

Category	Current FY 2011	FY 2012	% from FY 2011	FY 2013	% from FY 2012	Total 2 Yr. Change
K-12 Education	\$11.5 bill	\$10.3 bill	(10.5%)	\$9.8 bill	(4.9%)	(\$2.9 bill)
Higher Education	\$2.57 bill	\$2.3 bill	(10.5%)	\$2.4 bill	3.7%	(\$440 mill)
DD Board Subsidies	\$67 mill	\$41 mill	(38.7%)	\$44 mill	8.7%	(\$49 mill)

HB 153: Legislature Passes Budget with Harmful Funding Cuts

On June 30, 2011, Gov. Kasich signed House Bill 153, the state budget for the next two fiscal years. The final bill was produced by a conference committee that worked out the differences between the version passed by the House and Senate. On Tuesday, June 28, the Senate voted 22-11 to adopt the bill. All of the Senate Democrats and Senator Scott Oelslager (R-North Canton) voted against the bill. On Wednesday, June 29, the House voted 59-40 in favor of the bill on a strict party-line vote.

The final version of the budget bill is devastating to public education. The budget cuts billions of dollars in funding for public education. These harmful cuts will lead to the loss of academic programs, reduced opportunities for students, staff reductions and increased taxes at the local level. At the same time as funding is being cut for public schools, the bill calls for a massive expansion of charter schools and voucher programs. These programs are unproven, less accountable and divert money from public schools where the majority of Ohio's students are served. Additionally, the budget includes language on teacher evaluation, performance pay, and seniority rights. Much of this language is similar to provisions of Senate Bill 5 and is an attempt to circumvent the voters' right to repeal that legislation with a referendum this November.

House Bill 153 is a significant step backward that does not serve Ohio's students, schools or communities well. However, it is important to note that several negative proposals were not included in the final version of the bill. These include a proposed shift in pension contributions, reduced oversight and accountability for charter schools, loss of collective bargaining rights and increased faculty workload. The improvements made to HB 153 would not have been possible without the continued involvement and advocacy of OEA members across the state. Thank you for your continued efforts.

Ohio Education Association Analysis: House Bill 153 (State Budget)

As Signed by the Governor - June 30, 2011

Spending Provisions Effective Immediately; Policy Provisions Generally Effective September 29, 2011

The following analysis is based on the final version of House Bill 153 (state budget) as signed by the Governor. The following chart is based on "ALL FUNDS" dollars, not just state foundation aid:

K-12 School Funding

- "All funds" reductions of \$2.9 billion over biennium, when compared to FY 11 funding, are a result of cuts to Tangible Personal Property tax "hold harmless" payments, elimination of state fiscal stabilization funds, reduction in federal stimulus funding for IDEA, reduction in the Kilowatt Hour tax reimbursement and other education line item cuts. \$1.2 billion "all funds"

reduction in FY 12 when compared to FY 11. \$1.7 billion "all funds" reduction in FY 13 when compared to FY 11. Total = \$2.9 billion "all funds" reduction over biennium.

- Application of the charge-off valuation index results in higher wealth districts receiving larger per pupil state funding reductions compared to FY 2011 than lower wealth districts.
- Allocates \$30 million to an incentive program for districts rated excellent as a (\$17 per pupil supplement).
- Repeals Evidence-Based Model for school funding and eliminates the School Funding Advisory Council. New school funding formula to be developed for FY 13.
- Restores gifted funding to 2009 appropriation levels.
- Sets the formula amount at \$5,653 for transfer payments for students attending community schools, STEM schools, and other districts through open enrollment, and colleges and universities through the Post-Secondary Enrollment Options Program.
- Allocates funding to joint vocational school districts (JVSD) in FY 2012 and FY 2013 equal to the JVSD's total state funding allocation for the previous fiscal year. Funding for JVSDs totals approximately \$263 million in each FY.
- Specifies that the state funding allocated in each fiscal year for special education and related services and for career-technical education for each district be equal to amounts allocated for those purposes in FY 11.
- Diverts more funding from local school districts by expanding charter schools and vouchers.
- Authorizes school districts, with voter approval of a single ballot question, to levy both a property tax for a fixed amount of revenue and an income tax. (Current law allows school districts to propose both types of levy questions at a single election, but not as a single issue on the ballot.) Permits a school district to propose a combined income tax and property tax levy question up to twice a year.

