

Am. Sub. H.B. 166
As Passed by the House

_____ moved to amend as follows:

- In line 34 of the title, delete "3302.16, 3302.17," and
insert "3302.10, 3302.11, 3302.12," 1
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- In line 35 of the title, delete "3311.29," 3
- In line 138 of the title, delete "3302.10," and insert
"3302.101, 3302.102," 4
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- In line 149 of the title, after "3107.035," insert "3301.28,
3301.281, "; after "3302.039," insert "3302.103," 6
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- In line 182 of the title, delete "3302.10," 8
- In line 183 of the title, delete "3302.11, 3302.12," 9
- In line 237 of the title, delete everything after the first
comma 10
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- In line 238 of the title, delete everything before "to" 12
- In line 272, delete "3302.16, 3302.17," and insert "3302.10,
3302.11, 3302.12," 13
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- In line 273, delete "3311.29," 15
- In line 349, delete "3302.10," and insert "3302.101,
3302.102," 16
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- In line 357, after "3107.035," insert "3301.28, 3301.281," 18
- In line 358, after "3302.039," insert "3302.103," 19

Delete lines 6446 through 6797 and insert: 20

"**Sec. 133.06.** (A) A school district shall not incur, without 21
a vote of the electors, net indebtedness that exceeds an amount 22
equal to one-tenth of one per cent of its tax valuation, except as 23
provided in divisions (G) and (H) of this section and in division 24
(D) of section 3313.372 of the Revised Code, or as prescribed in 25
section 3318.052 or 3318.44 of the Revised Code, or as provided in 26
division (J) of this section. 27

(B) Except as provided in divisions (E), (F), and (I) of this 28
section, a school district shall not incur net indebtedness that 29
exceeds an amount equal to nine per cent of its tax valuation. 30

(C) A school district shall not submit to a vote of the 31
electors the question of the issuance of securities in an amount 32
that will make the district's net indebtedness after the issuance 33
of the securities exceed an amount equal to four per cent of its 34
tax valuation, unless the superintendent of public instruction, 35
acting under policies adopted by the state board of education, and 36
the tax commissioner, acting under written policies of the 37
commissioner, consent to the submission. A request for the 38
consents shall be made at least one hundred twenty days prior to 39
the election at which the question is to be submitted. 40

The superintendent of public instruction shall certify to the 41
district the superintendent's and the tax commissioner's decisions 42
within thirty days after receipt of the request for consents. 43

If the electors do not approve the issuance of securities at 44
the election for which the superintendent of public instruction 45
and tax commissioner consented to the submission of the question, 46
the school district may submit the same question to the electors 47
on the date that the next special election may be held under 48

section 3501.01 of the Revised Code without submitting a new
 request for consent. If the school district seeks to submit the
 same question at any other subsequent election, the district shall
 first submit a new request for consent in accordance with this
 division.

(D) In calculating the net indebtedness of a school district,
 none of the following shall be considered:

(1) Securities issued to acquire school buses and other
 equipment used in transporting pupils or issued pursuant to
 division (D) of section 133.10 of the Revised Code;

(2) Securities issued under division (F) of this section,
 under section 133.301 of the Revised Code, and, to the extent in
 excess of the limitation stated in division (B) of this section,
 under division (E) of this section;

(3) Indebtedness resulting from the dissolution of a joint
 vocational school district under section 3311.217 of the Revised
 Code, evidenced by outstanding securities of that joint vocational
 school district;

(4) Loans, evidenced by any securities, received under
 sections 3313.483, 3317.0210, and 3317.0211 of the Revised Code;

(5) Debt incurred under section 3313.374 of the Revised Code;

(6) Debt incurred pursuant to division (B)(5) of section
 3313.37 of the Revised Code to acquire computers and related
 hardware;

(7) Debt incurred under section 3318.042 of the Revised Code;

(8) Debt incurred under section 5705.2112 or 5705.2113 of the
 Revised Code by the fiscal board of a qualifying partnership of
 which the school district is a participating school district.

(E) A school district may become a special needs district as 77
to certain securities as provided in division (E) of this section. 78

(1) A board of education, by resolution, may declare its 79
school district to be a special needs district by determining both 80
of the following: 81

(a) The student population is not being adequately serviced 82
by the existing permanent improvements of the district. 83

(b) The district cannot obtain sufficient funds by the 84
issuance of securities within the limitation of division (B) of 85
this section to provide additional or improved needed permanent 86
improvements in time to meet the needs. 87

(2) The board of education shall certify a copy of that 88
resolution to the superintendent of public instruction with a 89
statistical report showing all of the following: 90

(a) The history of and a projection of the growth of the tax 91
valuation; 92

(b) The projected needs; 93

(c) The estimated cost of permanent improvements proposed to 94
meet such projected needs. 95

(3) The superintendent of public instruction shall certify 96
the district as an approved special needs district if the 97
superintendent finds both of the following: 98

(a) The district does not have available sufficient 99
additional funds from state or federal sources to meet the 100
projected needs. 101

(b) The projection of the potential average growth of tax 102
valuation during the next five years, according to the information 103
certified to the superintendent and any other information the 104

superintendent obtains, indicates a likelihood of potential
 average growth of tax valuation of the district during the next
 five years of an average of not less than one and one-half per
 cent per year. The findings and certification of the
 superintendent shall be conclusive.

(4) An approved special needs district may incur net
 indebtedness by the issuance of securities in accordance with the
 provisions of this chapter in an amount that does not exceed an
 amount equal to the greater of the following:

(a) Twelve per cent of the sum of its tax valuation plus an
 amount that is the product of multiplying that tax valuation by
 the percentage by which the tax valuation has increased over the
 tax valuation on the first day of the sixtieth month preceding the
 month in which its board determines to submit to the electors the
 question of issuing the proposed securities;

(b) Twelve per cent of the sum of its tax valuation plus an
 amount that is the product of multiplying that tax valuation by
 the percentage, determined by the superintendent of public
 instruction, by which that tax valuation is projected to increase
 during the next ten years.

(F) A school district may issue securities for emergency
 purposes, in a principal amount that does not exceed an amount
 equal to three per cent of its tax valuation, as provided in this
 division.

(1) A board of education, by resolution, may declare an
 emergency if it determines both of the following:

(a) School buildings or other necessary school facilities in
 the district have been wholly or partially destroyed, or condemned
 by a constituted public authority, or that such buildings or

facilities are partially constructed, or so constructed or planned 134
 as to require additions and improvements to them before the 135
 buildings or facilities are usable for their intended purpose, or 136
 that corrections to permanent improvements are necessary to remove 137
 or prevent health or safety hazards. 138

(b) Existing fiscal and net indebtedness limitations make 139
 adequate replacement, additions, or improvements impossible. 140

(2) Upon the declaration of an emergency, the board of 141
 education may, by resolution, submit to the electors of the 142
 district pursuant to section 133.18 of the Revised Code the 143
 question of issuing securities for the purpose of paying the cost, 144
 in excess of any insurance or condemnation proceeds received by 145
 the district, of permanent improvements to respond to the 146
 emergency need. 147

(3) The procedures for the election shall be as provided in 148
 section 133.18 of the Revised Code, except that: 149

(a) The form of the ballot shall describe the emergency 150
 existing, refer to this division as the authority under which the 151
 emergency is declared, and state that the amount of the proposed 152
 securities exceeds the limitations prescribed by division (B) of 153
 this section; 154

(b) The resolution required by division (B) of section 133.18 155
 of the Revised Code shall be certified to the county auditor and 156
 the board of elections at least one hundred days prior to the 157
 election; 158

(c) The county auditor shall advise and, not later than 159
 ninety-five days before the election, confirm that advice by 160
 certification to, the board of education of the information 161
 required by division (C) of section 133.18 of the Revised Code; 162

(d) The board of education shall then certify its resolution 163
 and the information required by division (D) of section 133.18 of 164
 the Revised Code to the board of elections not less than ninety 165
 days prior to the election. 166

(4) Notwithstanding division (B) of section 133.21 of the 167
 Revised Code, the first principal payment of securities issued 168
 under this division may be set at any date not later than sixty 169
 months after the earliest possible principal payment otherwise 170
 provided for in that division. 171

(G)(1) The board of education may contract with an architect, 172
 professional engineer, or other person experienced in the design 173
 and implementation of energy conservation measures for an analysis 174
 and recommendations pertaining to installations, modifications of 175
 installations, or remodeling that would significantly reduce 176
 energy consumption in buildings owned by the district. The report 177
 shall include estimates of all costs of such installations, 178
 modifications, or remodeling, including costs of design, 179
 engineering, installation, maintenance, repairs, measurement and 180
 verification of energy savings, and debt service, forgone residual 181
 value of materials or equipment replaced by the energy 182
 conservation measure, as defined by the Ohio facilities 183
 construction commission, a baseline analysis of actual energy 184
 consumption data for the preceding three years with the utility 185
 baseline based on only the actual energy consumption data for the 186
 preceding twelve months, and estimates of the amounts by which 187
 energy consumption and resultant operational and maintenance 188
 costs, as defined by the commission, would be reduced. 189

If the board finds after receiving the report that the amount 190
 of money the district would spend on such installations, 191
 modifications, or remodeling is not likely to exceed the amount of 192

money it would save in energy and resultant operational and maintenance costs over the ensuing fifteen years, the board may submit to the commission a copy of its findings and a request for approval to incur indebtedness to finance the making or modification of installations or the remodeling of buildings for the purpose of significantly reducing energy consumption.

The facilities construction commission, in consultation with the auditor of state, may deny a request under division (G)(1) of this section by the board of education of any school district that is in a state of fiscal watch pursuant to division (A) of section 3316.03 of the Revised Code, if it determines that the expenditure of funds is not in the best interest of the school district.

No district board of education of a school district that is in a state of fiscal emergency pursuant to division (B) of section 3316.03 of the Revised Code shall submit a request without submitting evidence that the installations, modifications, or remodeling have been approved by the district's financial planning and supervision commission established under section 3316.05 of the Revised Code.

No board of education of a school district for which ~~an academic distress~~ a school improvement commission has been established under section 3302.10 of the Revised Code shall submit a request without first receiving approval to incur indebtedness from the district's ~~academic distress~~ school improvement commission established under that section, for so long as such commission continues to be required for the district.

