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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Legislative Budget
Office

H.B. 348
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 348's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Seitz and Isaacsohn

Local Impact Statement Procedure Required: No

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Highlights

- The bill appropriates a total of \$500,000 in FY 2024 and \$1 million in FY 2025 from the GRF for the Department of Education and Workforce (DEW) to administer pilot programs that provide financial incentives to increase student attendance and graduation.

Detailed Analysis

Pilot program incentivizing high attendance rates

The bill appropriates \$250,000 in FY 2024 and \$500,000 in FY 2025 from GRF line item 200597, Project and Program Support, for the Department of Education and Workforce (DEW) to administer a pilot program providing cash transfers as incentives for high attendance rates for students in kindergarten and ninth grade at select schools in participating public school districts. School districts interested in participating must apply to DEW and identify up to two schools that the district will enroll in the program. Under this program, DEW must select at least one urban and at least one rural school district, with participating schools from each district having chronic absenteeism in the highest quartile in the state based on the most recent report cards issued by DEW. DEW must select participants to receive a cash transfer incentive or participate in the control group by either (1) randomly selecting, for each participating school, half of the kindergarten parents or guardians and half of the ninth grade students to receive cash transfer incentives with the other half of each serving in the control group or (2) comparing applicant school districts and selecting similar schools to participate in the program with half of the participating schools receiving cash transfer incentives or participating in the control group.

The pilot program seeks to study the effect of various incentive distribution methods in raising student attendance. The bill requires DEW to test the following incentive distribution methods to selected recipients:

- Biweekly cash transfers of \$25 during the school year to each participating ninth grade student and the parents or guardians of participating kindergarten students with a 90% or higher attendance rate for the two-week period;
- Quarterly cash transfers of \$150 during the school year to each participating ninth grade student and the parents or guardians of participating kindergarten students with a 90% or higher attendance rate for the quarter; and
- One cash transfer of \$500 at the end of the academic year to each participating ninth grade student and the parents or guardians of participating kindergarten students with a 90% or higher attendance rate for the school year.

Graduation Incentive Pilot Program

The bill also appropriates \$250,000 in FY 2024 and \$500,000 in FY 2025 from GRF line item 200597, Program and Project Support, to support the Graduation Incentive Pilot Program, which will provide financial awards to graduates from select high schools in certain school districts that rank in the lowest 20% of school districts according to the four-year adjusted cohort graduation rate, as determined by DEW. Similar to the first pilot program, interested school districts must apply and identify two schools to participate while DEW must select at least one urban and at least one rural qualifying school district. Under the program, each eligible student will receive \$250 upon graduation, with additional awards of up to \$250 and up to \$500 given to students who graduate with grade point averages (GPAs) of 3.0 or higher and 3.5 or higher, respectively.

Administrative costs

DEW's administrative costs may increase to operate the pilot programs. Participating school districts may also incur additional administrative costs to report to DEW certain information prescribed by the bill, including participant and attendance information for the attendance incentive pilot program and the number of students participating in the program and certain graduation rate and GPA information for the Graduation Incentive Pilot Program.