Teacher Evaluation, Compensation and Layoffs

State Board of Education Required to Develop Teacher Evaluation Framework:

- The State Board is required to develop a standards-based framework for the evaluation of teachers by December 31, 2011.
- The framework is required to (1) provide for multiple evaluation factors, including student academic growth as 50% of each evaluation, (2) be aligned with the Educator Standards Board's standards for teachers, (3) require classroom walkthroughs and observation of the teacher on at least two occasions for 30 minutes each, (4) require the teacher to be provided with a written report of the evaluation results, (5) develop a list of assessments to measure student academic growth for grade levels and subjects for which value-added data is not available, (6) implement a classroom-level, value-added program, and (7) provide for professional development and the allocation of financial resources to support it.
- The State Board is required to develop standards and criteria for teacher and principal evaluations that distinguish between four levels of performance: "accomplished," "proficient," "developing," and "ineffective."

School Districts Required to Adopt Evaluation Framework:

- All school districts and Educational Service Centers (ESCs) are required to adopt a teacher evaluation policy that conforms with the State Board framework by July 1, 2013. However, the

bill specifies that the policy takes effect at the expiration of the collective bargaining agreement in effect on the provision's effective date and shall be included in any renewal or extension of such an agreement. Local associations can still bargain provisions related to evaluations and implementation not specified in the State Board framework.

- Each teacher is required to be evaluated annually, except that an employer may elect to evaluate all teachers who were rated as "accomplished" on their most recent evaluations every two years.
- Requires student academic growth to be measured by value-added data derived from the state achievement assessments when applicable and by other assessments selected from the State Board's list when not applicable. Further, the bill requires each employer's policy to include procedures for using evaluation results for retention and promotion decisions and for removal of poorly performing teachers.

Teacher Compensation:

Districts Receiving Race to the Top funds:

- Requires school districts, charter schools, and STEM schools receiving Race to the Top funds (1) to pay teachers according to a performance-based schedule based on a teacher's level of license, whether the teacher is "highly qualified" under federal law, and evaluation ratings (50% student growth), and (2) to provide for annual adjustments based on evaluations.
- The bill permits payment of additional compensation to teachers who agree to perform duties that the employer determines warrant additional compensation.
- RTTT districts shall comply with this section in accordance with the timeline contained in the board's scope of work.

Districts NOT receiving Race to the Top funds:

- Requires school districts *not* receiving Race to the Top funds and ESCs to comply either with the bill's requirements for a performance-based salary schedule or with current law. (Current law requires a district's or ESC's salary schedule for teachers to be based on years of service and educational training, and to comply with minimum salary requirements.)

Teacher Layoffs and Seniority:

- Prohibits giving preference based on seniority in determining the order of layoffs or in rehiring teachers when positions become available again, except when choosing between teachers with comparable evaluations. This provision prevails over any conflicting provisions of agreements between employee organizations and public employers entered into on or after the effective date.
- Current law is retained that gives preference in retention to teachers with continuing contracts (tenure).

Employee Benefits

Health Care Pooling:

- Eliminates the School Employees Health Care Board and transfers most of its duties to the Department of Administrative Services (DAS).
- Requires that DAS submit a report on the feasibility of providing health care plans that includes a study of voluntary and mandatory participation. The study must be completed by July 1, 2012.
- Requires DAS to design health insurance plans that may be participated in by political subdivisions, school districts and institutions of higher education. DAS shall also set employer and employee premiums for these plans.
- Allows school districts and institutions of higher education to provide insurance for their employees or utilize an existing consortia as long as they comply with best practices adopted by the SEHCB or DAS.

Pension Contributions:

- Retains current law on pension contribution rates. The bill does not include Governor Kasich's proposed 2% increase in employee contributions and 2% decrease in employer contributions (12/12 split).

Sick Leave:

- Requires that part-time, per-diem or hourly school district employees be granted sick leave at a rate of 4.6 hours for 80 hours of service. Exempts substitutes, seasonal and intermittent employees from requirement of 15 days of sick leave.