(2) The board of education may contract with a person experienced in the implementation of student transportation to produce a report that includes an analysis of and recommendations for the use of alternative fuel vehicles by school districts. The

report shall include cost estimates detailing the return on 223
investment over the life of the alternative fuel vehicles and 224
environmental impact of alternative fuel vehicles. The report also 225
shall include estimates of all costs associated with alternative 226
fuel transportation, including facility modifications and vehicle 227
purchase costs or conversion costs. 228

If the board finds after receiving the report that the amount 229
of money the district would spend on purchasing alternative fuel 230
vehicles or vehicle conversion is not likely to exceed the amount 231
of money it would save in fuel and resultant operational and 232
maintenance costs over the ensuing five years, the board may 233
submit to the commission a copy of its findings and a request for 234
approval to incur indebtedness to finance the purchase of new 235
alternative fuel vehicles or vehicle conversions for the purpose 236
of reducing fuel costs. 237

The facilities construction commission, in consultation with 238
the auditor of state, may deny a request under division (G)(2) of 239
this section by the board of education of any school district that 240
is in a state of fiscal watch pursuant to division (A) of section 241
3316.03 of the Revised Code, if it determines that the expenditure 242
of funds is not in the best interest of the school district. 243

No district board of education of a school district that is 244
in a state of fiscal emergency pursuant to division (B) of section 245
3316.03 of the Revised Code shall submit a request without 246
submitting evidence that the purchase or conversion of alternative 247
fuel vehicles has been approved by the district's financial 248
planning and supervision commission established under section 249
3316.05 of the Revised Code. 250

No board of education of a school district for which ~~an~~ 251
~~academic distress~~ a school improvement commission has been 252

established under section 3302.10 of the Revised Code shall submit 253
 a request without first receiving approval to incur indebtedness 254
 from the district's ~~academic distress~~ school improvement 255
 commission established under that section, for so long as such 256
 commission continues to be required for the district. 257

(3) The facilities construction commission shall approve the 258
 board's request provided that the following conditions are 259
 satisfied: 260

(a) The commission determines that the board's findings are 261
 reasonable. 262

(b) The request for approval is complete. 263

(c) If the request was submitted under division (G)(1) of 264
 this section, the installations, modifications, or remodeling are 265
 consistent with any project to construct or acquire classroom 266
 facilities, or to reconstruct or make additions to existing 267
 classroom facilities under sections 3318.01 to 3318.20 or sections 268
 3318.40 to 3318.45 of the Revised Code. 269

Upon receipt of the commission's approval, the district may 270
 issue securities without a vote of the electors in a principal 271
 amount not to exceed nine-tenths of one per cent of its tax 272
 valuation for the purpose specified in division (G)(1) or (2) of 273
 this section, but the total net indebtedness of the district 274
 without a vote of the electors incurred under this and all other 275
 sections of the Revised Code, except section 3318.052 of the 276
 Revised Code, shall not exceed one per cent of the district's tax 277
 valuation. 278

(4)(a) So long as any securities issued under division (G)(1) 279
 of this section remain outstanding, the board of education shall 280
 monitor the energy consumption and resultant operational and 281
 maintenance costs of buildings in which installations or 282

modifications have been made or remodeling has been done pursuant 283
 to that division. Except as provided in division (G)(4)(b) of this 284
 section, the board shall maintain and annually update a report in 285
 a form and manner prescribed by the facilities construction 286
 commission documenting the reductions in energy consumption and 287
 resultant operational and maintenance cost savings attributable to 288
 such installations, modifications, or remodeling. The resultant 289
 operational and maintenance cost savings shall be certified by the 290
 school district treasurer. The report shall be submitted annually 291
 to the commission. 292

(b) If the facilities construction commission verifies that 293
 the certified annual reports submitted to the commission by a 294
 board of education under division (G)(4)(a) of this section 295
 fulfill the guarantee required under division (B) of section 296
 3313.372 of the Revised Code for three consecutive years, the 297
 board of education shall no longer be subject to the annual 298
 reporting requirements of division (G)(4)(a) of this section. 299

(5) So long as any securities issued under division (G)(2) of 300
 this section remain outstanding, the board of education shall 301
 monitor the purchase of new alternative fuel vehicles or vehicle 302
 conversions pursuant to that division. The board shall maintain 303
 and annually update a report in a form and manner prescribed by 304
 the facilities construction commission documenting the purchase of 305
 new alternative fuel vehicles or vehicle conversions, the 306
 associated environmental impact, and return on investment. The 307
 resultant fuel and operational and maintenance cost savings shall 308
 be certified by the school district treasurer. The report shall be 309
 submitted annually to the commission. 310

(H) With the consent of the superintendent of public 311
 instruction, a school district may incur without a vote of the 312

electors net indebtedness that exceeds the amounts stated in 313
divisions (A) and (G) of this section for the purpose of paying 314
costs of permanent improvements, if and to the extent that both of 315
the following conditions are satisfied: 316

(1) The fiscal officer of the school district estimates that 317
receipts of the school district from payments made under or 318
pursuant to agreements entered into pursuant to section 725.02, 319
1728.10, 3735.671, 5709.081, 5709.082, 5709.40, 5709.41, 5709.45, 320
5709.57, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, or 5709.82 321
of the Revised Code, or distributions under division (C) of 322
section 5709.43 or division (B) of section 5709.47 of the Revised 323
Code, or any combination thereof, are, after accounting for any 324
appropriate coverage requirements, sufficient in time and amount, 325
and are committed by the proceedings, to pay the debt charges on 326
the securities issued to evidence that indebtedness and payable 327
from those receipts, and the taxing authority of the district 328
confirms the fiscal officer's estimate, which confirmation is 329
approved by the superintendent of public instruction; 330

(2) The fiscal officer of the school district certifies, and 331
the taxing authority of the district confirms, that the district, 332
at the time of the certification and confirmation, reasonably 333
expects to have sufficient revenue available for the purpose of 334
operating such permanent improvements for their intended purpose 335
upon acquisition or completion thereof, and the superintendent of 336
public instruction approves the taxing authority's confirmation. 337

The maximum maturity of securities issued under division (H) 338
of this section shall be the lesser of twenty years or the maximum 339
maturity calculated under section 133.20 of the Revised Code. 340

(I) A school district may incur net indebtedness by the 341
issuance of securities in accordance with the provisions of this 342

chapter in excess of the limit specified in division (B) or (C) of 343
 this section when necessary to raise the school district portion 344
 of the basic project cost and any additional funds necessary to 345
 participate in a project under Chapter 3318. of the Revised Code, 346
 including the cost of items designated by the facilities 347
 construction commission as required locally funded initiatives, 348
 the cost of other locally funded initiatives in an amount that 349
 does not exceed fifty per cent of the district's portion of the 350
 basic project cost, and the cost for site acquisition. The 351
 commission shall notify the superintendent of public instruction 352
 whenever a school district will exceed either limit pursuant to 353
 this division. 354

(J) A school district whose portion of the basic project cost 355
 of its classroom facilities project under sections 3318.01 to 356
 3318.20 of the Revised Code is greater than or equal to one 357
 hundred million dollars may incur without a vote of the electors 358
 net indebtedness in an amount up to two per cent of its tax 359
 valuation through the issuance of general obligation securities in 360
 order to generate all or part of the amount of its portion of the 361
 basic project cost if the controlling board has approved the 362
 facilities construction commission's conditional approval of the 363
 project under section 3318.04 of the Revised Code. The school 364
 district board and the Ohio facilities construction commission 365
 shall include the dedication of the proceeds of such securities in 366
 the agreement entered into under section 3318.08 of the Revised 367
 Code. No state moneys shall be released for a project to which 368
 this section applies until the proceeds of any bonds issued under 369
 this section that are dedicated for the payment of the school 370
 district portion of the project are first deposited into the 371
 school district's project construction fund." 372

After line 22974, insert: 373

"Sec. 3301.28. (A)(1) The school transformation board is 374
hereby created. The board shall be responsible for final approval 375
of all contracts entered into under section 3301.281 of the 376
Revised Code and shall monitor compliance with implementation of 377
those contracts. 378

(2) The board shall consist of the following members: 379

(a) The superintendent of public instruction; 380

(b) The chancellor of higher education; 381

(c) Three individuals with experience and expertise in 382
education policy or school improvement, appointed by the governor, 383
with the advise and consent of the senate. One of the appointees 384
shall not be from the same political party as the appointing 385
governor. 386

(3) The board may hire an executive director and one 387
additional employee to assist with the execution of the board's 388
duties. 389

(4) Board members appointed by the governor shall be paid 390
five hundred dollars for each day of scheduled meetings they 391
attend, not to exceed forty-five thousand dollars annually, and 392
shall be reimbursed for travel expenses. 393

(B) The board shall monitor each school district's compliance 394
with the provisions of an improvement plan developed under section 395
3302.101 of the Revised Code. 396

Sec. 3301.281. (A)(1) The department of education shall 397
conduct a request for information to aid in creating a list of 398
approved school improvement organizations, which may include an 399
educational service center or a nonprofit, not-for-profit, or 400

for-profit provider. The department shall review responses to the request and, in consultation with the school transformation board, shall create a list of approved school improvement organizations not later than October 15, 2019.

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(2) The department annually shall conduct a request for information and update the list not later than the first day of August of each year but shall not add or remove an approved school improvement organization from the list without the approval of a majority of the school transformation board.

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(B) A local, city, or exempted village school district that is subject to section 3302.101 of the Revised Code may enter into a contract with a school improvement organization approved under this section.

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(1) If a district enters into a contract with an approved improvement organization in the first year it is subject to section 3302.101 of the Revised Code, the department shall assume one hundred per cent of the cost of the contract between the district and the organization.

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(2) If a district enters into a contract with an approved improvement organization in the second year it is subject to section 3302.101 of the Revised Code, the department shall assume fifty per cent of the cost of the contract between the district and the organization. The district shall assume the remainder of the cost.

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(3) If a district enters into a contract with an approved improvement organization in the third year it is subject to section 3302.101 of the Revised Code pursuant to division (D)(3) of that section, the district shall assume one hundred per cent of the cost, unless the school transformation board directs the

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department to assume up to twenty-five per cent of the cost. 430

(C) The department shall administer the contracting process 431
between a district and an improvement organization approved under 432
this section as follows: 433

(1) Upon receiving the root cause review prescribed in 434
section 3302.102 of the Revised Code, the district board shall 435
select the organization best suited to address the district's 436
needs. 437

(2) The department shall draft a contract to be signed by the 438
superintendent of public instruction, the district board president 439
and treasurer, and the chief executive officer of the improvement 440
organization. Each contract shall specify progress benchmarks for 441
improvement that the district must meet to continue receiving 442
state funding for the contract entered into under this section and 443
to not become subject to section 3302.10 of the Revised Code. Each 444
contract term may be for a period of up to three years. Each 445
contract also shall specify that the improvement organization 446
annually receive not more than seventy-five per cent of the 447
organization's contractual fee per school receiving assistance 448
under this section at the beginning of each school year and the 449
remainder of that fee when the school is no longer subject to the 450
requirements of this section. 451

(3) The department shall send the signed contract to the 452
school transformation board established under section 3301.28 of 453
the Revised Code for final approval. All contracts entered into 454
under this section are subject to that board's approval. 455

(D) A district that enters into a contract with an approved 456
improvement organization under this section shall receive a 457
three-year extension from becoming subject to division (A)(1) of 458
section 3302.10 of the Revised Code. 459

(E) If a district terminates a contract with an improvement organization, it must immediately secure a contract with another organization, pending approval by the department and the school transformation board, to continue receiving funds under this section. 460
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(F) A district that receives funds from the department for purposes of this section may continue to receive such funds unless the district meets one of the following: 465
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(1) The school transformation board determines that the district is not complying with its improvement plan developed under section 3302.101 of the Revised Code. 468
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(2) The district fails to meet established improvement benchmarks for three consecutive years. 471
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(3) The district meets the improvement status exit criteria prescribed by division (G)(1) of section 3302.101 of the Revised Code. 473
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(4) The district has received three consecutive years of funding support from the department for improvement organizations under this section. 476
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(G) A district shall be eligible to receive funding from the department for a contract under this section once every ten years." 479
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Delete lines 23842 through 23899 and insert: 482

"Sec. 3302.036. (A) Notwithstanding anything in the Revised Code to the contrary, the department of education shall not assign an overall letter grade under division (C)(3) of section 3302.03 of the Revised Code for any school district or building for the 2014-2015, 2015-2016, or 2016-2017 school years, may, at the 483
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discretion of the state board of education, not assign an 488
 individual grade to any component prescribed under division (C)(3) 489
 of section 3302.03 of the Revised Code, and shall not rank school 490
 districts, community schools established under Chapter 3314. of 491
 the Revised Code, or STEM schools established under Chapter 3326. 492
 of the Revised Code under section 3302.21 of the Revised Code for 493
 those school years. The report card ratings issued for the 494
 2014-2015, 2015-2016, or 2016-2017 school years shall not be 495
 considered in determining whether a school district or a school is 496
 subject to sanctions or penalties. However, the report card 497
 ratings of any previous or subsequent years shall be considered in 498
 determining whether a school district or building is subject to 499
 sanctions or penalties. Accordingly, the report card ratings for 500
 the 2014-2015, 2015-2016, or 2016-2017 school years shall have no 501
 effect in determining sanctions or penalties, but shall not create 502
 a new starting point for determinations that are based on ratings 503
 over multiple years. 504

(B) The provisions from which a district or school is exempt 505
 under division (A) of this section shall be the following: 506

