

House Bill 153 Conference Committee

The House Bill 153 Conference Committee met on Monday and accepted amendments to [House Bill 153](#) (Amstutz, R-Wooster) regarding the biennial budget. The committee then issued a report by a vote of 4-2. The following are the education related changes to the bill. Please note that we do not yet know the line item vetoes from the Governor.

- Reinstates the income-based reduction required by current law for scholarships under the Cleveland Scholarship Program (Currently, each scholarship award is reduced by either 10% or 25%, depending upon the student's family income, with the balance of the award to be paid by a political subdivision, a private entity, or an individual.)
- Increases appropriation item 200500, Foundation Funding, and the earmark for the state reimbursement of educational service centers by \$173,000 in FY13
- Restores the House provision that repeals the statute that (1) limits the amount of compensation for governing authority members of start-up community schools to \$125 per meeting per month, (2) requires the compensation to be paid from state funds paid to the operator, if the school has an operator, and (3) provides for allocation of the compensation among community schools if a members serves on the governing authority of more than one community school and the different governing authorities meet at the same location on the same day
- Reinstates a modified House provision that authorizes start-up school governing authorities to provide for compensation for their members, provided that an individual is compensated no more than \$425 per meeting or a total of \$5,000 per year for all of the governing authorities on which the individual serves
- Requires the Department of Education, by December 31, 2011, to develop and submit to the Governor and the General Assembly a plan and legislative recommendations for providing two additional years of education toward a high school diploma for individuals who are 22 years old or older through dropout prevention and recovery programs operated by school districts and community schools. In developing the plan and recommendations, the Department must consult with the United States Department of Education to ensure that creation of the program will not expand the requirement of the state or local education agencies to provide a free appropriate education under the federal Individuals with Disabilities Education Act to all individuals beyond 21 years of age.
- Reinstates the House bill provision specifying that, beginning in the 2011-2012 school year, a student who completes the school year in a community school is considered automatically re-enrolled the following school year until the student's enrollment is formally terminated, with the following changes: (1) Limits the applicability of the provision to Internet-or computer-based community schools; and (2) Requires the Department of Education to continue payments for the student without interruption at the start of the following year, but if the student does not participate in the first 105 consecutive hours of learning opportunities in that school year and has no excuse, the Department must recalculate the school's payments for the year to account for the student's failure to re-enroll

- Reinstates the current moratorium on new internet- or computer-based community schools until January 1, 2013, and removes the Senate provision authorizing new e-schools to open if they operated in other states at a performance level higher than academic watch for three years
- Allows up to five new e-schools to open in each year after the moratorium ends, and specifies that if more than five schools sign sponsorship contracts to open in a particular school year, the Department of Education must hold a lottery to pick the five that may open.
- Reinstates a modified version of the House provision requiring the Director of the Governor's Office of 21st Century Education and the Superintendent of Public Instruction to develop recommended e-school standards and submit them by July 1, 2012 for consideration of enactment by the General Assembly.
- Replaces the Senate requirement that the State Board of Education adopt rules prescribing (1) operating standards for e-schools, based on standards of the International Association for K-12 Online Learning, and (2) methods for monitoring e-schools' compliance, with a provision requiring e-schools to comply with either legislative standards, if the General Assembly enacts them by January 1, 2013, or the International Association for K-12 Online Learning's standards, if the General Assembly does not enact standards by that date. Under the amendment, new e-schools that open after January 1, 2013, must comply with the standards immediately, while existing e-schools must comply by July 1, 2013.
- Narrows the Senate bill's provision prohibiting the State Board of Education from requiring completion of a degree as a condition of obtaining a professional career-technical teaching license to apply only to applicants who meet the Board's requirements relating to life experience, professional certification, and practical ability
- Provides that the Senate-passed bill's amendments that modify the standard by which the State Superintendent certifies a "special needs" school district for purposes of special debt limit rules and that increase the debt limit for "special needs" school districts apply to proceedings that are pending or completed on the (90-day) effective date of those amendments
- Modifies the bill's provisions for (1) the "parent trigger" pilot project for reforms in certain school buildings, (2) mandatory restructuring in school buildings in the lowest 5% of performance index score, (3) eligibility for Ed Choice scholarships of students in certain buildings in the lowest 10% of performance index score for two of three years, and (4) required retesting of core-subject-area teachers in buildings in the lowest 10% of performance index score, so that they are based on a school building's rank according to performance index score among all public school buildings. The Senate version specified that these provisions are tied to a building's performance index score rank among just its cohort group.
- Maintains and clarifies the bill's provision amending the definition of "challenged school district," in which a start-up community school may be located, to include districts in the bottom 5% of performance index score, as ranked among all school districts.
- Amends current law requiring a school district to offer community schools a right of first refusal to purchase real property that the district seeks to dispose of by striking the qualification that the property must be "suitable for use as classroom space."

