance, discipline, and academic achievement.

State Minimum Teacher Salary Schedule; Recruitment, Retention & Preparation Provisions

- Increases the state minimum teacher salary from \$30,000 to \$40,000 for teachers with a bachelor’s degree and zero years of experience. Also increases subsequent minimum salary steps using the same multipliers in the state minimum salary schedule. School district teacher salaries above the state minimums are mandatory subjects of collective bargaining at the school district level. In the 2021-22 school year, 366 school districts in the OEA database had starting teacher salaries below \$40,000 (BA/zero years). Below is the updated state minimum teacher salary schedule advocated for by OEA and included by the Ohio House of Representatives in the state budget bill:

Years of Service	Teachers with Less than a Bachelor's Degree		Teachers with a Bachelor's Degree		Teachers w/ 5 Yrs. of Training (150 Sem. Hrs./No MA)		Teachers with a Master's Degree	
	Per Cent	Dollar Amount	Per Cent	Dollar Amount	Per Cent	Dollar Amount	Per Cent	Dollar Amount
0	86.5	34,600	100	40,000	103.8	41,520	109.5	43,800
1	90	36,000	103.8	41,520	108.1	43,240	114.3	45,720
2	93.5	37,400	107.6	43,040	112.4	44,960	119.1	47,640
3	97	38,800	111.4	44,560	116.7	46,680	123.9	49,560
4	100.5	40,200	115.2	46,080	121	48,400	128.7	51,480
5	104	41,600	119	47,600	125.3	50,120	133.5	53,400
6	104	41,600	122.8	49,120	129.6	51,840	138.3	55,320
7	104	41,600	126.6	50,640	133.9	53,560	143.1	57,240
8	104	41,600	130.4	52,160	138.2	55,280	147.9	59,160
9	104	41,600	134.2	53,680	142.5	57,000	152.7	61,080
10	104	41,600	138	55,200	146.8	58,720	157.5	63,000
11	104	41,600	141.8	56,720	151.1	60,440	162.3	64,920

- Establishes the Grow Your Own Teacher Program, under which certain low-income high school seniors and certain employees are awarded scholarships of up to \$7,500 for up to four years who commit to teaching in a qualifying school for at least four years after graduating from a teacher training program. Appropriates \$5 million in FY 24 and \$10 million in FY 25 to the Requires the Grow Your Own Teacher Program Fund.
- Creates a loan repayment program to provide \$40,000 maximum awards to eligible teachers who teach for five consecutive years in a high-needs subject area at public schools that have persistently low performance ratings on the state report card and difficulty attracting and retaining teachers. Appropriates \$25.0 million in FY 2024 from the GRF to the Teacher Loan Repayment Fund to support the program. According to LSC, this funding supports loan repayments for at least 625 teachers. However, the first loan repayments likely will not be paid until FY 2029.
- Allocates up to \$7,500,000 in each fiscal year for ODE, in consultation with ODHE, to provide awards to support graduate coursework for high school teachers to receive credentialing to teach College Credit Plus courses.
- Allocates up to \$3,225,000 in each fiscal year for ODE, in consultation with ODVS, to support the Ohio Military Veterans Educator Program.

Vouchers and Charter Schools

- Increases the EdChoice vouchers income eligibility threshold to 450% of the federal poverty level (\$1135,000 for a family of four). (Under current law, eligibility is at 250% of poverty and the Governor had proposed 400% in executive budget proposal.
- Requires by July 1, 2024, the Ohio Department of Education to develop one or more measures to demonstrate the performance of vouchers students that enable parents to compare the performance of voucher students against that of students enrolled in public schools.
- Prohibits private schools participating in the EdChoice Voucher program from requiring a student's parent to disclose, as part of the school's admission procedure, whether the student's family income is at or below 200% of the federal poverty level.
- Increases the base and categorical amounts by 12.1% and increases the funding cap for each voucher from \$27,000 to \$30,000. Increases by \$2 million in each fiscal year funding to pay for these changes.
- Retains the proposed executive budget \$1,250 per pupil increase to the Quality Community Schools Support Fund adds independent STEM schools to the list of who may qualify.