(1) Any restructuring provisions established under this 507
 chapter, except as required under the "No Child Left Behind Act of 508
 2001"; 509

(2) Provisions for the Columbus city school pilot project 510
 under section 3302.042 of the Revised Code; 511

(3) Provisions for academic distress commissions under former 512
 section 3302.10 of the Revised Code as it existed prior to ~~the~~ 513
~~effective date of this amendment~~ October 15, 2015. The provisions 514
 of this section do not apply to academic distress commissions 515
 under the version of that section as it exists on or after ~~the~~ 516
~~effective date of this amendment~~ October 15, 2015, but prior to 517

the effective date of this amendment, nor to a school improvement 518
commission established under the version of that section as it 519
exists on and after the effective date of this amendment. 520

(4) Provisions prescribing new buildings where students are 521
 eligible for the educational choice scholarships under section 522
 3310.03 of the Revised Code; 523

(5) Provisions defining "challenged school districts" in 524
 which new start-up community schools may be located, as prescribed 525
 in section 3314.02 of the Revised Code; 526

(6) Provisions prescribing community school closure 527
 requirements under section 3314.35 or 3314.351 of the Revised 528
 Code. 529

(C) Notwithstanding anything in the Revised Code to the 530
 contrary and except as provided in Section 3 of H.B. 7 of the 531
 131st general assembly, no school district, community school, or 532
 STEM school shall utilize at any time during a student's academic 533
 career a student's score on any assessment administered under 534
 division (A) of section 3301.0710 or division (B)(2) of section 535
 3301.0712 of the Revised Code in the 2014-2015, 2015-2016, or 536
 2016-2017 school ~~year~~ years as a factor in any decision to promote 537
 or to deny the student promotion to a higher grade level or in any 538
 decision to grant course credit. No individual student score 539
 reports on such assessments administered in the 2014-2015, 540
 2015-2016, or 2016-2017 school years shall be released, except to 541
 a student's school district or school or to the student or the 542
 student's parent or guardian." 543

In line 24056, reinsert ", section" 544

In line 24057, reinsert "3302.10 or 3302.12 of the Revised 545
 Code," 546

Delete lines 24142 through 24443 and insert: 547

"**Sec. 3302.10.** (A) The ~~superintendent of public instruction~~ 548
~~school transformation board~~ shall establish an ~~academic distress a~~ 549
~~school improvement~~ commission for any school district that meets 550
one of the following conditions: 551

(1) The district has received an overall grade of "F" under 552
division (C)(3) of section 3302.03 of the Revised Code for three 553
consecutive years, unless that district has received an extension 554
under section 3301.281 of the Revised Code. 555

(2) An academic distress commission was established for the 556
district under ~~former~~ any version of section 3302.10 of the 557
Revised Code ~~was still in existence on the effective date of this~~ 558
~~section and has been in existence for at least four years as it~~ 559
existed prior to the effective date of this amendment. 560

(B)(1) The ~~academic distress~~ school improvement commission 561
shall consist of ~~five~~ six members as follows: 562

(a) Three members appointed by the state superintendent, one 563
of whom ~~is a resident in the county in which a majority of the~~ 564
~~district's territory is located~~ shall have a background in 565
education or education policy; 566

(b) One member appointed by the president of the teachers' 567
labor organization of the district ~~board of education~~, who shall 568
be a teacher employed by the district~~†~~. The member appointed under 569
division (B)(2)(b) of this section shall be a nonvoting member. 570

(c) One member, from the business community, appointed by the 571
mayor of the municipality in which a majority of the district's 572
territory is located or, if no such municipality exists, by the 573
~~mayor of a municipality selected by the state superintendent in~~ 574

which the district has territory highest ranking executive officer 575
of the township or other municipal government in which a majority 576
of the district's territory is located; 577

(d) The president of the district school board of education. 578

All members at the time of appointment shall be residents of 579
the county in which a majority of the district's territory is 580
located or an adjacent county. 581

Appointments to the commission shall be made within thirty 582
days after the district is notified that it is subject to this 583
section. Members of the commission shall serve at the pleasure of 584
their appointing authority. The ~~state superintendent school~~ 585
~~transformation board~~ shall designate a chairperson for the 586
commission from among the members appointed by the state 587
superintendent. The chairperson shall call and conduct meetings, 588
set meeting agendas, and serve as a liaison between the commission 589
and the ~~chief executive officer~~ school improvement director 590
appointed under division (C)(1) of this section. 591

(2) In the case of a school district that meets the condition 592
prescribed in division (A)(2) of this section, the academic 593
distress commission that was established for the district ~~under~~ 594
~~former section 3302.10 of the Revised Code~~ shall be abolished and 595
a ~~new academic distress~~ school improvement commission shall be 596
appointed for the district pursuant to division (B)(1) of this 597
section. 598

(3)(a) Beginning on the effective date of this amendment, 599
each district shall receive a root cause review as prescribed in 600
section 3302.102 of the Revised Code in the first year in which 601
division (A) of this section applies to the district. 602

(b) If the district has had a similar review conducted or 603
improvement plans created within the immediate twelve months prior 604

to becoming subject to this section, the school transformation board shall determine whether the district shall require a new review or develop new improvement plans. 605
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(C)(1) Within sixty days after the ~~state superintendent~~ school transformation board has designated a chairperson for the ~~academic distress school improvement~~ commission, the commission shall appoint a ~~chief executive officer~~ school improvement director for the district, who shall be paid by the department of education and shall serve at the pleasure of the commission. The individual appointed as ~~chief executive officer~~ director shall have high-level management experience in the public or private sector, which may include school management. The ~~chief executive officer~~ director shall exercise complete operational, managerial, and instructional control of the district, which shall include, but shall not be limited to, the following powers and duties, but the ~~chief executive officer~~ director may delegate, in writing, specific powers or duties to the district board or district superintendent: 608
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- (a) Replacing school administrators and central office staff; 623
- (b) Assigning employees to schools and approving transfers; 624
- (c) Hiring new employees; 625
- (d) Defining employee responsibilities and job descriptions; 626
- (e) Establishing employee compensation; 627
- (f) Allocating teacher class loads; 628
- (g) Conducting employee evaluations; 629
- (h) Making reductions in staff under section 3319.17, 3319.171, or 3319.172 of the Revised Code; 630
631
- (i) Setting the school calendar; 632

(j) Creating a budget for the district;	633
(k) Contracting for services for the district;	634
(l) Modifying policies and procedures established by the district board;	635 636
(m) Establishing grade configurations of schools;	637
(n) Determining the school curriculum;	638
(o) Selecting instructional materials and assessments;	639
(p) Setting class sizes;	640
(q) Providing for staff professional development.	641
(2) If an improvement coordinator was previously appointed for the district pursuant to division (A) of section 3302.04 of the Revised Code, that position shall be terminated. However, nothing in this section shall prohibit the chief executive officer <u>director</u> from employing the same individual or other staff to perform duties or functions previously performed by the improvement coordinator.	642 643 644 645 646 647 648
(D) The academic distress commission, in consultation with the state superintendent and the chief executive officer, shall be responsible for expanding high quality school choice options in the district. The commission, in consultation with the state superintendent, may create an entity to act as a high quality school accelerator for schools not operated by the district. The accelerator shall promote high quality schools in the district, lead improvement efforts for underperforming schools, recruit high quality sponsors for community schools, attract new high quality schools to the district, and increase the overall capacity of schools to deliver a high quality education for students. Any accelerator shall be an independent entity and the	649 650 651 652 653 654 655 656 657 658 659 660

~~chief executive officer shall have no authority over the~~ 661
~~accelerator.~~ 662

~~(E)~~(1) Within thirty days after receiving the ~~chief executive~~ 663
~~officer is appointed~~ root cause review, the ~~chief executive~~ 664
~~officer~~ school improvement commission shall convene a group of 665
community stakeholders. The purpose of the group shall be to 666
develop expectations for academic improvement in the district and 667
to assist the district in building relationships with 668
organizations in the community that can provide needed services to 669
students. Members of the group shall include, but shall not be 670
limited to, educators, civic and business leaders, and 671
representatives of institutions of higher education and government 672
service agencies. ~~Within ninety days after the chief executive~~ 673
~~officer is appointed, the chief executive officer~~ The commission 674
also shall convene a smaller group of community stakeholders for 675
each school operated by the district to develop expectations for 676
academic improvement in that school and assist with creating an 677
improvement plan. The group convened for each school shall have 678
teachers employed in the school and parents of students enrolled 679
in the school among its members. 680

(2) The ~~chief executive officer~~ school improvement commission 681
shall create a district plan and individual school plans to 682
improve the district's academic performance. In creating the ~~plan~~ 683
~~plans~~, the ~~chief executive officer~~ commission shall consult with 684
the groups convened under division ~~(E)~~(D)(1) of this section. The 685
~~chief executive officer~~ commission also shall consider the 686
availability of funding to ensure sustainability of the ~~plan~~ 687
~~plans~~. The ~~plan~~ plans shall establish clear, measurable short- and 688
long-term performance goals for the district and for each school 689
operated by the district. The performance goals shall include, but 690
not be limited to, the performance measures prescribed for report 691

cards issued under section 3302.03 of the Revised Code. Within 692
 ninety one hundred twenty days after the ~~chief executive officer~~ 693
~~is appointed~~ root cause review is completed, the ~~chief executive~~ 694
~~officer~~ commission shall submit the ~~plan~~ plans to the ~~academic~~ 695
~~distress commission~~ school transformation board for approval. 696
 Within thirty days after the submission of the ~~plan~~ plans, the 697
~~commission~~ board shall approve ~~the~~ each plan or suggest 698
 modifications to ~~the~~ a plan that will render it acceptable. If the 699
~~commission~~ board suggests modifications, the ~~chief executive~~ 700
~~officer~~ may commission shall revise ~~the~~ that plan before 701
 resubmitting it to the commission. The ~~chief executive officer~~ 702
commission shall resubmit the plan, ~~whether revised or not~~, within 703
 fifteen days after the ~~commission~~ board suggests modifications. 704
 The ~~commission~~ board shall approve ~~the~~ each plan within ~~thirty~~ 705
fifteen days after the plan is resubmitted. Upon approval of the 706
 plan by the ~~commission~~ board, the ~~chief executive officer~~ director 707
 shall implement the ~~plan~~ plans. 708

~~(F)~~ If a third-party improvement expert or organization is 710
identified in an approved improvement plan, the school 711
transformation board shall provide the necessary funds to retain 712
the expert or individual, provided that the services rendered are 713
research-based and can identify prior success in school 714
improvement. 715

(3) The school improvement commission established for the 716
district shall conduct an annual performance evaluation of the 717
director appointed by the commission and submit it to the district 718
board. 719

(4) The director of the district shall appear before the 720
district board to make a quarterly report on progress made by the 721
district toward no longer being subject to a school improvement 722

commission as described in division (I) of this section. For those 723
same purposes, the director shall, at the request of the district 724
board, appear at any regularly scheduled meeting of the district 725
board. 726

(5) The auditor of state shall conduct a performance audit of 727
a school district to which this section applies in the year in 728
which the district becomes subject to a school improvement 729
commission. The performance audit shall be conducted as prescribed 730
under section 3316.042 of the Revised Code. 731

(6) The treasurer of the school district shall make all 732
required reports to the commission and to the district board. 733

