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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**H.B. 114  
(with AMo275)  
136<sup>th</sup> General Assembly**

## **Fiscal Note & Local Impact Statement**

[Click here for H.B. 114's Bill Analysis](#)

**Version:** In House Education

**Primary Sponsors:** Reps. Bird and Ritter

**Local Impact Statement Procedure Required:** Yes

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### **Highlights**

- The bill, in effect, prevents children who are four years of age as of the first day of instruction for a district or school from entering kindergarten. As a result, up to about 6,000 fewer students will enter kindergarten in FY 2027 (the class of 2039). The reduced enrollment for this cohort will continue in subsequent years as these students move from grade to grade.
- State foundation aid expenditures and school district and other public school revenues may decrease by an amount in the tens of millions of dollars in FY 2027 due to lower kindergarten enrollment. Reduced aid attributable to the students in this cohort will continue annually through FY 2039 but may be less as the cohort advances to higher grade levels.
- Expenditures by school districts and other public schools for K-12 education services will likely decrease, especially for larger districts, due to educating fewer students in this cohort.
- On the other hand, there may be a temporary increase in revenues and expenditures for public early childhood education programs to serve students who would otherwise enter kindergarten in FY 2027 under current law but are not eligible to enroll under the bill, depending on available capacity and funding.

### **Detailed Analysis**

The bill revises the minimum age requirements for admission to kindergarten for school districts, community schools, and science, technology, engineering, and mathematics (STEM) schools. The practical effect of these changes is to prohibit children who are four years old as of a district or school's first day of instruction from entering kindergarten. However, the bill retains

current law provisions allowing a public school to admit to kindergarten a four-year-old who will turn five by January 1 of the requested school year of admittance after a referral and evaluation process. Continuing law also permits a child who will not be five by January 1 of the requested school year of admittance to be admitted to kindergarten early under a school district's student acceleration policy.

According to the Department of Education and Workforce (DEW), a total of 5,960 public kindergarten students were four years of age on the first day of school for the 2024-2025 school year (FY 2025). Generally, these are children who attend districts or schools whose policy is to admit students to kindergarten if they are five years old by September 30 of the year of admittance. Of these 5,960 students, 3,842 (64%) attend 285 traditional school districts and 2,118 (36%) attend 198 community schools. Most of these students would likely not have been eligible to enroll in kindergarten had the bill been in place for the 2024-2025 school year.

Based on FY 2025 estimates, under the bill, school districts and other public schools can expect to see a potential decrease in enrollment of up to approximately 6,000 students in what is likely the class of 2039. However, the actual decrease in enrollment may be lower depending on the number of children admitted through referral and evaluation processes or acceleration policies. This cohort of students will enroll in kindergarten in FY 2027 and graduate in FY 2039. Enrollment will return to normal for the likely classes of 2040 and beyond, as they will include the students who are five years old by the first day of instruction plus the students whose entry into kindergarten was delayed compared to current law.

State foundation aid expenditures, and thus revenues to school districts and other public schools, will decrease for the 13-year period that the class of 2039 is in school. The magnitude of the reductions is unclear, as a school funding formula for years after FY 2025 has yet to be enacted. Nevertheless, LBO simulated the effect of the bill on state aid through the formula as though the formula were fully in effect for FY 2025 and with other simplifying assumptions.

In the simulation, LBO reduced school district and community school kindergarten enrollment counts by the number of four-year-olds enrolled in kindergarten in FY 2025. In the simulation, the marginal decrease in state aid per pupil amounted to about \$10,500, with total state aid decreasing by \$63 million, including \$41 million less for traditional districts and \$22 million less for community schools. As with the decrease in enrollment, these amounts may be lower depending on the number of four-year-olds admitted under continuing law provisions providing for referral and evaluation processes and acceleration programs. Assuming the formula continues as presently constructed, the loss in state aid in subsequent years as the class of 2039 moves through grade levels likely will be less than in the initial year of implementation, as younger students tend to generate more state aid than older students due to student-to-teacher ratios in the base cost formula that are lower for earlier grade levels.<sup>1</sup>

In addition, the DEW data presents the four-year-old children by headcount, so the actual reduction in state aid may be less than estimated to some degree depending on the full-time

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<sup>1</sup> The teacher base cost, the largest component of a district or school's total base cost, relies on the following student-to-teacher ratios for students who do not participate in career-technical education: (1) 20:1 for kindergarten, (2) 23:1 for grades 1-3, (3) 25:1 for grades 4-8, and (4) 27:1 for grades 9-12.

equivalency of those students. On the other hand, it could be more if the students will otherwise generate funding for special education, English learner, and other categorical components.

District and school expenditures will likely decrease because there will be fewer children to educate in the cohort of students in the class of 2039. Larger districts may be able to reduce expenditures by more than smaller districts if they are able to eliminate classes that serve students in the class of 2039 due to lower enrollment.

There may also be greater demand for public early childhood education programs to serve students who would otherwise enter kindergarten in FY 2027 under current law but are not eligible to enroll under the bill. Depending on available capacity to deliver early education services and funding, there may be a temporary increase in revenues (from state or other sources, including tuition from families that self-pay) and expenditures for these programs.