Charter Schools

- Strengthens triggers for automatic closure of a charter schools. Beginning July 1, 2011, revises the performance criteria that trigger automatic closure of a charter school by requiring schools that do not offer a grade higher than 3, and schools that offer any of grades 10 to 12, to close after being in academic emergency for two of the three most recent school years (rather than three of the four most recent school years, as in current law).
- Permits an entity that is sponsoring a charter school on the provision's effective date to sponsor additional charter schools only if the entity is (1) in compliance with all sponsor reporting requirements and (2) is not ranked in the lowest 20% on an annual ranking of sponsors by their composite performance index scores. Excludes charter schools that primarily enroll dropout students or students with disabilities from counting in composite index score. Exclusion ends January 1, 2013, if the General Assembly has not enacted separate performance standards by then.
- Adds to the definition of "challenged school districts" any district in the lowest 5%.
- Prohibits collective bargaining in conversion charters sponsored by the Cleveland school district.
- Eliminates the requirement that e-schools spend per pupil on instruction at least as much as the per pupil statewide classroom amount specified under the former Building Blocks school funding model (\$2,931 in FY 09).

- Repeals the existing limits on the number of charter schools an entity may sponsor, and allows a sponsor to sponsor up to 100 schools.
- Eliminates the law that automatically reduces by one the maximum number of charters schools and entity may sponsor for every one of the sponsor's schools that permanently closes.
- Eliminates e-school moratorium after January 1, 2013. Requires e-schools to comply with either (1) legislative standards enacted by the General Assembly (if enacted) or (2) the International Association for K-12 Online Learning's standards by either (1) January 1, 2013 (new schools) or (2) July 1, 2013 (existing schools). Allows up to five new e-schools to open in each year after the moratorium ends.
- Requires the State Board, by July 1, 2012, to review its March 2008 legislative recommendations for performance standards for charter schools that operate dropout prevention and recovery programs and to issue new recommendations.
- Requires a representative of a charter school sponsor to meet monthly with the governing authority or treasurer of the school to review financial and enrollment records. Current law requires meetings with the governing authority once every two months to review financial records only.
- Requires the State Board to adopt rules defining what constitutes "financial records" not later than 180 days after the (90-day) effective date of the provision.
- Allows a person, group of individuals, or entity to apply to ODE for authorization to establish a charter school through the Ohio School Sponsorship Program. Requires ODE to establish an Office of Ohio School Sponsorship.
- Permits ODE to require a bond or guarantee to pay the state any moneys owed by the charter school in the event the school closes.
- Permits ODE to take any action that a sponsor may take under the Community School Law to enforce the school's compliance with the law and the terms of its contract with ODE.
- Eliminates the requirement that e-schools spend per pupil on instruction at least as much as the per pupil statewide classroom teacher amount specified under the former Building Blocks school funding model (\$2,931 in FY 2009).
- Directs ODE to develop and submit to the Governor and General Assembly a plan and legislative recommendations for providing two additional years of instruction for persons age 22 or older through school districts' and community schools' dropout prevention and recovery programs. Requires ODE to consult with the U.S. Department of Education to ensure the program will not expand the requirement to provide a free appropriate public education under the federal Individuals with Disabilities Education Act to individuals older than age 21.
- Applies real property tax exemption to real property used by a school district, STEM school, community school, ESC, or chartered nonpublic school for primary or secondary educational purposes. Specifies that the exemption does not apply to any portion of the real property not used for primary or secondary educational purposes.
- Prescribes procedures for the Auditor of State, community school sponsors, and ODE, with regard to community schools that are declared unauditible.

Vouchers

- Increases the number of vouchers in the Ed Choice program from 14,000 under current law to 30,000 in the 2011-12 school year and 60,000 in the 2012-13 school year. Effective immediately.

- Expands eligibility to students assigned to school buildings that ranked in the lowest 10% in performance index score in two of the last three years.
- Increases voucher amount for students in the Cleveland Scholarship Program to the level of the Ed Choice Voucher. Expands eligibility to high school students.
- Creates a Special Education Voucher Program beginning in the 2012-13 school year:
 - Program for K-12 special education students to attend alternative public or private special education programs;
 - Caps the voucher amount at the lesser of 1) tuition charged, 2) formula amount or 3) \$20,000. The amount is deducted from state aid to the resident school district;
 - Limits the number of vouchers to 5% of the students with IEPs in the state (approximately 13,000 students);
 - Requires a school district to provide transportation for a student based on current law;
 - Requires ODE to develop a document comparing the rights for students and parents under state and federal law to the special education voucher program and to conduct an evaluation of the program by December 31, 2014.