(E) Notwithstanding any provision to the contrary in Chapter 734
4117. of the Revised Code, if the district board has entered into, 735
modified, renewed, or extended a collective bargaining agreement 736
on or after ~~the effective date of this section~~ October 15, 2015, 737
that contains provisions relinquishing one or more of the rights 738
or responsibilities listed in division (C) of section 4117.08 of 739
the Revised Code, those provisions are not enforceable and the 740
~~chief executive officer~~ school improvement director and the 741
district board shall resume holding those rights or 742
responsibilities as if the district board had not relinquished 743
them in that agreement until such time as both the ~~academic~~ 744
~~distress~~ school improvement commission ceases to exist and the 745
district board agrees to relinquish those rights or 746
responsibilities in a new collective bargaining agreement. For 747
purposes of this section, "collective bargaining agreement" shall 748
include any labor contract or agreement in effect with any 749
applicable bargaining representative. The ~~chief executive officer~~ 750
director and the district board are not required to bargain on 751
subjects reserved to the management and direction of the school 752

district, including, but not limited to, the rights or 753
responsibilities listed in division (C) of section 4117.08 of the 754
Revised Code. The way in which these subjects and these rights or 755
responsibilities may affect the wages, hours, terms and conditions 756
of employment, or the continuation, modification, or deletion of 757
an existing provision of a collective bargaining agreement is not 758
subject to collective bargaining or effects bargaining under 759
Chapter 4117. of the Revised Code. The provisions of this 760
paragraph apply to a collective bargaining agreement entered into, 761
modified, renewed, or extended on or after ~~the effective date of~~ 762
~~this section~~ October 15, 2015, and those provisions are deemed to 763
be part of that agreement regardless of whether the district 764
satisfied the conditions prescribed in division (A) of this 765
section at the time the district entered into that agreement. If 766
the district board relinquished one or more of the rights or 767
responsibilities listed in division (C) of section 4117.08 of the 768
Revised Code in a collective bargaining agreement entered into 769
prior to ~~the effective date of this section~~ October 15, 2015, and 770
had resumed holding those rights or responsibilities pursuant to 771
division (K) of former section 3302.10 of the Revised Code, as it 772
existed prior to that date, the district board shall continue to 773
hold those rights or responsibilities until such time as both the 774
new ~~academic distress~~ school improvement commission appointed 775
under this section ceases to exist ~~upon completion of the~~ 776
~~transition period specified in~~ under division ~~(N)(1)~~(I) of this 777
section and the district board agrees to relinquish those rights 778
or responsibilities in a new collective bargaining agreement. 779

~~(G)~~(F) In each school year that the district is subject to 780
this section, and does not meet the qualifications of division (I) 781
of this section, the following shall apply: 782

(1) The ~~chief executive officer~~ school improvement director 783

shall implement ~~the~~ each improvement plan approved under division 784
~~(E)(D)~~(2) of this section and shall review the plan annually to 785
determine if changes are needed. The ~~chief executive officer~~ 786
commission may modify the plan upon the approval of the 787
modifications by the ~~academic distress commission~~ school 788
transformation board. 789

(2) The ~~chief executive officer~~ director may implement 790
innovative education programs to do any of the following: 791

(a) Address the physical and mental well-being of students 792
and their families; 793

(b) Provide mentoring; 794

(c) Provide job resources; 795

(d) Disseminate higher education information; 796

(e) Offer recreational or cultural activities; 797

(f) Provide any other services that will contribute to a 798
successful learning environment. 799

The ~~chief executive officer~~ director shall establish a 800
separate fund to support innovative education programs and shall 801
deposit any moneys appropriated by the general assembly for the 802
purposes of division ~~(G)(F)~~(2) of this section in the fund. The 803
~~chief executive officer~~ director shall have sole authority to 804
disburse moneys from the fund until the district is no longer 805
subject to this section. All disbursements shall support the 806
improvement ~~plan~~ plans approved under division ~~(E)(D)~~(2) of this 807
section. 808

(3) If the district is not a school district in which the 809
pilot project scholarship program is operating under sections 810
3313.974 to 3313.979 of the Revised Code, each student who is 811
entitled to attend school in the district under section 3313.64 or 812

3313.65 of the Revised Code and is enrolled in a school operated
by the district or in a community school, or will be both
enrolling in any of grades kindergarten through twelve in this
state for the first time and at least five years of age by the
first day of January of the following school year, shall be
eligible to participate in the educational choice scholarship
pilot program established under sections 3310.01 to 3310.17 of the
Revised Code and an application for the student may be submitted
during the next application period.

(4) Notwithstanding anything to the contrary in the Revised
Code, the ~~chief executive officer~~ director may limit, suspend, or
alter any contract with an administrator that is entered into,
modified, renewed, or extended by the district board on or after
~~the effective date of this section~~ October 15, 2015, provided that
the ~~chief executive officer~~ director shall not reduce any salary
or base hourly rate of pay unless such salary or base hourly rate
reductions are part of a uniform plan affecting all district
employees and shall not reduce any insurance benefits unless such
insurance benefit reductions are also applicable generally to
other employees of the district.

(5) The ~~chief executive officer~~ director shall represent the
district board during any negotiations to modify, renew, or extend
a collective bargaining agreement entered into by the board under
Chapter 4117. of the Revised Code.

~~(H) If the report card for the district has been issued under
section 3302.03 of the Revised Code for the first school year that
the district is subject to this section and the district does not
meet the qualification in division (N)(1) of this section, the
following shall apply:~~

~~(1)(6)~~ The ~~chief executive officer~~ director may reconstitute

any school operated by the district. The ~~chief executive officer~~ 843
~~director~~ shall present to the ~~academic distress~~ school improvement 844
commission a plan that lists each school designated for 845
reconstitution and explains how the ~~chief executive officer~~ 846
~~director~~ plans to reconstitute the school. The ~~chief executive~~ 847
~~officer~~ director may take any of the following actions to 848
reconstitute a school: 849

(a) Change the mission of the school or the focus of its 850
curriculum; 851

(b) Replace the school's principal and/or administrative 852
staff; 853

(c) Replace a majority of the school's staff, including 854
teaching and nonteaching employees; 855

(d) Contract with a nonprofit or for-profit entity to manage 856
the operations of the school. The contract may provide for the 857
entity to supply all or some of the staff for the school. 858

(e) Reopen the school as a community school under Chapter 859
3314. of the Revised Code or a science, technology, engineering, 860
and mathematics school under Chapter 3326. of the Revised Code; 861

(f) Permanently close the school. 862

If the ~~chief executive officer~~ director plans to reconstitute 863
a school under division ~~(H)(1)(F)(6)~~(e) or (f) of this section, 864
the commission shall review the plan for that school and either 865
approve or reject it by the thirtieth day of June of the school 866
year. Upon approval of the plan by the commission, the ~~chief~~ 867
~~executive officer~~ director shall reconstitute the school as 868
outlined in the plan. 869

~~(2)(7)~~ Notwithstanding any provision to the contrary in 870
Chapter 4117. of the Revised Code, the ~~chief executive officer~~ 871

director, ~~in consultation~~ with the approval of the chairperson of 872
the ~~academic distress~~ school improvement commission, may reopen 873
any collective bargaining agreement entered into, modified, 874
renewed, or extended on or after ~~the effective date of this~~ 875
~~section~~ October 15, 2015, for the purpose of renegotiating its 876
terms. The ~~chief executive officer~~ director shall have the sole 877
discretion to designate any provisions of a collective bargaining 878
agreement as subject to reopening by providing written notice to 879
the bargaining representative. Any provisions designated for 880
reopening by the ~~chief executive officer~~ director shall be subject 881
to collective bargaining as set forth in Chapter 4117. of the 882
Revised Code. Any changes to the provisions subject to reopening 883
shall take effect on the following first day of July or another 884
date agreed to by the parties. The ~~chief executive officer~~ 885
director may reopen a collective bargaining agreement under 886
division ~~(H)(2)(F)(7)~~ of this section as necessary to reconstitute 887
a school under division ~~(H)(1)(F)(6)~~ of this section. 888

~~(I) If the report card for the district has been issued under~~ 889
~~section 3302.03 of the Revised Code for the second school year~~ 890
~~that the district is subject to this section and the district does~~ 891
~~not meet the qualification in division (N)(1) of this section, the~~ 892
~~following shall apply:~~ 893

~~(1) The chief executive officer may exercise any of the~~ 894
~~powers authorized under division (H) of this section.~~ 895

~~(2)(8)~~ Notwithstanding any provision to the contrary in 896
Chapter 4117. of the Revised Code, the ~~chief executive officer~~ 897
director may limit, suspend, or alter any provision of a 898
collective bargaining agreement entered into, modified, renewed, 899
or extended on or after ~~the effective date of this section~~ October 900
15, 2015, provided that the ~~chief executive officer~~ director shall 901
not reduce any base hourly rate of pay and shall not reduce any 902

insurance benefits. The decision to limit, suspend, or alter any 903
 provision of a collective bargaining agreement under this division 904
 is not subject to bargaining under Chapter 4117. of the Revised 905
 Code; however, the ~~chief executive officer~~ director shall have the 906
 discretion to engage in effects bargaining on the way any such 907
 decision may affect wages, hours, or terms and conditions of 908
 employment. The ~~chief executive officer~~ director may limit, 909
 suspend, or alter a provision of a collective bargaining agreement 910
 under division ~~(I)(2)(F)(8)~~ of this section as necessary to 911
 reconstitute a school under division ~~(H)(1)(F)(6)~~ of this section. 912

~~(J) If the report card for the district has been issued under 914
 section 3302.03 of the Revised Code for the third school year that 915
 the district is subject to this section and the district does not 916
 meet the qualification in division (N)(1) of this section, the 917
 following shall apply:~~ 918

~~(1) The chief executive officer may exercise any of the 919
 powers authorized under division (H) or (I) of this section.~~ 920

~~(2) The chief executive officer may continue in effect a 921
 limitation, suspension, or alteration of a provision of a 922
 collective bargaining agreement issued under division (I)(2) of 923
 this section. Any such continuation shall be subject to the 924
 requirements and restrictions of that division.~~ 925

~~(K)(G) If the report card for the district has been issued 926
 under section 3302.03 of the Revised Code for the fourth school 927
 year that the district is subject to this section and the district 928
 does not meet the qualification in division ~~(N)(1)(I)~~ of this 929
 section, the following shall apply:~~ 930

~~(1) The ~~chief executive officer~~ school improvement director 931
 may exercise any of the powers authorized under division ~~(H), (I),~~ 932~~

~~or (J)(F)~~ of this section. 933

(2) A new board of education shall be appointed for the 934
 district in accordance with section 3302.11 of the Revised Code. 935
 However, the ~~chief executive officer~~ director shall retain 936
 complete operational, managerial, and instructional control of the 937
 district until the ~~chief executive officer~~ director relinquishes 938
 that control to the district board under division ~~(N)(1)~~ (I) of 939
 this section. 940

~~(L)(H)~~ If the report card for the district has been issued 941
 under section 3302.03 of the Revised Code for the fifth school 942
 year, or any subsequent school year, that the district is subject 943
 to this section and the district does not meet the qualification 944
 in division ~~(N)(1)~~ (I) of this section, the ~~chief executive officer~~ 945
director may exercise any of the powers authorized under division 946
~~(H)(F)(6), (I)(7), (J)(8), or (K)(G)(1)~~ of this section. 947

~~(M) If division (I), (J), (K), or (L) of this section applies 948
 to a district, community schools, STEM schools, chartered 949
 nonpublic schools, and other school districts that enroll students 950
 residing in the district and meet academic accountability 951
 standards shall be eligible to be paid an academic performance 952
 bonus in each fiscal year for which the general assembly 953
 appropriates funds for that purpose. The academic performance 954
 bonus is intended to give students residing in the district access 955
 to a high quality education by encouraging high quality schools to 956
 enroll those students. 957~~

~~(N)(1)(I)~~ When a district subject to this section receives an 958
 overall grade of ~~"C"~~ "D" or higher and an overall value-added 959
progress dimension score of "C" or higher under division (C)~~(3)~~ of 960
 section 3302.03 of the Revised Code, ~~the district shall begin its~~ 961
~~transition out of being subject to this section. Except as~~ 962