Third Grade Reading Guarantee

- Prohibits a school district from being required to retain a student based upon their score on the third-grade English language arts assessment.
- Eliminates the fall administration of all third-grade English language arts assessment, beginning with the 2023-24 school year.
- Requires school districts to continue to offer intervention and remediation services for students found to be reading below grade level.
- Requires each school district and chartered nonpublic schools accepting EdChoice or Cleveland vouchers to provide reading intervention services and reading improvement and monitoring plans to students in grades four or five who are reading below grade level and students who have been retained in grades K-3 and have received remediation in reading for two school years but continue to read below grade level.
- Requires districts to notify the parent or guardian of students who receive reading intervention services or a reading improvement and monitoring plan.
- Requires school districts and schools that retained students for the 2023- 2024 school year based solely on that student's score on the third grade achievement assessment in reading in the 2022-2023 school year to promote those students to the fourth grade.
- Extends, from grade three to grade five, the grade level for which the State Board of Education must prescribe minimum standards requiring the use of phonics as a technique in the teaching of reading in those grades, and for which the State Board must provide in-service training programs for teachers on the use of phonics as a technique in the teaching of reading in those grades.

Literacy

- Maintains the executive budget proposals requirements on curriculum and instructional materials aligned to the Science of Reading and prohibition on the use of the three-cueing method.
- Changes the definition of "three-cueing approach" to mean "any model of teaching students to read based on meaning, structure, syntax, and visual cues" rather than "an instructional method that encourages students to predict words based on story structure, pictures, typical word order, letter sounds, or other contextual cues."
- Requires ODE to identify vendors that provide professional development to educators, including pre-service teachers and faculty employed by educator preparation programs, on the use of high-quality core curriculum and instructional materials and reading intervention programs on the ODE-compiled lists.
- Reduces, from \$64 million in FY 2024 to \$44 million, the proposed total appropriation to subsidize schools' costs of high-quality core curriculum and instructional materials in English language arts and evidence-based reading intervention programs.
- Reduces the proposed stipend amounts for mandatory literacy professional development from \$1,200 to \$600 for all K-5 teachers, ELA teachers in grades 6-12, all intervention specialists, among others, and from \$400 to \$200 for 6-12 non-ELA teachers. The executive budget proposal funding amount over the biennium was \$86 million and the House proposal is \$43 million.
- Requires ODE to identify vendors that provide professional development to educators, including pre-service teachers and faculty employed by educator preparation programs, on the use of high-quality core curriculum and instructional materials and reading intervention programs on the ODE-compiled lists.
- Maintains \$18 million for funding literacy coaches.
- Replaces the Executive provision with one that requires the Chancellor, in consultation with the Superintendent of Public Instruction, to establish metrics to ensure that each educator training program includes evidence-based strategies for effective literacy instruction aligned to the science of reading, including phonics, phonemic awareness, fluency, comprehension, and vocabulary development, and is part of a structured literacy program.
- Requires the Chancellor to develop an audit process that clearly documents the degree to which each institution of higher education that offers educator training programs is in alignment with the literacy requirements, annually create a summary of literacy instruction strategies and practices in place for all educator preparation programs based on the program audits, and to revoke approval for programs that are found to be not in alignment and do not address the findings of the audit within one year.
- Appropriates \$250,000 each year to award competitive grants of up to \$10,000 to institutions of higher education to promote student teacher placement with teachers who (1) received instruction in evidence-based strategies aligned to the science of

reading (2) use high-quality instructional materials aligned to the science of reading and (3) implement a structured literacy approach in their classroom.

- Appropriates \$175,000 each year to award competitive grants of up to \$20,000 to support the science of reading at educator preparation programs at institutions of higher education.
- Appropriates \$75,000 each year for the Ohio Department of Higher Education to utilize for duties related to teacher education programs and the science of reading, including developing the auditing process established under the bill.