Education Policy and Programs

Teacher Testing:

- Any school district, charter school or STEM school with a school building ranked in the lowest ten percentiles of performance index score (3302.01) by ODE shall require each of its classroom teachers in a core subject area (3319.074) to register for and take all written examinations prescribed by the State Board of Education for licensure to teach that core subject area and grade level.
- A teacher required to be tested under this provision is not responsible for cost of the exam, and if the teacher passes the exam, they do not have to retake for three years.
- Each district board of education may use the results of a teacher's examination in developing and revising professional development plans and in deciding whether or not to continue employing the teacher, in accordance with statutory dismissal processes. Test scores cannot be used as the sole basis for a decision to terminate or non-renew a teacher unless the teacher has not passed the exam three consecutive times.
- Permits community school governing authorities and STEM school governing bodies to use the results of the required retesting to develop or revise professional development plans or to decide whether or not to continue employing the teacher.

Parental Takeover Pilot Project:

- Creates a pilot project in the Columbus City Schools for a parent-initiated takeover of a school that has been ranked by ODE in the lowest five percent of statewide performance index scores for three or more consecutive school years.
- The pilot program commences when ODE establishes implementation guidelines, in consultation with the Columbus City School District.
- If the parents or guardians of at least fifty percent of the students enrolled in a school eligible for a parent initiated takeover sign and file with the school district treasurer a petition for one of the following reforms, the school board shall implement the requested reform in the next school year:

- Reopen the school as a community school; replace at least seventy percent of the school's personnel who are related to the school's poor academic performance; contract with another district, non-profit or for-profit entity to operate the school; turn operation of the school over to ODE; any other major restructuring of the school that makes fundamental reforms in the school's staffing or governance.
- Requires ODE to evaluate and report on the pilot project if parental trigger is implemented.

Creation of Innovation Schools:

- Any public school (city, exempted village or local) may apply to the district board of education to be designated an innovation school.
- Designation as an innovation school allows the applicant to develop a plan with specified provisions that would need to be waived to implement the innovation plan, including any in Ohio Revised Code Title 33, rules adopted by the State Board of Education, requirements by the district board, or provisions of a collective bargaining agreement
- Evidence must be shown that a majority of administrators and teachers assigned to the school consent to seeking the innovation school designation, as well as a statement of support from other staff in the school, students and parents and members of the community.
- Each Collective Bargaining Agreement entered into on or after the effective date of the bill must allow for the waiver of any provision in the agreement specified in an approved innovation plan as needing to be waived to implement the plan, contingent upon at least sixty percent of the members of the bargaining unit covered by the CBA who work in the school voting, by secret ballot to approve the waiver.

Sanctions for "Poor Performing" Schools:

- For any school building ranked in the lowest five percent of schools based on performance index scores for three consecutive years and is declared to be under academic watch or emergency, the district board of education shall do one of the following:
 - Close the school and reassign students to other buildings with higher achievement; contract with another district, non-profit or for profit entity to operate the school; replace the principal and all teaching staff of the school; or reopen the school as a conversion community school.

Determining "Classroom" and "Non-Classroom" Expenditures:

- ODE shall develop standards for determining the amount of annual operating expenditures for classroom instructional purposes and for non-classroom purposes for all public schools and community schools.
- ODE shall rank each district and community school from highest to lowest in terms of percentage spent for classroom instructional purposes and non-instructional purposes.
- Requires ODE to report annually to each school district its ratio of instructional expenses and administrative expenses; per pupil amount for each; and the statewide average. Requires each district to publish the report on its website.

School District Rankings and Recognition:

- Establishes the governor's effective and efficient schools recognition program, whereby the governor shall recognize the top ten percent of all public schools in the state.
- ODE shall develop a system to rank all public schools districts and community schools based on student performance and cost effectiveness. Rankings must include performance index score, state performance indicators, report cards, or any other statewide or national assessment or student recognition program ODE selects.

Distance Learning:

- The Ohio Board of Regents' clearinghouse of interactive distance learning courses for students in K-12 shall be based, in part, on the following principles:
 - Students may take distance learning courses for all or any portion of their curriculum requirements and may utilize a combination of distance learning courses and courses taught in a traditional classroom setting;
 - Students may earn an unlimited number of academic credits through distance learning courses;
 - Students may take distance learning courses at any time during the calendar year;
 - Student advancement to higher coursework shall be based on a demonstration of subject area competency instead of completion of any particular number of hours of instruction;
 - A school district or charter school is not required to pay the fee charged for a course offered through the clearinghouse.