~~provided in division (N)(2) of this section, the transition period~~ 963
~~shall last until the district has received an overall grade higher~~ 964
~~than "F" under division (C)(3) of section 3302.03 of the Revised~~ 965
~~Code for two consecutive school years after the transition period~~ 966
~~begins. The overall grade of "C" or higher that qualifies the~~ 967
~~district to begin the transition period shall not count as one of~~ 968
~~the two consecutive school years. During the transition period,~~ 969
~~the conditions described in divisions (F) to (L) of this section~~ 970
~~for the school year prior to the school year in which the~~ 971
~~transition period begins shall continue to apply and the chief~~ 972
~~executive officer shall work closely with the district board and~~ 973
~~district superintendent to increase their ability to resume~~ 974
~~control of the district and sustain the district's academic~~ 975
~~improvement over time. Upon completion of the transition period,~~ 976
~~the chief executive officer district shall no longer be subject to~~ 977
~~this section. The school improvement director shall relinquish all~~ 978
~~operational, managerial, and instructional control of the district~~ 979
~~to the district board and district superintendent and the ~~academic~~~~ 980
~~distress school improvement commission shall cease to exist.~~ 981

~~(2) If the district receives an overall grade of "F" under~~ 982
~~division (C)(3) of section 3302.03 of the Revised Code at any time~~ 983
~~during the transition period, the transition period shall end and~~ 984
~~the district shall be fully subject to this section again. The~~ 985
~~district shall resume being fully subject to this section at the~~ 986
~~point it began its transition out of being subject to this section~~ 987
~~and the division in divisions (H) to (L) of this section that~~ 988
~~would have applied to the district had the district not qualified~~ 989
~~to begin its transition under division (N)(1) of this section~~ 990
~~shall apply to the district.~~ 991

~~(0)(J) If at any time there are no longer any schools~~ 992
~~operated by the district due to reconstitution or other closure of~~ 993

the district's schools under this section, the ~~academic distress~~ 994
~~school improvement~~ commission shall cease to exist and the ~~chief~~ 995
~~executive officer~~ school improvement director shall cease to 996
 exercise any powers with respect to the district. 997

~~(P)(K)~~ Beginning on ~~the effective date of this section~~ 998
October 15, 2015, each collective bargaining agreement entered 999
 into by a school district board of education under Chapter 4117. 1000
 of the Revised Code shall incorporate the provisions of this 1001
 section. 1002

~~(Q)(L)~~ The ~~chief executive officer~~ school improvement 1003
director, the members of the ~~academic distress~~ school improvement 1004
 commission, the state superintendent, and any person authorized to 1005
 act on behalf of or assist them shall not be personally liable or 1006
 subject to any suit, judgment, or claim for damages resulting from 1007
 the exercise of or failure to exercise the powers, duties, and 1008
 functions granted to them in regard to their functioning under 1009
 this section, but the ~~chief executive officer~~ director, 1010
 commission, state superintendent, and such other persons shall be 1011
 subject to mandamus proceedings to compel performance of their 1012
 duties under this section. 1013

~~(R)(M)~~ The state superintendent shall not exempt any district 1014
 from this section by approving an application for an innovative 1015
 education pilot program submitted by the district under section 1016
 3302.07 of the Revised Code. 1017

Each commission is a body politic and shall be subject to 1018
sections 121.22, 149.43, 2921.42, and 2921.43 and Chapter 102. of 1019
the Revised Code. 1020

Sec. 3302.101. (A) Beginning July 1, 2020, this section shall 1021
apply to each city, local, and exempted village school district 1022

that receives an overall grade of "F" under division (C)(3) of 1023
section 3302.03 of the Revised Code for the previous school year. 1024
Each district that receives such a grade shall be designated with 1025
"in need of improvement" status and undergo a root cause review as 1026
prescribed in section 3302.102 of the Revised Code, and the 1027
department of education shall inform the district of its 1028
eligibility for financial assistance for contracting with an 1029
approved school improvement organization. 1030

(B)(1) After receiving the root cause reviews, each school 1031
district to which this section applies shall create an improvement 1032
plan for the district, if recommended by the review, and for each 1033
of the district's schools that received an overall grade of "F" of 1034
"D" under division (C)(3) of section 3302.03 of the Revised Code, 1035
if required by the school transformation board. 1036

The district board shall convene a community stakeholder 1037
group for the district and for each school for which a plan is 1038
required by the school transformation board, to assist with the 1039
creation of the district or school improvement plan. Members of 1040
the group shall include, but shall not be limited to, an 1041
individual from the business community, a representative from an 1042
institution of higher education in the county or an adjacent 1043
county, a parent of a student in the school, a government services 1044
agency representative, a classroom teacher, and a representative 1045
from the nearest educational service center. 1046

Each plan shall include the following: 1047

(a) The findings and recommendations of the root cause review 1048
conducted under division (A) of section 3302.102 of the Revised 1049
Code; 1050

(b) Evidence-based or evidence-supported strategies for 1051

<u>school improvement;</u>	1052
<u>(c) A list of actions required for the district or school to fully implement the plan;</u>	1053
<u>(d) A timeline for the implementation of the plan, which must include input and progress benchmarks;</u>	1054
<u>(e) A set of academic improvement benchmarks based on student data, which may include performance measures prescribed for report cards issued under section 3302.03 of the Revised Code;</u>	1055
<u>(f) A plan for ongoing engagement with the community and stakeholders;</u>	1056
<u>(g) A list of the district, school, and community members responsible for plan implementation.</u>	1057
<u>(2) The district board must approve each plan by majority vote not later than the thirty-first day of May of the school year in which the district becomes subject to this section.</u>	1058
<u>(3) Each school district, in the first year in which this section applies, may enter into a contract with a school improvement organization in the manner prescribed by section 3301.281 of the Revised Code. The district board shall request state financial assistance for a contract under section 3301.281 of the Revised Code within thirty days after receiving the state report card and, in consultation with the department, shall select an approved organization with which to enter into a contract after the completion of the root cause review not later than the first day of February of the school year in which the district becomes subject to this section.</u>	1059
<u>(C) If a district receives an overall grade of "F" under division (C)(3) of section 3302.03 of the Revised Code for a second consecutive year, the district shall retain "in need of</u>	1060
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improvement" status, and the following shall apply:

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(1) The district board shall implement the improvement plans developed under division (B)(1) of this section.

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(2) If a district previously did not enter into a contract with a school improvement organization, it may do so in the manner prescribed in division (B)(3) of this section and section 3301.281 of the Revised Code.

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(D)(1) If a district receives an overall grade of "F" under division (C)(3) of section 3302.03 of the Revised Code for a third consecutive year, and the district has a contract or is in the process of entering into a contract under division (D)(3) of this section with a school improvement organization, the district shall retain "in need of improvement" status and continue implementing improvement plans.

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(2) The school transformation board shall evaluate the implementation and progress of the improvement plans at the beginning of the school year, and the district board shall revise the plans as needed. If it is determined the district is not complying with the improvement plans, the district shall become subject to section 3302.10 of the Revised Code.

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(3) If a district receives an overall grade of "F" under division (C)(3) of section 3302.03 of the Revised Code for a third consecutive year and has not previously entered into a contract with a school improvement organization, the district may request permission from the school transformation board to enter into a contract with a school improvement organization. If the school transformation board grants permission, the district shall enter into a contract as prescribed by division (B)(3) of this section and section 3301.281 of the Revised Code. If the school transformation board denies permission, the district shall become

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subject to section 3302.10 of the Revised Code. 1111

(E)(1) If a district receives an overall grade of "F" under 1112
division (C)(3) of section 3302.03 of the Revised Code for a 1113
fourth or fifth consecutive year, and the district has a contract 1114
with a school improvement organization, the district shall retain 1115
"in need of improvement" status and continue implementing the 1116
improvement plans. 1117

(2) The school transformation board shall evaluate the 1118
implementation and progress of the improvement plans at the 1119
beginning of the school year, and the district board shall revise 1120
the plans as needed. If it is determined the district is not 1121
complying with the improvement plans, the district shall become 1122
subject to section 3302.10 of the Revised Code. 1123

(F) If a district receives an overall grade of "F" under 1124
division (C)(3) of section 3302.03 of the Revised Code for a sixth 1125
consecutive year, it shall become subject to section 3302.10 of 1126
the Revised Code. 1127

(G)(1) When a district receives an overall grade of "D" or 1128
higher and an overall value-added progress dimension score of "C" 1129
or higher under division (C) of section 3302.03 of the Revised 1130
Code for two consecutive years or meets all academic benchmarks 1131
established in the school improvement plans and the district earns 1132
a value-added progress dimension score of "C" or better under 1133
division (C)(3) of section 3302.03 of the Revised Code for three 1134
consecutive years, the district may exit "in need of improvement" 1135
status and shall no longer be subject to this section. 1136

(2) Before a district may exit "in need of improvement" 1137
status, the district board shall reconvene the stakeholder groups 1138
specified in division (B)(1) of this section to assist with 1139
developing a transition plan that describes how the district will 1140

<u>do the following:</u>	1141
<u>(a) Continue stakeholder engagement;</u>	1142
<u>(b) Use and pay for external supports;</u>	1143
<u>(c) Continue to measure academic progress against new</u>	1144
<u>benchmarks;</u>	1145
<u>(d) Continue to implement improvement plans.</u>	1146
<u>The school transformation board shall approve the transition</u>	1147
<u>plan before a district may exit "in need of improvement" status.</u>	1148
<u>(H) This section does not apply to a municipal school</u>	1149
<u>district as defined in section 3311.741 of the Revised Code.</u>	1150
<u>Sec. 3302.102. (A)(1) In the first year a school district is</u>	1151
<u>subject to section 3302.10, 3302.101, or 3302.103 of the Revised</u>	1152
<u>Code, the department of education shall select a school</u>	1153
<u>improvement organization approved under section 3301.28 of the</u>	1154
<u>Revised Code to conduct a root cause review of the district.</u>	1155
<u>(2) The review shall examine the following in the district if</u>	1156
<u>necessary, and each district school:</u>	1157
<u>(a) Leadership, governance, and communication;</u>	1158
<u>(b) Curriculum and instruction;</u>	1159
<u>(c) Assessments and effective use of student data;</u>	1160
<u>(d) Human resources and professional development;</u>	1161
<u>(e) Student supports;</u>	1162
<u>(f) Fiscal management;</u>	1163
<u>(g) District board policies and collective bargaining</u>	1164
<u>agreements currently in force;</u>	1165
<u>(h) Any other issues preventing full or high-quality</u>	1166

<u>implementation of the improvement plans.</u>	1167
<u>(3) The review shall be completed not later than the first</u>	1168
<u>day of January of the school year in which a district is first</u>	1169
<u>subject to section 3302.101 of the Revised Code. Upon completion,</u>	1170
<u>the review shall be submitted to the district board of education,</u>	1171
<u>the district superintendent, and the department. The reviewing</u>	1172
<u>entity shall present the review's findings to local elected</u>	1173
<u>officials and at a community forum.</u>	1174
<u>(B) This section does not apply to a municipal school</u>	1175
<u>district as defined in section 3311.741 of the Revised Code.</u>	1176
<u>Sec. 3302.103. (A) This section does not apply to a municipal</u>	1177
<u>school district as defined in section 3311.71 of the Revised Code.</u>	1178
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<u>(B) If a district received an overall grade of "F" under</u>	1180
<u>division (C)(3) of section 3302.03 of the Revised Code for the</u>	1181
<u>2016-2017 and 2017-2018 school years, or the equivalent as</u>	1182
<u>determined by the department of education, it shall begin the</u>	1183
<u>process specified in division (B) of section 3302.101 of the</u>	1184
<u>Revised Code. Districts to which division (B) of this section</u>	1185
<u>applies also shall do the following:</u>	1186
<u>(1) Enter into a contract with an approved school improvement</u>	1187
<u>organization in the manner prescribed by section 3301.281 and</u>	1188
<u>division (B)(3) of section 3302.101 of the Revised Code to receive</u>	1189
<u>department funding for the contract;</u>	1190
<u>(2) Receive professional development instruction for the</u>	1191
<u>district board from the Ohio school boards association, if</u>	1192
<u>recommended by the root cause review conducted under section</u>	1193
<u>3302.102 of the Revised Code.</u>	1194