- Requires district boards with real property that has been used for classroom operations since July 1, 1998, but not for two years, to offer to sell or lease the property to the community schools that are located within the district. Under the amendment: (1) If the governing authority of one community school notifies the district of its intention to purchase the property, the district must sell the property to the school for its appraised fair market value, (2) if the governing authorities of two or more community schools notify the district of their intention to purchase the property, the district must conduct a public auction open to all community schools in the district. The district is not obligated to accept any bid that is lower than the property's appraised fair market value, (3) if the governing authorities of two or more community schools notify the district of their intention to lease the property, the district must conduct a lottery to select which community school will receive the lease. Leases to community schools must be for a price no higher than the fair market value for such a lease, (4) if no community school offers to buy or lease the property within 60 days after the district makes the offer, the district may dispose of the property in accordance with law.
- Reinstates the House and Executive provisions, but more expressly states, that additional weighted special education funding for community school and STEM school students with disabilities, and the respective deductions from those students' resident school districts, be computed by first grouping the students into the appropriate FY09 disability categories, and then by multiplying the respective weights prescribed for FY09 by \$5,732
- Reinstates the House bill's provisions allowing a person, group, or entity to apply directly to the Department of Education for authorization to establish a community school, and allowing the governing authority of an existing community school, upon the expiration or termination of its sponsorship contract, to apply to the Department for authorization to continue operating the school, but makes the following changes: (1) names the initiative the Ohio School Sponsorship Program; (2) requires the Department to establish an office of Ohio School Sponsorship to perform the Department's duties under the program; (3) limits the Department each year to approving 20 total applications for the first five school years of the program and specifies that, of those 20, only up to 5 may be for new schools; (4) removes terminology stating that a school may operate "without a sponsor" upon approval of the application; (5) adds a requirement that the application include: (a) a statement attesting that no unresolved finding of recovery has been issued against any party to the application and that no person who is party to the application has been a member of the governing authority of any community school that has closed and against which an unresolved finding of recovery has been issued; (b) a description of the school's mission, educational program, governing authority, admission and dismissal policies, business plan, academic goals, facilities and their locations, learning opportunities that will be offered to students, and, in the case of a new school, the applicant's resources and capacity to run the school; (c) specific statements that the school will be nonsectarian as required by law, comply with provisions of the Community School Law regarding teacher licensure and qualifications and curriculum and graduation requirements, and comply with other enumerated provisions of the Revised Code; and (d) a statement of whether the school is a conversion or start-up school. (6) removes the House language specifying that the contract

need not include performance standards, admission standards, a description of the learning opportunities to be offered to students, and certain provisions related to a sponsor's roles and responsibilities; (7) reduces from 15 years to five years the maximum length of the school's initial contract with the Department; (8) specifies that the direct contract of an existing community school may begin at any time during the year, implying that the direct contract of a new school must begin as otherwise provided by the Community School Law; (9) removes the House bill's provision requiring a direct contracted community school to file with the state Superintendent either a \$1 million bond payable to the state or a \$1 million guarantee issued by an entity with a net worth of at least \$5 million and, instead, permits the Department to require a bond or guarantee to pay the state any moneys owed by the community school in the event the school closes; (10) permits the contract between the Department and the school to provide for an oversight and monitoring fee of up to 3% of the school's state operating funds; (11) removes the provision that permits another community school to merge with a directly authorized community school; (12) requires the Department to issue annual reports about the schools participating in the program and requires the fifth report to include an evaluation of the program and recommendations about its continuation.

- Deletes the Senate provision that requires school districts to allow homeschooled students, who fulfill the same nonacademic and financial requirements as any other participant and specified academic requirements, to participate in extracurricular activities at the school district-operated school to which the student would otherwise be assigned.
- Exempts from the current law 15 days of sick leave provided to each person employed by any board of education all of the following people: substitutes; adult education instructors who are scheduled to work the full-time equivalent of less than 120 days per school year; and persons who are employed on an as-needed, seasonal, or intermittent basis.
- Requires that sick leave granted to employees who render regular part-time, per diem, or hourly service be granted at a rate of 4.6 hours of sick leave for each completed 80 hours of service
- Requires the State Board of Education, by July 1, 2012, to review its legislative recommendations for performance standards for community schools that operate dropout prevention and recovery programs, which were previously issued in March 2008 and to issue new recommendations
- With regard to the Senate bill's provision prohibiting certain entities from sponsoring additional community schools: (1) removes the bill's language making a sponsor subject to the prohibition if 80% or more of its schools are not ranked in the highest 95% on a performance index score ranking of all public schools for three years, beginning with the ranking based on data for the 2009-2010 school year; (2) instead, restores a modified House provision, making a sponsor subject to the prohibition if it is ranked in the lowest 20% on an annual ranking of sponsors by their composite performance index scores, which measure the academic performance of students enrolled in community schools sponsored by the same entity; and (3) excludes community schools that primarily enroll dropout students or students with disabilities from counting in the composite performance index score, but if the General Assembly does not enact separate performance standards for community schools serving dropouts and community

schools serving students with disabilities by January 1, 2013, the exclusion of both types of school end