Dyslexia

- Permits, rather than requires as under the executive budget proposal, districts to use the state provided Tier 1 dyslexia screener.
- Changes from July 1, 2023, to “at the start of the school year”, the deadline for teachers who provide instruction for students in grades K and one to complete their professional development training.
- Changes from July 1, 2024, to September 15, 2024, the deadline for teachers who provide instruction for students in grades two and three to complete their professional development training.
- Changes from July 1, 2025, to September 15, 2025, the deadline for teachers who provide instruction for students in grades four through twelve to complete their professional development training.

Career-Technical Education

- Maintains the executive budget proposal \$100 million appropriation to support career technical programs.
- Maintains the \$200 million one-time appropriation to support construction projects that establish or expand career-technical education programs.
- Appropriates \$7.6 million in FY 2024 for facilities projects of the Sandusky City School District, including \$2.8 million for a new culinary facility and \$4.8 million for a new welding facility.
- Appropriates \$1.4 million to the Medina County Career Center to construct a new fire training facility.

School Transportation

- Requires districts to provide K-8 students “substantially the same level of transportation service, route, and schedule convenience, and pick-up and drop-off times” relative to their school’s start and end times regardless of whether the pupil attends a public school, private school, or charter school.

- Requires the Department of Education to determine penalty fees related to transportation based upon the number of students affected rather than the total daily transportation payment amount.
- Establishes a pilot program under which up to five ESCs will voluntarily participate to provide transportation to community, STEM, and chartered nonpublic school students, in lieu of receiving transportation from their resident school district.

School Meals

- Requires ODE to provide reimbursements to make school breakfasts and lunches free for all students eligible for a reduced-price breakfast or lunch at public, chartered nonpublic special education programs operated by county boards of developmental disabilities, and facilities offering juvenile day treatment services.
- Requires public and private schools to provide a meal at no cost to a student who is eligible for a reduced-priced meal.
- Increases the School Meal Programs funding line item by \$8.4 million over the biennium.

Licensure

- Modifies the teacher licensure grade bands to be preK-8 and 6-12, rather than preK-5, 4-9, and 7-12.
- Permits the holder of an alternative resident educator license to teach preschool students.
- Includes OEA supported reforms to the Ohio Teacher Residency (OTR) Program and Resident Educator Summative Assessment (RESA).
 - Permits mentoring under OTR Program to be conducted online or in person.
 - Requires ODE to provide participants and mentors with no-cost online access to professional development resources and sample videos of Ohio classroom lessons submitted for the resident educator summative assessment (RESA).
 - Requires ODE to provide each participant who does not receive a passing score on the RESA with a no-cost opportunity to meet online with an instructional coach to discuss results, improvement strategies, and professional development.
 - Permits participants who have not taken the RESA to meet with instructional coaches if the participant's district or school pays the costs.
 - Prohibits the State Board of Education from limiting the number of attempts participants have to successfully complete the RESA.
 - Permits individuals to submit the RESA between the first Tuesday of October and the first Friday of April of the individual's second year of the program.
 - Requires the results of each RESA to be returned within 30 days unless a new assessor is contracted, in which case results must be returned within 45 days.

- Requires each school district, community school, and STEM school to provide one day of professional development leave every school year for each classroom teacher to observe a veteran classroom teacher.
- Maintains the executive budget proposal’s provisions regarding pre-service teacher permits and student teaching.
- Inserts the provisions of HB 9, which modifies the Ohio Teacher Residency Program, reduces the alternative resident licensure from four to two years, and requires districts to provide one day of professional development leave for classroom teachers each year to observe a veteran teacher.
- Retains the executive budget proposals provision establishing an alternative military educator license that permits eligible military individuals to receive an educator license on an expedited timeline.
- Retains the executive budget proposal provisions establishing a new computer science license for industry professionals and assign grade band designations to computer science teaching licenses.
- School Counselor Licensure:
 - Codifies the State Board of Education's rules establishing eligibility requirements for the issuance of an initial professional pupil services license in school counseling and adds a new requirement that an applicant complete 12 hours of training about the building and construction trades that must be completed at a construction site or a trade training facility. Permits an applicant for an initial school counselor license to count the 12 hours of training toward meeting the 600-hour internship requirement for the license.
 - Requires an individual who holds a school counselor license to complete at least four hours of training about the building and construction trades at a construction site or trade training facility to renew that license. Permits the four hours of training to count toward meeting continuing education requirements for licensure renewal.