(C) The department of education shall give financial and administrative priority to districts to which this section applies. 1195
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Sec. 3302.11. (A) This section applies to any school district 1198
 that becomes subject to division ~~(K)~~(G)(2) of section 3302.10 of 1199
 the Revised Code, as it exists on and after ~~the effective date of~~ 1200
~~this section~~ October 15, 2015. 1201

(B) As used in this section, "mayor" means the mayor of the 1202
 municipality in which a majority of the territory of a school 1203
 district to which this section applies is located or, if no such 1204
 municipality exist, ~~the mayor of a municipality selected by the~~ 1205
~~superintendent of public instruction in which the district has~~ 1206
~~territory~~ highest ranking executive officer of the township or 1207
other municipal government in which a majority of the district's 1208
territory is located. 1209

(C) On the first day of January following the date on which 1210
 this section first applies to a school district, the mayor shall 1211
 appoint a new five-member board of education for the district from 1212
 a slate of candidates nominated by the nominating panel 1213
 established under division (D)(1) of this section. 1214

(D)(1) Not later than thirty days after the date on which 1215
 this section first applies to a school district, the 1216
 superintendent of public instruction shall convene a nominating 1217
 panel to nominate candidates for appointment to the district board 1218
 of education. The panel shall consist of the following members: 1219

(a) Two persons appointed by the mayor, one of whom shall be 1220
 a representative of the business community or an institution of 1221
 higher education located in the district; 1222

(b) One principal employed by the district, who shall be 1223

selected by a vote of the district's principals conducted by the state superintendent; 1224
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(c) One teacher appointed by the bargaining representative for teachers employed by the district; 1226
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(d) One parent of a student enrolled in the district appointed by the parent-teacher association, or a similar organization selected by the state superintendent; 1228
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(e) The chairperson of the ~~academic distress~~ school improvement commission established for the district under section 3302.10 of the Revised Code and the ~~chief executive officer~~ school improvement director appointed under division (C)(1) of that section, until such time as the commission ceases to exist. 1231
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(2) The state superintendent shall be a nonvoting member of the panel and shall serve as chairperson of the panel for the first two years of the panel's existence. After that time, the panel shall select one of its members as chairperson. The panel shall meet as necessary to make nominations at the call of the chairperson. All members of the panel shall serve at the pleasure of their appointing authority. A vacancy on the panel shall be filled in the same manner as the initial appointment. 1236
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(E) Not later than thirty days after the nominating panel is convened, the panel shall nominate a slate of at least ten candidates for possible appointment to the district board of education. All candidates shall be residents of the school district and shall hold no elected public office. ~~At least two of the candidates shall reside outside of the municipal corporation served by the mayor, if that municipal corporation does not contain all of the district's territory.~~ 1244
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(F) Not later than thirty days after receiving the slate of 1252

candidates, the appointing mayor shall select five members from 1253
the slate for appointment to the district board of education. 1254
Initial members of the board shall take office on the first day of 1255
January following their appointment and their terms shall expire 1256
on the thirtieth day of June following the referendum election 1257
required by division (G)(1) of this section. 1258

(G)(1) ~~At~~ In the case of a city school district, at the 1259
general election held in the first even-numbered year occurring at 1260
least three years after the date on which the ~~academic distress~~ 1261
school improvement commission established for the district ceases 1262
to exist pursuant to division ~~(N)(1)~~(I) of section 3302.10 of the 1263
Revised Code, a referendum election shall be held to determine if 1264
the mayor shall continue to appoint the district board of 1265
education. Not later than ninety days before the general election, 1266
the board of education shall notify the board of elections of each 1267
county containing territory of the district of the referendum 1268
election. At the general election, the following question shall be 1269
submitted to the electors of the district: 1270

"Shall the mayor of . . . (here insert the name of the 1271
applicable municipal corporation) continue to appoint the members 1272
of the board of education of the . . . (here insert the name of 1273
the school district to which this section applies)?" 1274

The board of elections of the county in which the majority of 1275
the district's territory is located shall make all necessary 1276
arrangements for the submission of the question to the electors, 1277
and the election shall be conducted, canvassed, and certified in 1278
the same manner as regular elections in the district for the 1279
election of county officers, provided that in any such election in 1280
which only part of the electors of a precinct are qualified to 1281
vote, the board of elections may assign voters in such part to an 1282

adjoining precinct. Such an assignment may be made to an adjoining
 precinct in another county with the consent and approval of the
 board of elections of such other county. Notice of the election
 shall be published in a newspaper of general circulation in the
 district once a week for two consecutive weeks, or as provided in
 section 7.16 of the Revised Code, prior to the election. If the
 board of elections operates and maintains a web site, the board of
 elections shall post notice of the election on its web site for
 thirty days prior to the election. The notice shall state the
 question on which the election is being held. The ballot shall be
 in the form prescribed by the secretary of state. Costs of
 submitting the question to the electors shall be charged to the
 district in accordance with section 3501.17 of the Revised Code.

(2) If a majority of the electors voting on the question
 proposed in division (G)(1) of this section approve the question,
 the mayor shall appoint a new board of education on the
 immediately following first day of July from a slate of candidates
 nominated by the nominating panel in the same manner as the
 initial board was appointed pursuant to divisions (E) and (F) of
 this section. Three of the members of the new board shall be
 appointed to four-year terms and two of the members shall be
 appointed to two-year terms, each term beginning on the first day
 of July. Thereafter, the mayor shall appoint members to four-year
 terms in the same manner prescribed in divisions (E) and (F) of
 this section. Whenever the nominating panel is required to
 nominate a slate of candidates, the panel shall nominate at least
 twice the number of candidates as members to be appointed to the
 board at that time, ~~including two candidates who reside outside of~~
~~the municipal corporation served by the mayor, if that municipal~~
~~corporation does not contain all of the district's territory.~~
 Nothing in this division shall preclude the nominating panel from

nominating as a candidate a person who was a member of the board 1314
 prior to the referendum election or shall preclude the mayor from 1315
 appointing such a person to the new board. 1316

(3) If a majority of the electors voting on the question 1317
 proposed in division (G)(1) of this section disapprove the 1318
 question, a new board of education shall be elected at the next 1319
 regular election occurring in November of an odd-numbered year. 1320
 The board shall have the same number of members as the board in 1321
 place prior to the board appointed under this section. At such 1322
 election, one-half of the total number of members rounded up to 1323
 the next whole number shall be elected for terms of four years and 1324
 the remaining members shall be elected for terms of two years. 1325
 Thereafter, their successors shall be elected in the same manner 1326
 and for the same terms as provided in the Revised Code for members 1327
 of boards of education. All members of the board of education 1328
 appointed under this section shall continue to serve after the end 1329
 of the terms to which they were appointed until their successors 1330
 are qualified and assume office in accordance with section 3313.09 1331
 of the Revised Code. 1332

(H) All of the following shall apply to a board of education 1333
 appointed under division (F) or (G)(2) of this section: 1334

(1) At any given time, at least two of the board members 1335
 shall have significant expertise in education, finance, or 1336
 business management and at least one member shall reside outside 1337
 of the municipal corporation, township, or other municipal 1338
government served by the appointing mayor, if ~~that municipal~~ 1339
~~corporation~~ it does not contain all of the district's territory. 1340

(2) The members of the board shall designate one of its 1341
 members as the chairperson of the board. The chairperson shall 1342
 have all the rights, authority, and duties conferred upon the 1343

president of a board of education by the Revised Code. 1344

(3) The mayor may remove any member of the board with the 1345
advice and consent of the nominating panel. 1346

Sec. 3302.12. (A)(1) Except as provided in divisions (C) and 1347
(D) of this section, this section applies to a school building 1348
that is ranked according to performance index score under section 1349
3302.21 of the Revised Code in the lowest five per cent of public 1350
school buildings statewide for three consecutive years and ~~that~~ 1351
~~meets any combination of the following for three consecutive~~ 1352
~~years:~~ 1353

~~(a) The school building is declared to be under an academic 1354
watch or in a state of academic emergency under section 3302.03 of 1355
the Revised Code;~~ 1356

~~(b) The school building that has received a grade of "F" for 1357
the value added progress dimension under division (A)(1)(e), 1358
(B)(1)(e), or (C)(1)(e) of section 3302.03 of the Revised Code;~~ 1359

~~(c) The school building that has received an overall grade of 1360
"F" under section 3302.03 of the Revised Code. This section does 1361
not apply to a school building that is ranked according to the 1362
value-added progress dimension under section 3302.03 of the 1363
Revised Code above the lowest five per cent of all public school 1364
buildings statewide for three or more consecutive years. 1365~~

(2) In the case of a building to which this section applies, 1366
the district board of education in control of that building shall 1367
do one of the following at the conclusion of the school year in 1368
which the building first becomes subject to this section: 1369

(a) Close the school and direct the district superintendent 1370
to reassign the students enrolled in the school to other school 1371

buildings that demonstrate higher academic achievement; 1372

(b) Contract with another school district or a nonprofit or 1373
for-profit entity with a demonstrated record of effectiveness to 1374
operate the school; 1375

(c) Replace the principal and all teaching staff of the 1376
school and, upon request from the new principal, exempt the school 1377
from all requested policies and regulations of the board regarding 1378
curriculum and instruction. The board also shall distribute 1379
funding to the school in an amount that is at least equal to the 1380
product of the per pupil amount of state and local revenues 1381
received by the district multiplied by the student population of 1382
the school. 1383

(d) Reopen the school as a conversion community school under 1384
Chapter 3314. of the Revised Code. 1385

(B) If an action taken by the board under division (A)(2) of 1386
this section causes the district to no longer maintain all grades 1387
kindergarten through twelve, as required by section 3311.29 of the 1388
Revised Code, the board shall enter into a contract with another 1389
school district pursuant to section 3327.04 of the Revised Code 1390
for enrollment of students in the schools of that other district 1391
to the extent necessary to comply with the requirement of section 1392
3311.29 of the Revised Code. Notwithstanding any provision of the 1393
Revised Code to the contrary, if the board enters into and 1394
maintains a contract under section 3327.04 of the Revised Code, 1395
the district shall not be considered to have failed to comply with 1396
the requirement of section 3311.29 of the Revised Code. If, 1397
however, the district board fails to or is unable to enter into or 1398
maintain such a contract, the state board of education shall take 1399
all necessary actions to dissolve the district as provided in 1400
division (A) of section 3311.29 of the Revised Code. 1401

(C) If a particular school is required to restructure under this section and a petition with respect to that same school has been filed and verified under divisions (B) and (C) of section 3302.042 of the Revised Code, the provisions of that section and the petition filed and verified under it shall prevail over the provisions of this section and the school shall be restructured under that section. However, if division (D)(1), (2), or (3) of section 3302.042 of the Revised Code also applies to the school, the school shall be subject to restructuring under this section and not section 3302.042 of the Revised Code.

If the provisions of this section conflict in any way with the requirements of federal law, federal law shall prevail over the provisions of this section.

(D) If a school is restructured under this section, section 3302.042 or 3302.10 of the Revised Code, or federal law, the school shall not be required to restructure again under state law for three consecutive years after the implementation of that prior restructuring."

Delete lines 24607 through 24869 and insert:

"Sec. 3310.03. A student is an "eligible student" for purposes of the educational choice scholarship pilot program if the student's resident district is not a school district in which the pilot project scholarship program is operating under sections 3313.974 to 3313.979 of the Revised Code and the student satisfies one of the conditions in division (A), (B), (C), (D), or (E) of this section:

(A)(1) The student is enrolled in a school building operated by the student's resident district that, on the report card issued under section 3302.03 of the Revised Code published prior to the

first day of July of the school year for which a scholarship is sought, did not receive a rating as described in division ~~(H)~~(I) of this section, and to which any or a combination of any of the following apply for two of the three most recent report cards published prior to the first day of July of the school year for which a scholarship is sought:

(a) The building was declared to be in a state of academic emergency or academic watch under section 3302.03 of the Revised Code as that section existed prior to March 22, 2013.

