



Ohio Legislative Service Commission

Bill Analysis

William Schwartz

Sub. H.B. 342

130th General Assembly
(As Reported by S. Education)

Reps. Brenner and Driehaus, Bishoff, R. Adams, Amstutz, Anielski, Antonio, Ashford, Baker, Barborak, Beck, Blair, Blessing, Boyce, Brown, Buchy, Budish, Burkley, Carney, Celebrezze, Derickson, Dovilla, Duffey, Fedor, Green, Grossman, Hackett, Hall, Hayes, Henne, Kunze, Letson, Mallory, McGregor, Milkovich, O'Brien, Patterson, Pillich, Scherer, Sears, Sheehy, Slaby, Smith, Sprague, Stebelton, Stinziano, Strahorn, Wachtmann, Winburn, Batchelder

BILL SUMMARY

- Permits an educational service center (ESC) or a county board of developmental disabilities that provides special education and related services to children with disabilities to be a partner in an education consortium seeking a grant under the Straight A Program.
- Permits an ESC to be the lead applicant of an education consortium seeking a grant under the Straight A Program, provided at least one of the ESC's client school districts is included on the application as a member of the consortium.
- Modifies the goals of a project for which a grant under the Straight A Program may be awarded.
- Requires the Straight A governing board when determining whether to award grants to give priority to applicants that demonstrate cost savings over applicants that do not demonstrate cost savings.
- Reduces, from \$5 million to \$1 million, the maximum grant award in a fiscal year that may be awarded to a single school district, ESC, community school, STEM school, college-preparatory boarding school, school building, institution of higher education, or private entity partnering with one or more educational entities.
- Removes a duty of the Auditor of State to determine if an applicant fails to implement a grant agreement entered into with the Straight A governing board.

- Extends, from 75 days to 90 days, the deadline by which the Straight A governing board must issue a decision on a grant application after receiving the application.
- Declares an emergency.

CONTENT AND OPERATION

Straight A Program

H.B. 59 of the 130th General Assembly created, for fiscal years 2014 and 2015, the Straight A Program to provide grants to school districts, educational service centers (ESCs), community schools, STEM schools, college-preparatory boarding schools, individual school buildings, education consortia (which may represent partnerships among school districts, school buildings, community schools, or STEM schools), institutions of higher education, and private entities partnering with one or more of those educational entities. The grants are for projects that aim to achieve significant advancement in one or more of the following goals: (1) student achievement, (2) spending reduction in the five year fiscal forecast, and (3) utilization of a greater share of resources in the classroom. The bill makes modifications to that program.

Lead applicant and consortium partners

The bill specifically permits an ESC or a county board of developmental disabilities that provides special education and related services to children with disabilities to be a partner in an education consortium that may receive a Straight A grant.¹ The bill also allows an ESC (but not a county DD board) to be the lead applicant of an education consortium on a grant application. However, the bill requires at least one of the ESC's client school districts to be included on the application as a member of the consortium for the ESC to be the lead applicant.²

Project goals

The bill modifies the goals of a project for which a Straight A grant may be awarded. Under current law, as noted above, one goal is "student achievement." The bill changes that goal to be "increased" student achievement and, in the case of an ESC, increased student achievement in the ESC's client school districts or other school districts or schools that are members of the consortium.³ (A "client school district" is

¹ Division (A) of Section 263.325 of Am. Sub. H.B. 59 of the 130th General Assembly.

² Division (C) of Section 263.325.

³ Division (A)(1) of Section 263.325.

defined in current law as a school district that has entered into an agreement to receive any services from an ESC.⁴) Further, to the second listed goal regarding spending reductions in a district's five-year fiscal forecast, the bill adds, as an alternative, "positive performance on other fiscal measures" established by the Straight A governing board.⁵ The bill also clarifies that the third listed goal for utilization of a greater share of resources in the classroom be in classrooms operated by the educational entity or by an ESC's client school districts or other school districts or schools that are members of the consortium.⁶ Finally, the bill adds as a new goal the "use of a shared services delivery model that demonstrates increased efficiency and effectiveness, long-term sustainability, and scalability."⁷

Priority for grants

The bill prescribes a priority for awarding grants to applicants under the Straight A Program. When determining whether to award grants from among two or more applicants of similar score, as determined by the Straight A governing board, the bill requires the governing board to award grants to applicants that demonstrate cost savings over applicants that do not demonstrate cost savings. The bill further specifies that these cost savings be demonstrated through the second listed grant goal described above. That is, an applicant can show cost savings either through spending reductions in the five-year fiscal forecast or positive performance on other fiscal measures established by the governing board.⁸

Grant amount maximum

The bill reduces to \$1 million, from \$5 million as under current law, the maximum grant amount that may be awarded to a single school district, ESC, community school, STEM school, college-preparatory boarding school, school building, institution of higher education, or private entity partnering with one or more educational entities.⁹ It does not affect the current limit on an award to an education consortium, which remains \$15 million.

⁴ R.C. 3311.0510, not in the bill.

⁵ Division (A)(2) of Section 263.325.

⁶ Division (A)(3) of Section 263.325.

⁷ Division (A)(4) of Section 263.325.

⁸ Division (B)(6) of Section 263.325.

⁹ Division (D)(1) of Section 263.325.

Continuing law permits the Superintendent of Public Instruction to make recommendations to the Controlling Board that these maximum amounts be exceeded and permits the Controlling Board to approve grants in excess of the prescribed maximum amounts.

Auditor of State duties

The bill removes a duty of the Auditor of State to determine if a Straight A grant applicant fails to implement a grant agreement entered into with the Straight A governing board. Under continuing law, upon deciding to award a grant to an applicant, the governing board must enter into an agreement with the applicant. The agreement must include, among other things, a provision specifying that funding will be returned to the governing board if the applicant fails to implement the agreement. Under current law, removed by the bill, the Auditor of State determines if the grant applicant fails to implement the agreement.¹⁰ The bill does not specify who must make such a determination but, presumably, that matter could be described in the agreement itself.

Deadline for governing board decisions

Current law requires the Straight A governing board to issue a decision on a grant application of "yes," "no," "hold," or "edit" within 75 days after receiving the application. The bill extends this deadline to 90 days.¹¹

Background on ESCs

ESCs are regional public entities that offer a broad spectrum of services, including curriculum development, professional development, purchasing, human resources, special education services, and counseling services, to school districts and community schools in their regions. Each ESC is under the oversight of its own elected governing board. The territory from which the members of an ESC's governing board are elected is the combined territory of the "local" school districts in the county or counties of the ESC's service area. It does not include the territory of the "city" and "exempted village" school districts the ESC might serve.

¹⁰ Division (E)(5) of Section 263.325.

¹¹ Division (D)(1) of Section 263.325.

HISTORY

ACTION

DATE

Introduced	11-07-13
Reported, H. Education	12-05-13
Passed House (94-0)	01-15-14
Reported, S. Education	02-20-14

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