



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

**S.B. 144
(with AM0910)
136th General Assembly**

Fiscal Note & Local Impact Statement

[Click here for S.B. 144's Bill Analysis](#)

Version: In Senate Education

Primary Sponsor: Sen. Ingram

Local Impact Statement Procedure Required: No

Ryan Brown, Senior Budget Analyst

Highlights

- The bill expands the number of educator license grade bands from two (grades pre-K through 8 or grades 7 through 12) to three (grades pre-K through 5, grades 4 through 8, or grades 7 through 12).
- Increasing the number of educator license grade bands may decrease school district and other public school flexibility in responding to certain staffing needs. However, it may also bolster the supply of teachers due to more focused content knowledge requirements and greater alignment with teaching job preferences. If so, teacher license fee revenue to the Occupational Licensing and Regulatory Fund (Fund 4K90) may increase.
- Costs or workload for state institutions of higher education to align educator preparation programs to the educator license grade bands prescribed by the bill may increase or decrease depending on progress with alignment to the current law standards.
- The State Board of Education's administrative costs or workload may increase to implement the new grade band specifications. However, the State Board and the Ohio Department of Higher Education may avoid some administrative costs or workload to oversee the development of revised educator licensure tests.

Detailed Analysis

The bill requires the State Board of Education, when issuing resident, professional, senior professional, and lead professional educator licenses, to specify whether the educator is licensed to teach grades pre-K through 5, grades 4 through 8, or grades 7 through 12. Current law specifies two grade bands: pre-K through grade 8 or grades 7 through 12, though there were three grade bands in place prior to H.B. 33 of the 135th General Assembly similar to those proposed by the bill (pre-K through grade 5, grades 4 through 9, and grades 7 through 12). The bill also requires the

State Board to at least issues licenses for grades pre-K through 5 that authorize a license holder to provide either general education instruction or both general and special education instruction and a license for grades 4 through 8 that authorizes license holders to provide general education instruction.

According to the Buckeye Association of School Administrators (BASA), increasing the number of educator license grade bands may reduce school district and other public school flexibility in responding to staffing needs. Current law allows districts and schools to designate educators to teach up to two grade levels outside the grade bands for which they are licensed for up to two years at a time, which may assist with staffing flexibility. However, the bill narrows this authority by requiring such educators to have at least one year of experience as licensed classroom teachers.

On the other hand, representatives of educator preparation programs at Ohio higher education institutions, in committee testimony on this bill, asserted that there may be a lack of teachers seeking the new grades pre-K through 8 license given the breadth of content knowledge required and potential misalignment of teaching assignments with teacher grade level preferences (for example, a teacher with a grades pre-K through 8 license who desires to teach children in any of grades K through 5 could be assigned to teach middle school students in grades 6 through 8 to meet staffing needs). Accordingly, the educator preparation program representatives indicated that the bill's license grade band changes may bolster the supply of teachers by addressing these issues.

The State Board of Education's workload or administrative costs may increase to implement the new license structure and the administrative rules that govern it. The State Board funds its operations through educator license fees paid into the Occupational Licensing and Regulatory Fund (Fund 4K90). Revenue to Fund 4K90 may increase depending on how individuals interested in a teaching career respond to the bill. The fee for a teacher license varies by license type and duration. Typically, the fee for a teacher license equates to \$40 per year, with the fee for a multi-year credential paid up front.

Under continuing law, educator preparation programs at higher education institutions must be approved by the Ohio Department of Higher Education (ODHE) to offer programs leading to specific types of educator licenses. State institutions of higher education may experience an increase or decrease in costs or workload associated with aligning educator preparation programs to the educator license grade bands in the bill, depending on the extent to which an institution's realignment work toward the current license structure has progressed. This process may be simplified since the new grade bands closely resemble those in effect prior to H.B. 33. The grades pre-K through 8 educator preparation program standards were approved this past summer. According to a timeline published by ODHE, educator preparation programs for grades pre-K through 8 licenses will begin to be reviewed by the Department by the spring of 2027. Institutions are responsible for all costs associated with the program review and reauthorization progress (remittances from the institutions pay for ODHE reimbursements to consultants who review and evaluate degree programs).

In addition to completing an educator preparation program, prospective educators generally must pass licensure tests prescribed by the State Board that assess a candidate's knowledge of pedagogy and content knowledge. Vendors provide and score the tests, which are supported by testing fees paid by the candidates taking them. The tests have not yet been aligned

to the license grade band structure in current law. According to the ODHE timeline discussed above, development of the new tests for individuals seeking a grades pre-K through 8 license is slated to be complete by February or March 2027. Given the similarities between the bill's license grade bands and those in effect prior to H.B. 33, the bill may result in some avoided administrative costs or workload that ODHE and the State Board otherwise may experience to oversee the development of revised tests aligned to the current law educator license grade bands.