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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 409  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 409's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Rep. Koehler

**Local Impact Statement Procedure Required:** No

Alexander Moon, Economist

### Highlights

- Absence intervention program costs for general education internet- or computer-based community schools (e-schools) may decrease if students who are failing to participate are disenrolled more quickly than under current law.
- However, costs for these schools may increase to carry out additional administrative duties.
- The bill's restriction on a disenrolled student re-enrolling in another general education e-school may limit the state funding transferred to those schools.

### Detailed Analysis

The bill concerns student attendance at internet- or computer-based community schools that are not dropout prevention and recovery schools<sup>1</sup> ("general education e-schools"). Currently, five general education e-schools operate in the state, collectively educating about 19,000 full-time equivalent (FTE) students. These e-schools are slated to receive \$139.9 million in state foundation aid in FY 2020.

The bill contains provisions that may increase and decrease general education e-school operating costs. The net effect likely depends on the specifics of the policy that these schools must adopt regarding a student's failure to participate in instructional activities (in lieu of the policy regarding addressing and ameliorating student absences which all public schools must

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<sup>1</sup> A dropout prevention and recovery school is a school in which a majority of the students are enrolled in a dropout prevention and recovery program.

adopt under current law). The policy must include intervention strategies and certain consequences, including disenrollment, for noncompliance.

Notably, the bill permits a general education e-school's policy to authorize disenrollment of a student at an earlier stage than under current law, which authorizes a community school student to be disenrolled after 72 hours of consecutive unexcused absences. Under the bill, when a student has 30 or more hours of unexcused absences in any semester, the general education e-school must submit a written report to the student's parent, guardian, or custodian. Following this notification, the school may disenroll the student if the student fails to comply with attendance policies within a reasonable time period determined by the school and other intervention strategies fail to correct the attendance issues. Any student disenrolled under the provisions of the bill is ineligible for enrollment in another general education e-school for one calendar year, but may enroll in an e-school that is designated as a dropout prevention and recovery school.

General education e-schools may spend less on programs to increase student attendance and engagement if they disenroll students more quickly and on the associated administrative expenses to enroll and re-enroll students. Any savings would likely be offset at least partially by the increased expense of compliance with certain other provisions of the bill. For example, general education e-schools must prepare the written report described above, provide a disenrolled student's parent, guardian, or custodian with a list of alternative educational options available to the student, and provide written notice to a disenrolled student's resident school district within 48 hours of the disenrollment.

The bill generally will not have a direct fiscal effect on the state. Since e-school students are funded based on the number of hours of documented learning opportunities in which the student participates, an earlier disenrollment would generally not have an impact on the amount of state funding a student generates. However, the restriction on a disenrolled student re-enrolling in another general education e-school may limit the state funding transferred to those schools.