- Prohibits the employees of a community school from collectively bargaining, if: (1) the community school is a conversion community school sponsored by a “municipal school district” where the district board is appointed by the mayor, and (2) the mayor submits a statement to the district board and the State Employment Relations Board requesting that the employees be removed from their collective bargaining units
- Allows collective bargaining agreements that cover these employees on the date the mayor submits the statement to expire on their own terms
- Removes the Senate provisions that permit the establishment of a start-up community school in a school district that is not a “challenged school district” under the following conditions: (1) the school is established as a public benefit corporation; (2) at least 75% of the school’s enrollment is children with disabilities or at least 75% of the school’s enrollment is children identified as gifted; and (3) the school district in which the school is located or the Department of Education certifies that there is need for a school serving disabled students or a school serving gifted students in that region
- Removes the Senate provision that prohibits a community school sponsor or any officer, director, employee, agent, representative, subsidiary, or independent contractor of the sponsor from selling any goods or services to a school sponsored by the sponsor
- Removes the provision of the Senate-passed version that requires the State Board of Education to define what records constitute “financial records” for purposes of a community school sponsor’s periodic review of the school’s financial records
- Requires the sponsor of a community school to give the school notice of its intent to terminate or not renew the school’s contract by February 1 of the year in which the sponsor intends to take that action
- Removes the provision that would have permitted an educational service center to sponsor a start-up community school in any challenged school district
- Removes the provision of the Senate bill that (1) allows an organization whose membership consists solely of entities authorized to sponsor community schools under current law to sponsor schools as an organization, upon approval by the Department of Education, and (2) permitting an approved organization to assume sponsorship of existing community schools sponsored by its members and to sponsor new community schools
- Requires the Director of Budget and Management to transfer any remaining appropriation from appropriation item 200416, Career-Technical Education Match, to GRF appropriation item 200426, Ohio Educational Computer Network, to support the Ohio Educational Computer Network
- Earmarks the remainder of appropriation item 200426, Ohio Educational Computer Network, to support a network of uniform and compatible computer-based information and instructional systems, instead of for the College of Education and Human Ecology at the Ohio State University
- Decreases in appropriation item 200550, Foundation Funding, the earmark, from up to \$425,000 to up to \$50,000 in each fiscal year, to help defray the cost of educating children who are placed

in private institution, school, or residential treatment center by the order of an Ohio court. Decreases the earmark, from up to \$1,000,000 to up to \$700,000 in each fiscal year, for the private treatment facility project. Earmarks up to \$675,000 in each fiscal year to support the distance learning clearinghouse work of the College of Education and Human Ecology at the Ohio State University

- Repeals the requirement for the State Board of Education, in consultation with the Chancellor of the Board of Regents, to establish guidelines for the evaluation of teachers and principals for optional use by school districts, and instead requires the State Board, by December 31, 2011, to develop a standards-based framework for the evaluation of teachers
- Requires the framework 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 teacher, (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
- Requires the State Board to develop standards and criteria for teacher and principal evaluations that distinguish between four levels of performance: accomplished, proficient, developing and ineffective
- Requires each school district and educational service center, by July 1, 2013, to adopt a teacher evaluation policy that conforms with the state framework, and specifies that the policy takes effect at the expiration of the collective bargaining agreement in effect on the provision's effective date
- Requires each community school and STEM school receiving Race to the Top funds to comply with the requirement to adopt a teacher evaluation policy that conforms with the state framework
- Requires each teacher 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
- Requires each employer's policy to include procedures for using evaluation results for retention and promotion decisions and for removal of poorly performing teachers
- Prohibits using seniority as the basis for retaining a teacher, except when deciding between teachers with comparable evaluations
- Requires each school district's and educational service center's evaluation procedures for principals to be based on principles comparable to the teacher evaluation policy, but tailored to the duties and responsibilities of principals
- Requires school districts, community schools, and STEM schools receiving Race to the Top funds (1) 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, and (2) provide for annual adjustments based on evaluations

