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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**H.B. 206**  
**135<sup>th</sup> General Assembly**

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

[Click here for H.B. 206's Bill Analysis](#)

**Version:** As Reported by Senate Education

**Primary Sponsors:** Reps. Click and Robb Blasdel

**Local Impact Statement Procedure Required:** No

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### **Highlights**

- The bill increases the FY 2025 earmark for state scholarship program administration in GRF appropriation line item (ALI) 200550, Foundation Funding – All Students, by \$4,140,000, without increasing the overall FY 2025 appropriation for item 200550.
- School districts and other public schools that choose to expel a student for imminent and severe endangerment under the bill must require the expelled student to undergo a mental health assessment as a condition for reinstatement. The cost of the assessment will fall entirely to the district or school if the district or school employs or contracts with the professional conducting the assessment. Otherwise, the district will pay the cost not covered by the student's health insurance.
- The bill may also lead to permissive costs for districts and schools to develop and carry out a plan for the continued education of a student expelled under the bill during the expulsion period. The costs of educating expelled students under the bill may vary widely depending on the educational options chosen and any arrangements made with alternative providers.

### **Detailed Analysis**

#### **State scholarship administration earmark**

The bill increases the FY 2025 earmark in GRF line item 200550, Foundation Funding – All Students, supporting the costs for the Department of Education and Workforce (DEW) to administer the state's scholarship programs by \$4,140,000, from up to \$4,000,000 to up to \$8,140,000. The bill does not increase the total appropriation to that line item for FY 2025. The existing appropriation for item 200550 appears sufficient to absorb the increased expenditures.

## **Student expulsion for imminent and severe endangerment**

Under continuing law, school district superintendents and the administrators of community schools and science, technology, engineering, and math (STEM) schools may expel students for serious violations of the district or school's code of conduct for a period not to exceed either 80 school days or the number of school days remaining in the semester or term in which the incident took place. Longer expulsions generally are required if a student brings a firearm onto school property, or to a school program or activity, and permitted if a student commits certain other acts. The bill permits boards of education and community and STEM school governing bodies to adopt a policy authorizing the expulsion of students for up to 180 school days for actions that pose "imminent and severe endangerment to the health and safety" of other students or school employees and requiring students expelled under the policy to satisfy certain conditions for reinstatement. The bill defines "imminent and severe endangerment" as, among other things, bringing a weapon on school property, committing certain criminal offenses, or making certain threats.

In the 2023-2024 school year, districts and schools reported 5,502 expulsions statewide, including 939 for offenses such as making threats, intimidation and harassment, and use, possession, sale, or distribution of a dangerous weapon. The 939 expulsions represent 0.2% of all discipline occurrences, and a rate of about 5.6 per 10,000 students. Given the relatively low number of such expulsions currently, it is assumed that the number of expulsions under the bill will also be low. However, the bill may lead to permissive fiscal effects on districts and schools that choose to adopt an imminent and severe endangerment expulsion policy, primarily for mental health assessments and continued education for expelled students. These topics are discussed in more detail below.

### **Assessments for reinstatement**

Students subject to expulsion under the bill are entitled to the same due process procedures as students subject to other types of expulsion. However, the bill also requires the superintendent of the district or school to develop conditions for the expelled student to satisfy before they may be reinstated and provide a written copy to the district or school's board, the student, and the student's parent or guardian. The bill requires that one such condition be an assessment by a psychiatrist, licensed psychologist, or licensed school psychologist to determine whether the student poses a danger. At the end of the expulsion period, the superintendent or administrator must assess the student and determine, in consultation with a multi-disciplinary team selected by the superintendent, whether the student has shown "sufficient rehabilitation" to be reinstated. If the student has not shown sufficient rehabilitation the expulsion may be extended for another period of up to 90 school days. The superintendent must comply with the same written notice and hearing procedure requirements for the original expulsion period when making a determination to extend the expulsion for an additional period. The conditions for the extension period may differ or remain the same as in the original expulsion period, and must also include an assessment at the end of the extension period under the same assessment requirements. The bill permits an early assessment and a reduced expulsion period by request of the student's parent or guardian, or on a case-by-case basis determined by the superintendent or administrator. The bill also permits the superintendent to develop contingent conditions for a student's reinstatement that may extend to their graduation date and requires the superintendent to provide a written copy of these conditions to the district board, the student,

and the student's parent or guardian. If the student fails to meet these contingent conditions, the superintendent may revoke the student's reinstatement and establish an extended expulsion period.

The bill requires the district or school to pay for the full cost of the assessment if it employs or contracts for the psychiatrist, psychologist, or school psychologist. Should the psychiatrist, psychologist, or school psychologist not be employed or contracted by the district, the cost of that assessment must be referred for payment to the student's health insurance. Any costs not covered by the student's health insurance must be paid in full by the district. Responsibilities for the cost of the assessment are the same for both an early assessment and an assessment conducted at the end of the full expulsion period.