Free Application for Student Financial Aid (FASFA)

- Removes the executive budget proposal’s requirement for high school students to complete the FASFA to graduate.
- Requires public and chartered nonpublic schools to include instruction on the FAFSA as part of the financial literacy education required for high school graduation.

Seizure Action Plans

- Requires all public and chartered nonpublic schools to create an individualized seizure action plan for each student with an active seizure disorder diagnosis (In general, the plans provide parental consent for a school nurse or other authorized staff to administer

medications prescribed for a seizure disorder and information on the student's medication, including instructions for administration).

- Requires districts and schools to provide training every two years to ensure that at least one employee other than a school nurse is trained on the implementation of seizure action plans.
- Provides qualified immunity in a civil action for claims arising from performance under these provisions unless the performance constitutes willful or wanton misconduct.

School Facilities

- Establishes the Accelerated Appalachian School Building Assistance Program (AAP) under which eligible school districts in the Appalachian region may apply for special assistance under the Classroom Facilities Assistance Program (CFAP). Appropriates \$300 million in the FY 2023-FY 2024 capital biennium for the program.
- Establishes the Accelerated School Assistance Program, under which the Ohio Facilities Construction Commission will fund 80% of an eligible school district's classroom facilities project (applies to Canfield City Schools only).
- Qualifies a district for the program if it: (1) has between 2,000 and 3,000 enrolled students; (2) has an annual percentile ranking that remained the same for at least three of the four most recent years; (3) has at least one building that is at least 100 years old; and (4) has a master facility plan that proposes to consolidate buildings (applies to Canfield City Schools only).
- Appropriates \$33 million in FY 2024 from the state surplus GRF revenue to provide the state's portion of total project costs under the Program.

ODE Policy Review

- Requires each policy established by ODE to (1) comply with statutes and rules in existence at the time the policy is established, (2) not establish a new requirement, (3) include a statement that the policy does not have the force of law on the first page, and (4) state the statute or rule on which the policy is based.
- Requires ODE to review each policy within 90 days of this provision's effective date, and every five years thereafter, and prepare a public record certifying that it has been reviewed.
- Permits a person to file a complaint with the Superintendent of Public Instruction alleging that a policy does not comply with the requirements of the section and requires the state Superintendent to determine whether it complies within 90 days.
- Establishes that the state Superintendent's determination is not final and is appealable.
- Requires ODE to (1) post all proposed policies in a prominent location on its website, (2) compile a current copy of all its policies for public inspection and copying, (3) provide a 60-day public comment period for each proposed policy, and (4) hold at least one public hearing if three or more public comments are submitted.

Department of Children and Youth

- Retains the proposal to create the Department of Children and Youth to provide a greater state focus on supporting children in the early years.
- Shifts funding line items from Education, Health, Developmental Disabilities, Medicaid, Mental Health and Drug Addiction, and Job and Family Service agencies to the new department.

Other

- Prohibits the establishment of new Academic Distress Commissions for the 2023-24 and 2024-25 school years.
- Includes HB 82, which requires coaches at public and private schools to complete an approved student mental health training course each time the individual applies for or renews a pupil activity program permit. Permits the individual to complete the training at any time within the duration of the individual's new or renewed permit.
- Appropriates \$598,000 in each fiscal year to support instruction in cardiopulmonary resuscitation and the use of automated external defibrillator requirements for high school students.
- Requires the Superintendent of Public Instruction to designate at least one ODE employee to serve as a liaison for school counselors.
- Includes SB 66, which requires public or chartered nonpublic schools to transmit a transferring student's school records within five school days upon receiving such a request from the student's new school. Defines "school records" as any academic records, student assessment data, or other information for which there is a legitimate educational interest.
- Retains the executive budgets proposal on the creation of the Department of Children and Youth.
- Eliminates \$15 million in funding over the biennium for school-based health centers.

