

## Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 316 134<sup>th</sup> General Assembly

# Fiscal Note & Local Impact Statement

Click here for H.B. 316's Bill Analysis

Version: As Introduced

Primary Sponsor: Rep. Jarrells

Local Impact Statement Procedure Required: No

Sarah Anstaett, LSC Fellow

### **Highlights**

- The bill may increase expenditures for the state and school districts and other public schools due to potential increases in student enrollment stemming from the bill's program that allows students in grades 9-12 in the 2020-2021 school year to retake or supplement completed coursework during the 2021-2022 school year.
- Costs for a school district or other public school are permissive, as districts and schools may choose to accept any or all student requests to retake or supplement courses. State costs will depend on the extent to which student enrollment increases as well as the school funding formula in place.

#### **Detailed Analysis**

## **Supplemental School Year Program**

The bill establishes the Supplemental School Year Program to provide eligible students enrolled in public and chartered nonpublic schools with the opportunity to retake or supplement the grades or courses they completed during the 2020-2021 school year, regardless of whether they received passing grades in those courses, due to the COVID-19 pandemic. The bill limits eligibility to students who were enrolled in grades 9-12 in the 2020-2021 school year while establishing a temporary program for students who graduated in the 2020-2021 school year. The bill specifies that retaking a course under the program counts towards the full-time enrollment of a student participating in the program. The bill declares an emergency and, thus, goes into immediate effect.

School districts and other public schools may decide whether or not to offer a supplemental school year. If a district or school opts to do so, the bill provides districts and schools with discretion to accept all requests from eligible students or to accept requests on a

case-by-case basis. A district or school choosing to participate must develop a plan for implementing a supplemental school year for the students with approved requests, including a temporary program for students who graduated in the 2020-2021 school year. Thus, the bill may increase enrollment in school districts and other public schools, as a student's participation in the program may extend the time a student is enrolled in high school. Graduation may be delayed for participating students, depending on the extent to which a student's participation in the program slows progress toward earning a diploma. Costs for school districts and other public schools may increase to continue educating students who graduated in the 2020-2021 school year and to educate other eligible students for a longer period of time. Ultimately, any costs for districts and schools are permissive and will depend on the number of students approved for a supplemental school year, the number of retaken or supplemental courses, and implementation decisions made by the district or school. It is unclear how many students and districts will opt to participate. Data for the Supplemental School Year Program that the Commonwealth of Kentucky recently enacted, and on which this bill is based, is not yet available. School districts in Kentucky had until June 1, 2021, to determine whether they will accept requests to participate (Kentucky's program, however, differs from the bill in that districts decide whether to accept all or no requests; they may not approve requests on a case-by-case basis). Since Ohio's school funding formula is generally based on enrollment, the bill also may increase state aid to school districts and other public schools. However, legislation enacting the school funding formula for FY 2022 and beyond is still pending. Given the voluntary nature of the program and ongoing deliberations regarding the school funding formula, the degree to which the program will increase state and local expenditures is uncertain.

As a point of reference, school districts and other public schools reported operating costs (funded by state and local sources) averaging \$11,752 per pupil in FY 2020. However, the marginal costs of additional enrollment are likely lower. The state's portion of district and school operating costs is primarily supported by payments made through the school funding formula. State aid averaged \$4,867 per pupil in FY 2019, the last year for which the current statutory school funding formula was operational (note that these two per-pupil figures are not comparable due to the different student counts used by the Department of Education to report operating costs and determine state aid).

#### Federal emergency relief funding

Federal emergency relief funding authorized in 2020 and 2021 can be used to address learning loss due to the effects of the COVID-19 pandemic on primary and secondary education and could potentially be used to support local costs to implement the bill. Federal guidance does not specifically address funding for a supplemental school year, but the Kentucky Department of Education indicates that retaking and supplementing courses may be an allowable use of federal emergency relief funding.<sup>1</sup>

In 2020 and 2021, Congress passed three COVID-19 relief bills that provided Ohio approximately \$7.0 billion from the Elementary and Secondary School Emergency Relief (ESSER) Fund. The Ohio Department of Education (ODE) is required to allocate 90% of the funding to local education agencies (LEA). The first two bills permitted the funds to be used for learning loss,

P a g e | 2 H.B. 316, Fiscal Note

<sup>&</sup>lt;sup>1</sup> See https://education.ky.gov/districts/Documents/SB%20128%20Guidance.pdf.

among many other allowable purposes. The third bill, the American Rescue Plan (ARP) Act, is somewhat different. Each LEA must reserve at least 20% of its ESSER funding under that Act to address learning loss through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive after school programs, or extended school year programs, and ensure that such interventions respond to students' academic, social, and emotional needs and address the disproportionate impact of COVID-19 on underrepresented student subgroups. ODE must also use at least 5% of its ARP Act state activity funding to address learning loss.

HB0316IN/zg

P a g e | **3**