The bill may lead to an increase in mental health services workloads or costs for school districts or other public schools that opt to adopt a policy under the bill and employ or contract with such professionals. Districts and schools that do not contract for or use their own psychiatrists or psychologists to conduct assessments may incur increased costs if the student's health insurance does not cover the full cost of the assessment. The bill may also lead to an increase in caseloads for any state or local entity that employs mental health service providers. Much of the cost to these entities will be reimbursed by either Medicaid or private insurance providers, or paid for by the local alcohol, drug addiction, and mental health (ADAMH) services board where the student resides. The overall cost of a psychological assessment varies according to the circumstances of each patient. However, as a point of reference, Mid-Ohio Psychological Services, a nonprofit community mental health agency, charges \$175 per hour for psychological testing services. Other providers may charge higher or lower rates.

### **Continued education plan**

When a student is expelled under current law, the district or school that expelled the student may provide educational services to the student in an alternative setting. In contrast, the bill requires the superintendent or administrator of a district or school opting to adopt a policy regarding expulsion for imminent and severe endangerment to develop a plan for the continued education of a student expelled under that policy. The plan must be developed within 15 school days after the beginning of the original expulsion period or any extended expulsion period for students without an individualized education plan (IEP), or within ten school days for students with an IEP. The bill provides districts and schools with discretion in the educational options available to an expelled student. Therefore, the costs of educating expelled students under the bill may vary widely depending on the options chosen and any arrangements made with alternative providers. The plan may include an alternative school operated by the district or school, instruction at home, enrollment in another public or nonpublic school, or any other form of instruction that complies with the compulsory school attendance law.

### **Administrative costs**

The bill may increase the administrative workload of school districts and other public schools that opt to adopt a policy under the bill by requiring the superintendent or administrator to issue the notice and conditions of a student's expulsion to the school board, the student, and the student's parent or guardian and to develop a list of alternative educational options for students expelled under the bill, presumably for use in developing the continued education plans for them. In addition, the bill requires that, if a district board or school governing authority adopts

a policy under the bill, the board or governing authority must specify reasons for which an expulsion period can be reduced and establish guidelines regarding appropriate conditions for a student's reinstatement.

The bill may also increase the administrative workload for districts, schools, and the Department of Education and Workforce (DEW) by (1) requiring school boards of education to provide DEW with records of each of these expulsions under the bill and any changes to a pupil's expulsion status and (2) allowing a district or school to which an expelled student is transferring to request such records from the former district or DEW. The bill requires districts to include certain prescribed demographic and administrative data among the records provided to DEW, and prohibits a district or school from withholding records due to outstanding debt attributed to a student expelled under the bill.

### **Exemption from automatic closure for community schools**

Current law generally requires a community school that meets certain criteria indicative of poor academic performance for the three most recent school years to permanently close. However, continuing law prohibits community schools from being subject to automatic closure under these provisions based on the report cards for the 2019-2020, 2020-2021, or 2021-2022 school years. In addition, continuing law sets the 2022-2023 school year report cards as the new starting point for automatic closure of community schools.

The bill creates an exemption from current law's closure requirements based on the 2022-2023, 2023-2024, or 2024-2025 school years. The exemption applies to any community school that meets the closure criteria but, for any of those three school years, receives a performance index score on its report card that is five or fewer points below the score needed to earn two stars on the report card's achievement component. The bill also sets various conditions for a school exempted from closure to, in subsequent school years, either close or have its starting point for the closure determination reset depending on the school's performance. The number of schools that will become subject to closure following the release of the 2024-2025 school year report cards, and thus the schools exempted from closure under the bill, is uncertain since the 2024-2025 report cards will not be released until the fall of 2025. However, DEW has identified six community schools at risk for closure based on the report cards for the 2022-2023 and 2023-2024 school years.<sup>1</sup> Of those six, LBO identified three schools that meet the amendment's exemption criteria in the 2022-2023 or 2023-2024 school years.

### **Storage and use of drugs used to treat seizures**

Continuing law enacted in H.B. 33 of the 135<sup>th</sup> General Assembly requires all public and chartered nonpublic schools to create an individualized seizure action plan for each student with an active seizure disorder diagnosis. In general, the plans provide parental consent for a school nurse or other authorized staff to administer medications prescribed for a seizure disorder and information on the student's medication, including instructions for administration. Continuing law also requires districts and schools to provide training every two years to ensure that at least

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<sup>1</sup> See the DEW [Community Schools at Risk for Closure for the 2024-2025 School Year \(PDF\)](#), which may be accessed by conducting a keyword "At Risk for Closure List" search on the DEW website: [education.ohio.gov](http://education.ohio.gov).

one employee other than a school nurse is trained on the implementation of seizure action plans and requires a drug prescribed to a student with a seizure disorder to be provided to the school nurse or another authorized individual.

The bill permits a public or chartered nonpublic school to store a drug prescribed to a student for a seizure disorder in an easily accessible location. It also permits a student to possess the drug prescribed to them for preventing or alleviating seizure symptoms under certain conditions. Additionally, the bill permits an authorized school employee, contractor, or volunteer to administer the prescribed drug to the student if the employee, contractor, or volunteer receives either (1) a copy of the written approval issued by the student's physician or (2) training regarding the circumstances under which the drug is to be administered to the student. The fiscal effects of these provisions, if any, appear to be minimal.