Taxes

Property Tax

- Eliminates replacement levies beginning January 1, 2025.
- Adjusts the homestead exemption for inflation each year, beginning in 2023 for real property and 2024 for homes subject to the manufactured and mobile home tax. Applies the adjustment to both the standard \$25,000 exemption and the enhanced \$50,000 exemption for disabled veterans and spouses of public service officers killed in the line of duty.

- Prohibits an electric utility from requesting and the Tax Commissioner from approving, for property tax purposes, a reduction in the taxable value of a power plant's tangible personal property (TPP) of more than 7.5% compared to the preceding tax year, beginning in tax year 2024. This may limit the revenue loss from property taxes in some years for political subdivisions in which an electric generating plant is located.
- Exempts from property tax a portion of the value of land subdivided for residential development for up to eight years.
- Extends, from 13 months to 16 months, the time during which the voters of a school district must approve bond and tax levies related to a school facilities project after OFCC grants conditional approval of the project.
- Creates the Joint Committee on Property Tax Review and Reform, a 10-member legislative committee, responsible for (1) reviewing the history and purpose of all aspects of Ohio's property tax law, including the forms of levies, exemptions, and local subdivision budgeting, (2) holding hearings on pending legislation related to property taxation, and (3) producing a report by Dec. 31, 2024, describing the activities and findings of the Committee and making recommendations on reforms to Ohio's property tax law.
- Allows a city to extend the life of a pre-2006 TIF incentive district by up to 15 years, provided notice is given to the affected school board and the school board either: (1) approves the exemption on the basis of a mutually acceptable compensation agreement; (2) receives compensation equal in value to the amount of taxes that would be payable to the district if the improvements exempted from taxation had not been exempted for the additional period; or (3) waives its right to approve exemptions from taxation.

Income Tax

- Consolidates the existing 2.765% bracket (income between \$26,500-\$46,100) and the 3.226% bracket (income between \$46,100 and \$92,150) and set a new rate of 2.75% for the combined bracket.
- Reduces the rate of that new lowest bracket to 2.75%.
- Suspends indexing of income tax brackets and exemptions for inflation for tax years 2023 and 2024.
- Authorizes a \$1,000 nonrefundable tax credit against the state personal income tax for volunteer firefighters, first responders, emergency medical technicians, and paramedics who volunteer on one or more days in a month during at least six months of a taxable year.
- Removes the proposed executive budget proposal to create a \$2,500 per child income tax deduction.

Higher Education

- Reduces funding as proposed in the executive budget for the State Share of Instruction line item by 1.5% (32.0 million) in FY 2024 and 3.0% (66.1 million) in FY 2025.
- Eliminates DeWine's merit scholarship which would provide renewable \$5,000 scholarships to every student in the top five percent of their high school graduating class to attend an Ohio college or university.
- Retains the executive budget proposal on the operation of the Ohio College Opportunity Grant Program but reduces the as-introduced proposed funding for the program.
- Retains funding for the Teacher Apprenticeship Program.
- Eliminates funding for the Mentorship Scholarship Program that was introduced in the executive budget proposal.
- Replaces the Ohio College Access Grant with the Ohio Ready to Work Program. Under the program, the Chancellor must award up to \$3,000 to eligible students enrolled in a qualified program. Prohibits a student from receiving a grant for more than six semesters or the equivalent of three academic years.
- Retains \$20 million over the biennium for mental health support on college and university campuses.
- Eliminates the Access Challenge program to incentivize enrollment of underrepresented students, support the critical services provided to these students, and address barriers that may otherwise interrupt college completion.