(b) The building received a grade of "D" or "F" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and for the value-added progress dimension under division (A)(1)(e) or (B)(1)(e) of section 3302.03 of the Revised Code for the 2012-2013, 2013-2014, 2014-2015, or 2015-2016 school year; or if the building serves only grades ten through twelve, the building received a grade of "D" or "F" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and had a four-year adjusted cohort graduation rate of less than seventy-five per cent.

(c) The building received an overall grade of "D" or "F" under division (C)(3) of section 3302.03 of the Revised Code or a grade of "F" for the value-added progress dimension under division (C)(1)(e) of section 3302.03 of the Revised Code for the 2016-2017 school year or any school year thereafter.

(2) The student will be enrolling in any of grades kindergarten through twelve in this state for the first time in the school year for which a scholarship is sought, will be at least five years of age by the first day of January of the school year for which a scholarship is sought, and otherwise would be

assigned under section 3319.01 of the Revised Code in the school 1461
 year for which a scholarship is sought, to a school building 1462
 described in division (A)(1) of this section. 1463

(3) The student is enrolled in a community school established 1464
 under Chapter 3314. of the Revised Code but otherwise would be 1465
 assigned under section 3319.01 of the Revised Code to a building 1466
 described in division (A)(1) of this section. 1467

(4) The student is enrolled in a school building operated by 1468
 the student's resident district or in a community school 1469
 established under Chapter 3314. of the Revised Code and otherwise 1470
 would be assigned under section 3319.01 of the Revised Code to a 1471
 school building described in division (A)(1) of this section in 1472
 the school year for which the scholarship is sought. 1473

(5) The student will be both enrolling in any of grades 1474
 kindergarten through twelve in this state for the first time and 1475
 at least five years of age by the first day of January of the 1476
 school year for which a scholarship is sought, or is enrolled in a 1477
 community school established under Chapter 3314. of the Revised 1478
 Code, and all of the following apply to the student's resident 1479
 district: 1480

(a) The district has in force an intradistrict open 1481
 enrollment policy under which no student in the student's grade 1482
 level is automatically assigned to a particular school building; 1483

(b) In the most recent rating published prior to the first 1484
 day of July of the school year for which scholarship is sought, 1485
 the district did not receive a rating described in division ~~(H)~~(I) 1486
 of this section, and in at least two of the three most recent 1487
 report cards published prior to the first day of July of that 1488
 school year, any or a combination of the following apply to the 1489
 district: 1490

(i) The district was declared to be in a state of academic emergency under section 3302.03 of the Revised Code as it existed prior to March 22, 2013.

(ii) The district received a grade of "D" or "F" for the performance index score under division (A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and for the value-added progress dimension under division (A)(1)(e) or (B)(1)(e) of section 3302.03 of the Revised Code for the 2012-2013, 2013-2014, 2014-2015, or 2015-2016 school year.

(c) The district received an overall grade of "D" or "F" under division (C)(3) of section 3302.03 of the Revised Code or a grade of "F" for the value-added progress dimension under division (C)(1)(e) of section 3302.03 of the Revised Code for the 2016-2017 school year or any school year thereafter.

(6) Beginning in the 2016-2017 school year, the student is enrolled in or will be enrolling in a building in the school year for which the scholarship is sought that serves any of grades nine through twelve and that received a grade of "D" or "F" for the four-year adjusted cohort graduation rate under division (A)(1)(d), (B)(1)(d), or (C)(1)(d) of section 3302.03 of the Revised Code in two of the three most recent report cards published prior to the first day of July of the school year for which a scholarship is sought.

(B)(1) The student is enrolled in a school building operated by the student's resident district and to which both of the following apply:

(a) The building was ranked, for at least two of the three most recent rankings prior to the first day of July of the school year for which a scholarship is sought, in the lowest ten per cent of all buildings operated by city, local, and exempted village

school districts according to performance index score as 1521
determined by the department of education. 1522

(b) The building was not declared to be excellent or 1523
effective, or the equivalent of such ratings as determined by the 1524
department, under section 3302.03 of the Revised Code in the most 1525
recent rating published prior to the first day of July of the 1526
school year for which a scholarship is sought. 1527

(2) The student will be enrolling in any of grades 1528
kindergarten through twelve in this state for the first time in 1529
the school year for which a scholarship is sought, will be at 1530
least five years of age, as defined in section 3321.01 of the 1531
Revised Code, by the first day of January of the school year for 1532
which a scholarship is sought, and otherwise would be assigned 1533
under section 3319.01 of the Revised Code in the school year for 1534
which a scholarship is sought, to a school building described in 1535
division (B)(1) of this section. 1536

(3) The student is enrolled in a community school established 1537
under Chapter 3314. of the Revised Code but otherwise would be 1538
assigned under section 3319.01 of the Revised Code to a building 1539
described in division (B)(1) of this section. 1540

(4) The student is enrolled in a school building operated by 1541
the student's resident district or in a community school 1542
established under Chapter 3314. of the Revised Code and otherwise 1543
would be assigned under section 3319.01 of the Revised Code to a 1544
school building described in division (B)(1) of this section in 1545
the school year for which the scholarship is sought. 1546

(C) The student is enrolled in a nonpublic school at the time 1547
the school is granted a charter by the state board of education 1548
under section 3301.16 of the Revised Code and the student meets 1549
the standards of division (B) of section 3310.031 of the Revised 1550

Code. 1551

(D) For the 2016-2017 school year and each school year 1552
thereafter, the student is in any of grades kindergarten through 1553
three, is enrolled in a school building that is operated by the 1554
student's resident district or will be enrolling in any of grades 1555
kindergarten through twelve in this state for the first time in 1556
the school year for which a scholarship is sought, and to which 1557
both of the following apply: 1558

(1) The building, in at least two of the three most recent 1559
ratings of school buildings published prior to the first day of 1560
July of the school year for which a scholarship is sought, 1561
received a grade of "D" or "F" for making progress in improving 1562
literacy in grades kindergarten through three under division 1563
(B)(1)(g) or (C)(1)(g) of section 3302.03 of the Revised Code; 1564

(2) The building did not receive a grade of "A" for making 1565
progress in improving literacy in grades kindergarten through 1566
three under division (B)(1)(g) or (C)(1)(g) of section 3302.03 of 1567
the Revised Code in the most recent rating published prior to the 1568
first day of July of the school year for which a scholarship is 1569
sought. 1570

(E) The student's resident district is subject to section 1571
3302.10 of the Revised Code and the student either: 1572

(1) Is enrolled in a school building operated by the resident 1573
district or in a community school established under Chapter 3314. 1574
of the Revised Code; 1575

(2) Will be both enrolling in any of grades kindergarten 1576
through twelve in this state for the first time and at least five 1577
years of age by the first day of January of the school year for 1578
which a scholarship is sought. 1579

(F) A student who receives a scholarship under the educational choice scholarship pilot program remains an eligible student and may continue to receive scholarships in subsequent school years until the student completes grade twelve, so long as all of the following apply:

(1) The student's resident district remains the same, or the student transfers to a new resident district and otherwise would be assigned in the new resident district to a school building described in division (A)(1), (B)(1), (D), or (E) of this section.

(2) Except as provided in divisions (K)(1) and (L) of section 3301.0711 of the Revised Code, the student takes each assessment prescribed for the student's grade level under section 3301.0710 or 3301.0712 of the Revised Code while enrolled in a chartered nonpublic school.

(3) In each school year that the student is enrolled in a chartered nonpublic school, the student is absent from school for not more than twenty days that the school is open for instruction, not including excused absences.

(G)(1) The department shall cease awarding first-time scholarships pursuant to divisions (A)(1) to (4) of this section with respect to a school building that, in the most recent ratings of school buildings published under section 3302.03 of the Revised Code prior to the first day of July of the school year, ceases to meet the criteria in division (A)(1) of this section. The department shall cease awarding first-time scholarships pursuant to division (A)(5) of this section with respect to a school district that, in the most recent ratings of school districts published under section 3302.03 of the Revised Code prior to the first day of July of the school year, ceases to meet the criteria in division (A)(5) of this section.

(2) The department shall cease awarding first-time 1610
 scholarships pursuant to divisions (B)(1) to (4) of this section 1611
 with respect to a school building that, in the most recent ratings 1612
 of school buildings under section 3302.03 of the Revised Code 1613
 prior to the first day of July of the school year, ceases to meet 1614
 the criteria in division (B)(1) of this section. 1615

(3) The department shall cease awarding first-time 1616
 scholarships pursuant to division (D) of this section with respect 1617
 to a school building that, in the most recent ratings of school 1618
 buildings under section 3302.03 of the Revised Code prior to the 1619
 first day of July of the school year, ceases to meet the criteria 1620
 in division (D) of this section. 1621

(4) The department shall cease awarding first-time 1622
 scholarships pursuant to division (E) of this section with respect 1623
 to a school district subject to section 3302.10 of the Revised 1624
 Code when the ~~academic distress~~ school improvement commission 1625
 established for the district ceases to exist. 1626

(5) However, students who have received scholarships in the 1627
 prior school year remain eligible students pursuant to division 1628
 (F) of this section. 1629

(H) The state board of education shall adopt rules defining 1630
 excused absences for purposes of division (F)(3) of this section. 1631

(I)(1) A student who satisfies only the conditions prescribed 1632
 in divisions (A)(1) to (4) of this section shall not be eligible 1633
 for a scholarship if the student's resident building meets any of 1634
 the following in the most recent rating under section 3302.03 of 1635
 the Revised Code published prior to the first day of July of the 1636
 school year for which a scholarship is sought: 1637

(a) The building has an overall designation of excellent or 1638

effective under section 3302.03 of the Revised Code as it existed 1639
prior to March 22, 2013. 1640

(b) For the 2012-2013, 2013-2014, 2014-2015, or 2015-2016 1641
school year, the building has a grade of "A" or "B" for the 1642
performance index score under division (A)(1)(b) or (B)(1)(b) of 1643
section 3302.03 of the Revised Code and for the value-added 1644
progress dimension under division (A)(1)(e) or (B)(1)(e) of 1645
section 3302.03 of the Revised Code; or if the building serves 1646
only grades ten through twelve, the building received a grade of 1647
"A" or "B" for the performance index score under division 1648
(A)(1)(b) or (B)(1)(b) of section 3302.03 of the Revised Code and 1649
had a four-year adjusted cohort graduation rate of greater than or 1650
equal to seventy-five per cent. 1651

(c) For the 2016-2017 school year or any school year 1652
thereafter, the building has a grade of "A" or "B" under division 1653
(C)(3) of section 3302.03 of the Revised Code and a grade of "A" 1654
for the value-added progress dimension under division (C)(1)(e) of 1655
section 3302.03 of the Revised Code; or if the building serves 1656
only grades ten through twelve, the building received a grade of 1657
"A" or "B" for the performance index score under division 1658
(C)(1)(b) of section 3302.03 of the Revised Code and had a 1659
four-year adjusted cohort graduation rate of greater than or equal 1660
to seventy-five per cent. 1661

(2) A student who satisfies only the conditions prescribed in 1662
division (A)(5) of this section shall not be eligible for a 1663
scholarship if the student's resident district meets any of the 1664
following in the most recent rating under section 3302.03 of the 1665
Revised Code published prior to the first day of July of the 1666
school year for which a scholarship is sought: 1667

(a) The district has an overall designation of excellent or 1668

effective under section 3302.03 of the Revised Code as it existed 1669
prior to March 22, 2013. 1670

(b) The district has a grade of "A" or "B" for the 1671
performance index score under division (A)(1)(b) or (B)(1)(b) of 1672
section 3302.03 of the Revised Code and for the value-added 1673
progress dimension under division (A)(1)(e) or (B)(1)(e) of 1674
section 3302.03 of the Revised Code for the 2012-2013, 2013-2014, 1675
2014-2015, and 2015-2016 school years. 1676

