



Ohio Revised Code

Section 3317.017 Computation of district's state share index.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

The department of education shall compute a school district's state share index as follows:

(A) Calculate the district's valuation index, which equals the following quotient:

(The district's three-year average valuation / the district's total ADM) / (the statewide three-year average valuation for school districts with a total ADM greater than zero / the statewide total ADM)

(B) Calculate the district's median income index, which equals the following quotient:

(The district's median Ohio adjusted gross income / the median of the median Ohio adjusted gross income of all districts statewide)

(C) Determine the district's wealth index as follows:

(1) If the district's median income index is less than the district's valuation index, then the district's wealth index shall be equal to $[(1/3 \times \text{the district's median income index}) + (2/3 \times \text{the district's valuation index})]$.

(2) If the district's median income index is greater than or equal to the district's valuation index, then the district's wealth index shall be equal to the district's valuation index.

(D) Determine the district's state share index as follows:

(1) If the district's wealth index is less than or equal to 0.35, then the district's state share index shall be equal to 0.90.

(2) If the district's wealth index is greater than 0.35 but less than or equal to 0.90, then the district's state share index shall be equal to $\{0.40 \times [(0.90 - \text{the district's wealth index}) / 0.55]\} + 0.50$.



(3) If the district's wealth index is greater than 0.90 but less than 1.8, then the district's state share index shall be equal to $\{0.45 \times [(1.8 - \text{the district's wealth index}) / 0.9]\} + 0.05$.

(4) If the district's wealth index is greater than or equal to 1.8, then the district's state share index shall be equal to 0.05.

(E)(1) For each school district for which the tax-exempt value of the district, as certified under division (A)(4) of section 3317.021 of the Revised Code, equals or exceeds thirty per cent of the potential value of the district, the department shall calculate the difference between the district's tax-exempt value and thirty per cent of the district's potential value. For this purpose, the "potential value" of a school district is the three-year average valuation of the district plus the tax-exempt value of the district.

(2) For each school district to which division (E)(1) of this section applies, the department shall adjust the three-year average valuation used in the calculation under division (A) of this section by subtracting from it the amount calculated under division (E)(1) of this section.

(F) When performing the calculations required under this section, the department shall not round to fewer than four decimal places.

For purposes of these calculations for fiscal years 2014 and 2015, "three-year average valuation" means the average of total taxable value for fiscal years 2012, 2013, and 2014; "total ADM" means the total ADM for fiscal year 2014; "median Ohio adjusted gross income" means the median Ohio adjusted gross income for tax year 2011; and "tax-exempt value" means the tax-exempt value for fiscal year 2014.