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S.B. 120
133rd General Assembly

Bill Analysis

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Version: As Passed by the General Assembly

Primary Sponsors: Sens. McColley and Rulli

Effective date: May 1, 2020; appropriations provisions effective January 31, 2020

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SUMMARY

Performance audits of state institutions of higher education

- Authorizes the Auditor of State to conduct performance audits of any state institution of higher education.

University and college leases with nonpublic vendors

- Permits a state institution of higher education or university housing commission to enter into a lease with a nonpublic vendor to improve existing campus housing facilities, in addition to constructing new facilities as under continuing law.
- Specifies the term of a lease must not exceed 75 years, rather than 30 years as under prior law.
- Specifies that any campus housing facilities included under a lease agreement, including facilities constructed by a nonpublic vendor, retains an exemption from property taxes and assessments.

College Credit Plus information session

- Requires public and participating private high schools to permit *any* nearby college or university participating in College Credit Plus, in addition to “partnering colleges,” to attend annual informational sessions regarding the program.

Educational Choice Scholarships

- Appropriates \$10 million to award, and directly pay, first-time performance-based Educational Choice (Ed Choice) scholarships to newly eligible students for the 2020-2021 school year.

- Requires the Department to award and use the deduct-and-transfer method prescribed under continuing law to pay first-time performance-based Ed Choice scholarships to students who were eligible in the 2019-2020 school year and remain eligible in the 2020-2021 school year.
- For the 2020-2021 school year only, establishes a delayed 60-day application period, beginning April 1, 2020, for performance-based Ed Choice scholarships.

DETAILED ANALYSIS

Performance audits of state institutions of higher education

The act authorizes the Auditor of State to conduct performance audits of any and all state institutions of higher education at the Auditor's discretion. Prior law permitted the Auditor of State to conduct a performance audit of a single state institution of higher education as one of the four performance audits that the Auditor must conduct of state administrative departments or agencies each biennium.¹

A "state institution of higher education" is any of the 13 state universities, the Northeast Ohio Medical University, a community college, state community college, university branch, or technical college.²

University and college leases with nonpublic vendors

The act permits a state institution of higher education or a university housing commission to enter into a lease agreement with a nonpublic vendor to improve existing campus housing facilities, in addition to its authority to enter into such a lease agreement to construct new facilities under continuing law. Additionally, it specifies that the term of a lease to improve or construct housing facilities must not exceed 75 years, unlike prior law, which limited the term to not more than 30 years.³

Finally, the act specifies that any campus housing facilities included in a lease agreement, including facilities constructed by a nonpublic vendor under the agreement, retains an exemption from property and excise taxes and assessments provided for under continuing law.⁴

College Credit Plus information session

The act requires each public and participating nonpublic high school to permit *any* college or university participating in the College Credit Plus (CCP) program to attend the school's required annual informational sessions for students and parents, if the college or

¹ R.C. 117.46.

² See R.C. 3345.011, not in the act.

³ R.C. 3345.55(B).

⁴ R.C. 3345.55(D). See R.C. 3345.12(M), not in the act.

university requests to do so. As under continuing law for “partnering colleges,” the act’s new mandate applies only to participating colleges or universities located within 30 miles of the school or the next closest one, if none are within that distance.⁵

Under continuing law, each public and participating private high school must schedule at least one session per school year where each “partnering college” that is located within 30 miles of the school or, if none are within that distance, the next closest “partnering college,” may present information. A “partnering college” is one that has entered into an agreement with the high school to offer college courses to its students. However, students are not required to enroll only at the school’s partnering college (if it has one) and, instead, may enroll in any college or university participating in the program.

The CCP program allows students in grades 7-12 to enroll in nonsectarian college courses to receive high school and college credit. The courses may be taken at any state institution of higher education or a participating private or out-of-state college or university.

Educational Choice scholarships

The act appropriates \$10 million for the 2020-2021 school year to fund first-time performance-based Educational Choice (Ed Choice) scholarships. These scholarships must be awarded and paid by the Department of Education on a first-come, first-served basis through a 60-day application period starting April 1, 2020, until the appropriated amount is exhausted. The act requires these first-time scholarships be funded in this direct manner, rather than through a deduct-and-transfer method otherwise prescribed under continuing law for performance-based Ed Choice scholarships.

It also establishes the same 60-day window starting April 1 for other performance-based Ed Choice scholarships for students who (1) were eligible for the 2019-2020 school year, regardless of whether they received scholarships for that year, and (2) remain eligible for the 2020-2021 school year. But the act requires that these students be paid through the usual deduct-and-transfer method.⁶

In effect, the act delays for performance-based Ed Choice scholarships an application structure enacted in 2019 that would have begun operating for the 2020-2021 school year. Under that structure, the Department of Education must conduct a priority application period for both performance-based and income-based scholarships beginning February 1 and running for at least 75 days. After the priority period closes, the Department must continue awarding scholarships, prorating the amount if the student receives a scholarship after the school year begins and, in the case of income-based scholarships, awarding them only if the appropriated funds remain available.⁷

⁵ R.C. 3365.04(D).

⁶ Sections 265.10 and 265.210 of H.B. 166 of the 133rd General Assembly, as amended by the act.

⁷ R.C. 3310.16, not in the act.

The act makes no changes regarding the income-based Ed Choice scholarships.

The Ed Choice Scholarship Program operates statewide in every school district except Cleveland to provide scholarships for students who (1) are assigned or would be assigned to district school buildings that have persistently low academic achievement (known as “traditional” or “performance-based” Ed Choice) or (2) are from low-income families (known as “income-based” Ed Choice Expansion). Students may use their scholarships to enroll in participating chartered nonpublic schools.⁸

HISTORY

Action	Date
Introduced	03-26-19
Reported, S. Higher Education	05-01-19
Passed Senate (32-0)	05-01-19
Reported, H. Higher Education	10-25-19
Passed House (87-5)	01-30-20
Senate concurred in House amendments (23-7)	01-31-20

20-SB120-133/ts

⁸ R.C. 3310.01 to 3310.17, none in the act.