- Requires school districts not receiving Race to the Top funds and educational service centers to comply either with the amendment's requirements for a performance-based salary schedule of with current law
- Repeals the requirement that each school district and educational service center file a copy of its teacher salary schedule with the Superintendent of Public Instruction
- 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
- Specifies that the pilot project to allow a parent trigger for school reforms commences upon establishment of implementation guidelines by the Department of Education, in consultation with the Columbus City School District
- Requires the Department of Education, in the case of a community school with multiple facilities, to assign a unique identification number to the school and to each facility, beginning July 1, 2012. Prohibits the Department from calculating the school's state funding or report card data for each facility separately
- Specifies that a public college-preparatory board school authorized by the bill may not open earlier than the 2013-2014 school year
- Requires each participating school district, in consultation with the college-preparatory boarding school, to compute the per-pupil amount to be deducted from the district's state aid account
- Requires the district and boarding school to execute an agreement specifying that per-pupil amount, and to file a copy of the agreement with the Department of Education. The Department must deduct the amount specified in the agreement
- Specifies that the student count used to determine whether a school district is required under the bill to enter into an agreement with an educational service center is the "average daily student enrollment" reported for the district on the most recent school district academic performance report card, instead of the district's "total student count"
- Repeals the current law requirement that school districts, community schools, STEM schools, and chartered nonpublic schools conduct body mass index and weight status category screenings for students in certain grades
- Removes the bill's authorization of five pilot hybrid school operated by either school districts or community schools
- Requires a township, county, or municipal corporation that enters into tax increment financing (TIF) hold-harmless payment in lieu of taxes agreements to compensate a city, local or exempted village school district for foregone tax revenue to equally compensate the applicable joint vocational school district. Increases the time in which a township, county, or municipal corporation is required to notify a joint vocational school district before adopting a TIF resolution from 14 days to 45 days if the city, local or exempted village school board also receives a forty-five day notice. Under current law, notice is required to be given to all school districts at least 14 days before the township, county or municipal corporation proposes to pass

a TIF resolution or ordinance, except that local, city and exempted village school districts must receive a 45-day notice if the resolution seeks to exempt property above 75% or beyond 10 years

- Removes the Senate provision that expands, from two fiscal years to four fiscal years, the standard time a school district has to reimburse the state for a payment from the School District Solvency Fund
- Modifies the Senate provision that permits a district, with approval of the Director of the Office of Budget and Management and the Superintendent of Public Instruction, to take up to ten fiscal years to repay the fund by permitting the Director and Superintendent to postpone repayment to any other year, but not later than the tenth fiscal year
- Removes the requirements that required the Auditor of State to notify the state Superintendent if the Auditor of State determines that the financial recovery plan of a school district in fiscal emergency cannot reasonably be expected to correct and eliminate its fiscal emergency conditions within five fiscal years
- Removes the requirements that require the state Superintendent to develop an operation plan for the district within 90 days of the Auditor of State's notice and to submit that plan to the State Board of Education for approval
- Removes the requirements that require the State Board, upon approval of the State Superintendent's operation plan, to take over operation of the district until the Auditor of State determines that the district does have a plan that reasonably can be expected to correct and eliminate the fiscal emergency conditions within five fiscal years
- Removes the requirements that prohibit the State Board, while it has taken over operation of the district, from de-chartering the district and transferring its territory
- Removes the language directing that funds remaining from the earmark in appropriation item 200550, Foundation Funding, for gifted education funding at educational service centers be used as an additional supplement for school districts for gifted identification
- Makes the following changes to the Jon Peterson Special Needs Scholarship: (1) specifies that the program does not begin operating until the 2012-2013 school year, (2) clarifies the calculation of funding, (3) increases, from 80% to 90%, the adjustment applied to the weighted funding portion of the scholarship amount, (4) specifies that a scholarship student is entitled to transportation "in the manner prescribed in law," instead of "in the manner prescribed by law for any child with a disability attending a nonpublic special education program, (5) requires scholarship students to take, and private providers to administer, the state achievement assessments, unless the students are excused from taking a test under federal law or under their IEPs, (6) specifically prohibits a student from receiving both the Jon Peterson Scholarship and a Cleveland Scholarship for the same school year (The bill already prohibits a student from receiving both a Jon Peterson Scholarship and either an Ed Choice or Autism Scholarship for the same school year.)
- Restores current law that requires that, in public and chartered nonpublic schools, at least 50% of the a la carte beverages available for sale through a school food service program, vending

machines, or a school store must be water or other beverages that contain no more than 10 calories per 8 ounces

- Restores the House provision allowing a school principal or any other school employee to also serve as the school district's gifted education coordinator if qualified to do so