Developmental Disabilities

- Retains executive budget proposals on developmental disabilities.
- Permits probate courts to consider supported decision making as a less restrictive alternative to guardianship for adults with developmental disabilities when evidence of a supportive decision-making agreement is presented in court.
- Creates a presumption of competence and capacity for adults with developmental disabilities, unless deemed incompetent by a court.
- Requires the Department of Developmental Disabilities to create a model-supported decision-making agreement form.
- Permits, if a board of county commissioners is unable to appoint to the county DD board at least one individual who is eligible to receive services from the county DD board as required by the Executive version, to instead appoint another individual if it provides an explanation to the county DD board explaining why appointment of an eligible individual was not possible.

STATE COUNCIL OF PROFESSIONAL EDUCATORS (SCOPE)

Department of Rehabilitation and Correction (DRC)

Earned Credit Release Time – Expands Maximum

- Retains, in the law specifying the maximum credit a prisoner may earn for participating in a DRC-approved program while confined, the current statutory cap on the earned credit of 8% of the prisoner's sentence, which applies until April 4, 2024, but provides that if a prisoner has met the 8% cap as of the bill's effective date, or reaches the 8% cap between that effective date and April 3, 2024: (a) on and after the bill's effective date, the 8% cap no longer applies to the prisoner; and (b) on and after the bill's effective date, the cap is 15% of the prisoner's sentence.
- Clarifies that the bill's provisions described above apply to the prisoner with respect to the time the prisoner was confined on and after the bill's effective date and prior to April 4, 2024. Clarifies that the bill's provisions described above apply to the prisoner with respect to the time the prisoner was confined on and after the bill's effective date and prior to April 4, 2024.
- Reaffirms, in the law setting forth the new statutory cap of 15% of the prisoner's sentence, which takes effect April 4, 2024, that the new 15% cap will apply only with respect to the time a prisoner is confined on or after April 4, 2024.

GED Funding

- Through Ohio Department of education, earmarks up to \$6,900,000 in each fiscal year for Adult Education Programs to make payments under the 22+ Adult High School Program, portions of which are available to eligible students in state correctional institutions.

Prison Nursery Doula Program

- Establishes a five-year program in DRC for certified doulas to provide doula services to inmates participating in a prison nursery program.

Ashland University Correctional Education Expansion Program

- Increases Institution Education Services line-item by \$700,000 in fiscal year 2024, and earmarks the increase for the Ashland University Correctional Education Expansion Program.

Reentry Employment Grants

- Increases the amount earmarked for reentry employment grants in each fiscal year from \$275,000 to \$400,000.

Prosecution of Felonies Occurring at State Correctional Institutions

- Requires the DRC to allocate an amount not to exceed \$250,000 in each fiscal year to reimburse counties for their costs incurred in the prosecution of felonies that occur on the grounds of state correctional institutions operated by the Department. Eligible reimbursement costs include those incurred by the prosecuting attorney, indigent defense counsel, courts of common pleas, clerk of courts of common pleas, and the sheriff.

Department of Youth Services (DYS)

- Requires Education Services line-item to be used to fund the operating expenses of providing educational services to youth supervised by DYS, including teachers' salaries, maintenance costs, and educational equipment.
- Establishes procedures by which Ohio youth who have been assigned to a participating residential treatment center are enrolled in an approved educational program in or near the facility.
- Requires that the school district responsible for tuition for a residential child pay the tuition to the provider of the educational programs. Prohibits a district from including the youth in the district's average daily membership (ADM).

Ohio School for the Deaf and Blind (OSB)

- Establishes Ohio Deaf and Blind Education Services and places the State School for the Deaf and the State School for the Blind under it. | Same as the Executive. Abolishes the superintendent positions for both schools and creates one superintendent for Ohio Deaf and Blind Education Services appointed by the State Board of Education.

Ohio State Library

- Requires the Office of Budget and Management Director to transfer \$1,274,194 in each fiscal year from the Public Library Fund to the Library for the Blind Fund.