School Transportation Privatization

- Facilitates privatization of school transportation employees in non-Civil Service districts (local or exempted village and some city districts) by permitting termination of employees for reasons of economy and efficiency and contracting with an independent agent if the following conditions are met:
 - Any collective bargaining agreement covering employees to be terminated has expired or will expire within 60 days, or the agreement permits termination for reasons of economy and efficiency;
 - Employees whose positions are terminated are permitted to fill any vacancy within the district for which the employees are qualified;
 - Employees whose positions are terminated are permitted to fill their former positions if they are reinstated within one year;
 - Employees whose positions are terminated are permitted to appeal;
 - The independent agent is required to consider hiring terminated employees for similar positions, and;
 - The independent agent is required to recognize any employee organization, for the purposes of collective bargaining that represented employees at the time of termination.

Other Provisions:

- Allows a principal or other employee to serve as a district's gifted education coordinator.
- Specifies that achievement assessments administered in the 2011-12 school year or later are not public records.
- Requires Individualized Education Plan (IEP) for a disabled student to specify the manner in which the student will participate in achievement assessments.
- Establishes a pilot project in Columbiana County for one or more school districts to offer a multiple-track high school curriculum with three distinct career tracks (including college prep and career-technical). Allows different tracks to be offered at different campuses. No district would be required to participate.
- Authorizes school districts to make up a maximum of three calamity days through lessons posted online or paper lessons distributed to students. Requires written consent of the teachers union to implement such a plan.
- Requires a person age 16-18 who is applying to take the GED to obtain approval from the superintendent of the district in which the person was last enrolled. A person who obtains approval must be counted as a dropout in calculating graduation rates for district report cards.
- Authorizes the establishment of college-prep boarding schools which are classified as public schools operated by a nonprofit corporation. The qualifications for students include residing in a participating district, family income of less than 200% of poverty and other at-risk factors. Limits the boarding school to offering only grade 6 in its first year of operation.
- Prohibits rules regarding career-technical teaching licenses from requiring the completion of a degree.
- Removes requirement that academic standards specify the development of 21st Century skills and removes senior project from graduation requirements.
- Permits school districts to charge fees to students eligible for free lunch for tools, equipment, and materials that are necessary for career-technical workforce-readiness training and that may be retained by the student after course completion.
- Makes permissive, rather than mandatory, the State Board's adoption of the following additional operating standards for school districts: (1) effective and efficient organization, administration, and supervision of each district and building; (2) establishment of business advisory councils and family and civic engagement teams; (3) job-embedded professional development and professional mentoring and coaching, release time for professional development, and reasonable access to classrooms for administrators for observation and professional development experiences; and (4) creation of a school leadership team for each building.

Higher Education – Board of Regents

Higher Education Funding:

- Loss of nearly \$590 million of federal stimulus dollars from the last two-year budget.
- Overall funding for higher education is a 10.5% decrease (all funds) for fiscal year 2012 (\$2.3 billion) and a 3.7% increase in FY 2013 (\$2.4 billion).
- Sets a tuition cap of 3.5% per year for state universities or \$200 for community colleges and technical colleges.

- Applies in-state tuition to students who graduated from an Ohio high school within 10 years regardless of residency.
- State Share of Instruction (SSI): increase of 2.7% in FY 12 (\$1.735 billion) and 0.9% in FY 13 (\$1.751 billion).
- Makes a 5% reduction in FY 2012 and 13 for supplement payments to Shawnee State and Central State.
- Makes students attending for-profit colleges eligible for the Ohio College Opportunity Grant (OCOG).

Three Year Degrees:

- Requires state colleges and universities to submit statements of how each major may be completed within three academic years. Shall not require students to take more than a standard course-load per semester.
- The statement may include AP credit; waiver of credit-hour requirements based on completion of online courses, community college or post-secondary enrollment; course work during summer session; waiver of foreign language requirements based on proficiency examination.
- Requires each institution to produce such plans for 10% of all baccalaureate degree programs by October 15, 2012. Requires each institution to produce such plans for 60% of programs by June 30, 2014.
- Allows institutions to choose which major are subject to three-year degree option.

