Eliminate Ed Choice Expansion proration

Continuing law qualifies a student with a family income at or below 250% of the federal poverty level (FPL) for a first-time Ed Choice Expansion scholarship. Under current law, the amount of that scholarship in subsequent school years is subject to progressive proration if the recipient’s family income rises above 250% FPL. If a recipient’s family income rises above 400% FPL, the recipient loses eligibility to renew that scholarship.

The bill eliminates the progressive proration of a scholarship amount and the disqualification of a recipient to renew a scholarship based on rising family income. In addition, it requires that any student who received a prorated scholarship amount prior to the bill’s effective date must receive a full scholarship amount on and after that date.\(^{24}\)

Ed Choice Expansion for siblings

The bill qualifies for an Ed Choice Expansion scholarship any student whose sibling received such a scholarship for at least:

1. The school year immediately prior to the school year for which the student is seeking a scholarship; or
2. The school year for which the student is seeking a scholarship.\(^{25}\)

Background

The Ed Choice Scholarship Program operates statewide in every school district except Cleveland to provide scholarships for qualifying students to use in participating chartered nonpublic schools. There are two categories of Ed Choice scholarships: “traditional” Ed Choice and Ed Choice Expansion.

A student qualifies for a “traditional” Ed Choice scholarship if:

1. The student is assigned or would be assigned to a school building operated by the student’s resident district that has persistently low academic achievement according to performance index ranking and at least 20% of the district’s school aged population qualified to be included in the federal Title I funding formula;
2. The student’s resident school district has an academic distress commission established;
3. The student satisfies criteria with regard to a child placed with a guardian, custodian, foster caregiver, kinship caregiver, or another adult;
4. The student’s sibling received a “traditional” Ed Choice scholarship;

\(^{24}\) R.C. 3310.032(E) and Section 15.
\(^{25}\) R.C. 3310.032(A)(2).
5. The student received an Autism scholarship or a Jon Peterson Special Needs scholarship, but no longer is in need of special education services and, therefore, is no longer eligible to receive that scholarship.\textsuperscript{26}

A student qualifies for an Ed Choice Expansion scholarship (also known as an “income-based” scholarship) if the student’s family income is at or below 250\% FPL.\textsuperscript{27}

**Private school participation in Cleveland Scholarship Program**

The bill qualifies a private school located outside the Pilot Project School District (Cleveland) to enroll students under the scholarship program if it:\textsuperscript{28}

1. Offers all of grades PreK-8, but not any of grades 9-12; and

2. Is located within the boundaries of another school district that is:
   
   a. Located in a municipal corporation with a population of greater than 10,000 but less than 13,000;
   
   b. Located within five miles of the border of the Pilot Project School District; and
   
   c. Located in the same county (Cuyahoga) as the Pilot Project School District.

Current law, unchanged by the bill, permits a private school to enroll students under the program if it offers any of grades K-12 and is located in a school district that is located within five miles of the Pilot Project School District and in a municipality of at least 15,000.

The Pilot Project (Cleveland) Scholarship Program allows students who are residents of the Cleveland Municipal School District to obtain scholarships to attend participating nonpublic schools or public schools in adjacent districts.

**Rollover of ACE Education Savings Account funds**

The bill requires that, if a parent or guardian had an Afterschool Child Enrichment (ACE) educational savings account (ESA) established for FY 2022, any funds disbursed to that account in FY 2023 must be credited and disbursed to that account.\textsuperscript{29}

The bill also requires any funds remaining in an ACE ESA at the end of a fiscal year to remain in that account for the next fiscal year, until the full amount in the account is spent or the student graduates from high school.\textsuperscript{30}

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\textsuperscript{26} R.C. 3310.03, 3310.033, and 3310.034, none in the bill.

\textsuperscript{27} R.C. 3310.032.

\textsuperscript{28} R.C. 3313.976(A)(1)(c).

\textsuperscript{29} R.C. 3310.70(D)(2).

\textsuperscript{30} R.C. 3310.70(D)(3).
Finally, the bill extends the Department of Education’s authority to pay the program’s vendor up to 3% of the amount appropriated for a fiscal year from only FY 2022 and FY 2023 to each fiscal year in which the program operates.\textsuperscript{31}

**Background**

H.B. 110 of the 134\textsuperscript{th} General Assembly established the Afterschool Child Enrichment (ACE) Educational Savings Account Program to provide eligible students, upon the request of their parents or guardians, with educational savings accounts. As enacted, the program is financed with federal coronavirus relief funds. Each account established for a student may be credited with $500 for each of FY 2022 or FY 2023. The act qualifies a student for an account if (1) the student is at least 6 years old and under 18 years old, (2) the student’s family income is at or below 300% of the federal poverty level, and (3) the student is enrolled in a public or nonpublic school or is being homeschooled. The parent or guardian of an eligible student may use funds in the account for any of the following purposes, whether secular or nonsecular:

1. Before- or after-school educational programs;
2. Day camps, including camps for academics, music, and arts;
3. Tuition at learning extension centers;
4. Tuition for learning pods;
5. If the student is homeschooled, purchase of curriculum and materials;
6. Educational, learning, or study skills services;
7. Field trips to historical landmarks, museums, science centers, and theaters, including admission, exhibit, and program fees;
8. Language classes;
9. Instrument lessons; or
10. Tutoring.

**Community schools**

**Quality Community Schools Support Program**

For the purposes of the Quality Community Schools Support Program, the bill provides that a community school first designated as a Community School of Quality for the 2019-2020 school year maintains that designation for the 2022-2023 school year. For subsequent school years, it permits the school to renew that designation in accordance with continuing law.

Under the Quality Community Schools Support Program, the Department of Education makes an additional payment to each community school that is designated as a Community School of Quality by satisfying one of several prescribed conditions. The program was first

\textsuperscript{31} R.C. 3310.70(C)(1).