Charter Universities:

- Directs the Chancellor of the Board of Regents to develop a plan for designating public institutions of higher education as “charter universities.”
- In developing the plan, the Chancellor shall study administrative and financial relationships between the state and universities; legal and other issues related to the feasibility of restructuring; and consult with the university presidents.
- The plan shall specify the manner an institution could be eligible for restructuring based on performance measures; specific areas of financial and operational authority subject to increased flexibility; and the nature and terms of the agreement required.
- The Chancellor shall submit a report no later than August 15, 2011 recommending statutory and rule changes necessary to implement the plan.
- Specifies that no university can be designated a charter university nor any rules adopted until the General Assembly adopts enabling legislation.

Remediation Rates:

- Requires by December 31, 2012, presidents of state institutions of higher education to jointly establish statewide standards in math, science, reading and writing for students to be considered in “remediation-free” status and establish assessments if deemed necessary to determine if students meet the standards.
- Each year each institution shall report the aggregate costs for providing academic remedial courses and the amount of those costs by school district based on where students received diplomas.

- Not later than December 31, 2011 and annually thereafter, the Chancellor and State Superintendent shall issue a report recommending policies and strategies for reducing the need for remediation.
- Requires the Chancellor of the Board of Regents to report academic growth data for students assigned to graduates of teacher preparation programs that teach English or math in grades four through eight.

Department of Developmental Disabilities (DODD)

DD Funding:

- FY 2012 (all funds) is a 4.6% increase (\$1.8 billion) and a 9.9% increase in FY 13 (\$2.0 billion), BUT
- County Board Subsidies and Residential Facilities Support have been combined into a single line item. Funding for these programs cut by over 38% in fiscal year 2012, a \$25.8 million reduction.
- Reduces the fee that county boards of DD pay for home and community-based services provided under a Medicaid waiver from 1.5% to 1.25% of the total value of paid claims (saves County Boards an estimated \$7.1 million over the biennium).
- ICF/MR Franchise Fee is consolidated into one line item with Developmental Center and Residential Facility Services which is increased 6% in FY 12 and receives a slight decrease in FY 13.
- State funding for Medicaid (Medicaid Waiver-state match, Martin Settlement Agreement, Developmental Centers and Residential Facilities Operation Expenses) is consolidated into a single line item.
- Reduce Developmental Centers by a total of 90 residents each year and shift funding to waivers in the community.

Authority of Director of DODD:

- Director may authorize the implementation of “one or more innovative pilot projects” in FY 12 and 13:
 - In the judgment of the director are “likely to assist” in fulfilling objectives;
 - May be implemented in a manner inconsistent with other statutory language or administrative rules governing DODD or the County Boards;
 - The director shall specify the period of time of the pilot project and include a reasonable period for evaluation of the project’s effectiveness;
 - May not authorize a pilot project in a manner that would cause the state to be out of compliance with requirements for a program funded in whole or in part with federal funds.
- Director may use funds appropriated to DODD to assist individuals to remain in the community and avoid institutionalization.
- Shall use funds in a manner consistent with appropriations and in compliance with laws governing the use of funds.
- May establish an interagency workgroup on autism to improve coordination of the state’s efforts to address service needs.

Other Statutory Changes:

- Removes many requirements for contracting in the provision of residential services.
- Removes much of the statutory language around waiting lists. County Boards shall establish waiting lists in accordance with rules to be adopted by DODD. Rules shall:
 - Include standards for determining which individuals should have priority for a service;
 - Include procedures to ensure due process rights;
 - Medicaid rules and regulations and requirements of a Medicaid state plan amendment or waiver program take precedence over these rules.

Education Service Centers

- Sets state funding for ESCs in FY 12 at 90% of the funding provided in FY 11 and sets FY 13 funding at 85% of funding provided in FY 12. FY 12 earmark set at \$41.8 million and FY 13 at \$35.3 million.
- Requires school districts (except cooperative education school districts) with 16,000 or fewer students based on average daily student enrollment to enter into an agreement with an ESC to provide services to the school district.
- A school district with greater than 16,000 students *may* enter into an agreement with an ESC for services. These services may include any services the district board and ESC board agree can be better provided through the ESC.
- An ESC may enter into a contract with a political subdivision to provide services.

Taxation

- Repeals the estate tax on January 1, 2013. The estate tax generates roughly \$300 million annually. Currently 80% of estate tax collections go to local governments and 20% go to the state's General Revenue Fund.
- Creates "Invest Ohio" which exempts gains on investments in Ohio companies from the state income tax under certain circumstances.

State Council of Professional Educators (SCOPE)

The following chart is based on "ALL FUNDS" dollars, not just General Revenue Fund dollars, for Fiscal Years 2012 and 2013:

Category	Current FY 2011	FY 2012	% from FY 2011	FY 2013	% from FY 2012	Total Change
DRC	\$1.75 bill	\$1.58 bill	(9.9%)	\$1.57 bill	(.7%)	(\$350 mill)
DYS	\$287.1 mill	\$242.3 mill	(15.6%)	\$251.9 mill	4%	(\$80 mill)
School For Blind	\$10.1 mill	\$12.4 mill	22.1%	\$12.4 mill	0%	\$2.3 mill
School For Deaf	\$12 mill	\$11.9 mill	(1.2%)	\$11.9 mill	0%	(\$100 k)
State Library Board	\$22 mill	\$21.6 mill	(2.1%)	\$21.6 mill	0%	(\$400 k)

Department of Rehabilitation and Corrections:

- Decrease overall funding from \$1.75 billion in FY 11 to \$1.58 billion in FY 12 and \$1.57 billion in FY 13.
General revenue funding decreased from \$1.58 million in FY 11 to \$1.49 million in FY 12 and \$1.48 million in FY 13
- The Institution Education Services line-item (primary subsidy for education programs) is decreased from \$23.18 million in FY 11 to \$20.2 million in FY 12, and \$18 million in FY 13
- Education Services line-item (subsidy for education programs) decreased from \$2.83 million in FY 11 to \$2.37 million in FY 12 and \$2.35 million in FY 13
- Sells prisons by competitive bid to private operators: Lake Erie Correctional Institution (currently privately operated); North Coast Correctional Treatment Facility (currently privately operated); Grafton Correctional Institution; North Central Correctional Institution (Marion). State law requires privately operated prisons to realize 5% savings.
- No provision providing that employees of community-based correctional facilities and district community-based correctional facilities can collectively bargain only if the public employer elects to do so.
Sentencing reform and earned credit removed from budget to be heard as separate legislation.

Department of Youth Services:

- Decrease overall funding for FY 12 by 15.6% to \$242.3 million, increase of 4% to \$251.9 million in FY 13
GRF decreased in FY 12 by 13.1% to \$218.7 million, increased by 4.6% to \$228.7 million in FY 13
Education Reimbursement line-item (funding for high school coursework and special education) reduced from \$11 million in FY 11 to approx. \$8.1 million in FY 12 and \$8.1 million in FY 13.
- Education line-item (subsidy for education programs at DYS facilities) reduced from \$5.4 million in FY 11 to \$1.7 million in FY 12 and \$1.5 million in FY 13.
- Vocational Education line-item reduced from \$2.7million in FY 11 to \$762,000 in FY 12 and \$758,000 in FY 13.
- Sells prisons by competitive bid to private operators: Marion Juvenile Correctional Facility (currently closed) and Ohio River Valley Juvenile Correction Facility.

Ohio School for the Blind:

- Ohio School for the Blind receives no increase in general revenue dollars for both fiscal years (\$7.3 million). In overall funds, a \$2.2 million increase (22%) in FY 12 to \$12.4m and no change in FY 13.
- Personal Services line-item (subsidy for programs and staff) is flat funded from FY 11 levels at \$6.5 million.

Ohio School for the Deaf:

- Ohio School for the Deaf receives no increase in general revenue dollars for both FY 12 and 13 (\$8.7 million). In total funds, there is slight decrease (1.2%) in FY 12 to \$11.9 million and no change in FY 13.

- Personal Services line-item (subsidy for programs and staff) is increased 12.2% in FY 12 to \$4.1 million and flat funded in FY 13 at \$4.1 million.

State Library Board:

- Decreases overall funding by 2.1% to \$21.6 million in both FY 12 and FY 13.
- General revenue funding is decreased by 6.9% to \$5.8 million in both FY 12 and FY 13.