(c) The district has an overall grade of "A" or "B" under 1677
division (C)(3) of section 3302.03 of the Revised Code and a grade 1678
of "A" for the value-added progress dimension under division 1679
(C)(1)(e) of section 3302.03 of the Revised Code for the 2016-2017 1680
school year or any school year thereafter." 1681

Delete lines 24942 through 25002 1682

Delete lines 28950 through 28975 and insert: 1683

"**Sec. 3314.102.** (A) As used in this section: 1684

(1) "~~Chief executive officer~~ School improvement director" 1685
means a ~~chief executive officer~~ school improvement director 1686
appointed by an ~~academic distress~~ a school improvement commission 1687
pursuant to section 3302.10 of the Revised Code. 1688

(2) "Municipal school district" and "mayor" have the same 1689
meanings as in section 3311.71 of the Revised Code. 1690

(B) Notwithstanding section 3314.10 and sections 4117.03 to 1691
4117.18 of the Revised Code and Section 4 of Amended Substitute 1692
Senate Bill No. 133 of the 115th general assembly, the employees 1693
of a conversion community school that is sponsored by the board of 1694
education of a municipal school district or a school district for 1695
which an ~~academic distress~~ a school improvement commission has 1696

been established under section 3302.10 of the Revised Code shall 1697
 cease to be subject to any future collective bargaining agreement, 1698
 if the mayor or ~~chief executive officer~~ director submits to the 1699
 board of education sponsoring the school and to the state 1700
 employment relations board a statement requesting that all 1701
 employees of the community school be removed from a collective 1702
 bargaining unit. The employees of the community school who are 1703
 covered by a collective bargaining agreement in effect on the date 1704
 the mayor or ~~chief executive officer~~ director submits the 1705
 statement shall remain subject to that collective bargaining 1706
 agreement until the collective bargaining agreement expires on its 1707
 terms. Upon expiration of that collective bargaining agreement, 1708
 the employees of that school are not subject to Chapter 4117. of 1709
 the Revised Code and may not organize or collectively bargain 1710
 pursuant to that chapter." 1711

In line 31321, after "competence" insert ";" 1712

(11) To pay the district's cost for a contract with a school 1713
improvement organization as prescribed in section 3301.281 of the 1714
Revised Code" 1715

In line 76023, delete "3302.16, 3302.17," and insert 1716
 "3302.10, 3302.11, 3302.12," 1717

In line 76024, delete "3311.29," 1718

In line 76095, delete "3302.10"; delete "3302.11, 3302.12," 1719

In line 96963, delete "\$6,945,608,845 \$6,894,258,845" and 1720
 insert "\$6,946,780,845 \$6,896,018,845" 1721

In line 96971, add \$1,172,000 to fiscal year 2020 and 1722
 \$1,760,000 to fiscal year 2021 1723

After line 96993a, insert: 1724

"7017 200647 School Improvement \$10,000,000 \$10,000,000"	1725
In line 96995, add \$10,000,000 to each fiscal year	1726
In line 97023, add \$11,172,000 to fiscal year 2020 and	1727
\$11,760,000 to fiscal year 2021	1728
After line 98019, insert:	1729
"Of the foregoing appropriation item 200550, Foundation	1730
Funding, up to \$1,172,000 in fiscal year 2020 and up to \$1,760,000	1731
in fiscal year 2021 may be used by the Department for duties and	1732
activities related to the establishment of academic distress or	1733
school improvement commissions under section 3302.10 of the	1734
Revised Code, to provide support and assistance to academic	1735
distress or school improvement commissions to further their duties	1736
under Chapter 3302. of the Revised Code, and to provide technical	1737
assistance and tools to support districts subject to academic	1738
distress or school improvement commissions."	1739
After line 98582, insert:	1740
" Section 265.338. SCHOOL IMPROVEMENT	1741
The foregoing appropriation item 200647, School Improvement,	1742
shall be used to support the Department's share of the cost of	1743
each contract between a school district and a school improvement	1744
organization, as prescribed in division (B) of section 3301.281 of	1745
the Revised Code. Priority shall be given to funding districts	1746
currently subject to an academic distress or school improvement	1747
commission and districts to which section 3302.103 of the Revised	1748
Code apply. An amount equal to the unexpended, unencumbered	1749
balance of the foregoing appropriation item 200647, School	1750
Improvement, at the end of fiscal year 2020 is hereby	1751
reappropriated for the same purpose for fiscal year 2021."	1752

In line 99368, delete "\$2,914,740 \$2,973,034" and insert	1753
"\$3,214,740 \$3,273,034"	1754
In line 99369, add \$300,000 to each fiscal year	1755
In line 99374, add \$300,000 to each fiscal year	1756
After line 99374, insert:	1757
"OPERATING EXPENSES	1758
Of the foregoing appropriation item 040321, Operating	1759
Expenses, up to \$300,000 in each fiscal year shall be used to	1760
support the operating costs of the School Transformation Board	1761
created in section 3301.28 of the Revised Code."	1762
Delete lines 106385 and 106386	1763
After line 106520, insert:	1764
" Section 733. ____. (A)(1) Beginning January 1, 2020, a	1765
district for which an academic distress commission was established	1766
under section 3302.10 of the Revised Code, as it existed prior to	1767
the effective date of this section, may enter into a contract with	1768
an approved improvement organization in the manner prescribed by	1769
section 3301.281 of the Revised Code.	1770
(2) If a district enters into a contract with an organization	1771
prior to December 15, 2020, the Department of Education shall	1772
assume one hundred per cent of the costs of the contract. A	1773
district that does not enter into a contract before December 15,	1774
2020, shall be responsible for one hundred per cent of any future	1775
contract.	1776
(B)(1) Notwithstanding division (A)(2) of section 3302.10 of	1777
the Revised Code, not earlier than October 15, 2019, an academic	1778
distress commission established prior to the effective date of	1779
this section may be dissolved, if a majority of the School	1780

Transformation Board established under section 3301.28 of the Revised Code approves the dissolution. The Board shall consider the question of dissolution only after the Board has conducted a hearing in which stakeholders have testified regarding the district academic distress commission. If the commission is not dissolved, the district shall be subject to section 3302.10 of the Revised Code as it exists on and after the effective date of this section.

(2) If the commission is dissolved under division (B)(1) of this section, the district shall begin the process described in division (B) of section 3302.101 of the Revised Code and enter into a contract with an improvement organization as prescribed in section 3301.281 of the Revised Code. The chief executive officer of the commission shall relinquish all operational control of the district to the district board and district superintendent, and the academic distress commission shall cease to exist."

After line 107002, insert:

"The amendment and enactment by this act of sections 133.06, 3301.28, 3301.281, 3302.036, 3302.10, 3302.101, 3302.102, 3302.103, 3310.03, and 3314.102 of the Revised Code and Section 733.____ of this act are exempt from the referendum under section 1d of Article II, Ohio Constitution, and therefore take effect immediately when this act becomes law."

SYNOPSIS

Improvement interventions and academic distress commissions 1804

R.C. 133.06, 3301.28, 3302.036, 3302.10, 3302.101, 3302.102, 3302.103, 3302.11, 3302.12, 3310.03, 3314.102, and 3317.26; Section 733.____ and Sections 4, 5, and 6 of Am. Sub. H.B. 70 of 1805
1806
1807

the 131st General Assembly; Remove R.C. 3302.16 and 3302.17 from	1808
the bill	1809
Does all of the following regarding district and school	1810
improvements, effective immediately when the bill becomes law:	1811
Removes from the bill provisions that dissolve existing	1812
academic distress commissions (ADCs) and prescribe certain	1813
progressive interventions for poor-performing schools operated by	1814
a school district.	1815
Replaces academic distress commissions and chief executive	1816
officers with school improvement commissions and school	1817
improvement directors.	1818
School improvement generally	1819
Requires districts that have already received two overall "F"	1820
grades prior to July 1, 2019, to begin implementing the	1821
requirements for districts in the first year of "in need of	1822
improvement."	1823
In the case of a district already subject to an ADC permits	1824
the dissolution of the ADC, after the Department has released a	1825
list of approved school improvement organizations, if a majority	1826
of the School Transformation Board approves dissolution after	1827
conducting a hearing in which stakeholders provide testimony	1828
regarding the district's academic distress commission.	1829
Beginning July 1, 2020, subjects school districts that	1830
receive an overall "F" on the previous school year's state report	1831
card to progressive interventions as follows:	1832
(1) A designation of "in need of improvement" status.	1833
(2) The development and implementation of an improvement plan	1834
for the district, if necessary, and each district school that	1835

received an overall grade of "F" or "D," if required, by May 31 of 1836
the school year in which the district is first designated as "in 1837
need of improvement" with the assistance of community stakeholder 1838
groups. 1839

(3) Optional contracting with a school improvement 1840
organization approved by the Department of Education and the 1841
School Transformation Board (see below) for the first three years 1842
of "in need of improvement status." A district that enters into a 1843
contract qualifies for a three-year extension from being subject 1844
to a school improvement commission. 1845

(4) Requires districts to submit a letter of intent to the 1846
Department within 30 days of receiving the state report card to be 1847
eligible for state assistance for contracting with a school 1848
improvement organization. 1849

(5) Before successfully exiting "in need of improvement" 1850
status, a district must develop a transition plan that must be 1851
approved by the School Transformation Board. 1852

Requires districts with "in need of improvement" status that 1853
receive an overall grade of "F" for a sixth consecutive year to 1854
begin the school improvement commission process (see below). 1855

Requires the Department of Education to select an improvement 1856
organization to conduct a root cause review of a district and the 1857
district's schools and provide the reviews to the district board 1858
by January 1 of the school year in which the district becomes 1859
subject to a school improvement commission is designated as "in 1860
need of improvement." 1861

School Transformation Board 1862

Establishes the School Transformation Board, which assists 1863
the Department with reviewing and creating the list of approved 1864

improvement organizations; grants final approval to all contracts 1865
 between a district and improvement organization; monitors district 1866
 compliance with contracts and improvement plans; and selects the 1867
 chairperson for school improvement commissions. 1868

Pays governor-appointed School Transformation Board members 1869
 \$500 for each day of scheduled meetings members attend, with an 1870
 annual maximum of \$45,000, and reimburses those members for travel 1871
 expenses. 1872

Contracts with school improvement organization 1873

Requires the Department of Education annually to conduct a 1874
 request for information in consultation with the School 1875
 Transformation Board, to create a list of approved school 1876
 improvement organizations by October 15, 2019, and by August 1 1877
 each year thereafter, and administer contracts between those 1878
 organizations and school districts with "in need of improvement" 1879
 status. 1880

Requires the Department to assume either 50% or 100% of the 1881
 costs of a contract between a district and an approved improvement 1882
 organization, depending on when the district enters the contract. 1883
 (Districts may only receive funding for such a contract once every 1884
 ten years.) 1885

Permits a school district to use the bill's student wellness 1886
 and success funds to pay the district's portion of a contract with 1887
 an approved school improvement organization. 1888

Schools improvement commissions 1889

Makes the following changes, effective when the bill becomes 1890
 law: 1891

(1) Abolishes all current academic distress commissions and 1892
 requires the establishment of a school improvement commission 1893

(SIC) of which all appointees must be residents of the county in	1894
which the majority of the district's territory is located or an	1895
adjacent county. The commission comprises the following:	1896
- Three appointments by the Superintendent of Public	1897
Instruction;	1898
- One appointment by the president of the district teacher's	1899
labor organization, who is a nonvoting member;	1900
- One appointment by the mayor or the highest ranking	1901
executive officer of the municipality in which a majority of the	1902
district's territory is located;	1903
- The district board president.	1904
(2) Grants the school improvement director for the district	1905
all powers granted under current law in the first year the	1906
district is subject to an SIC and eliminates the progressive	1907
implementation of those powers.	1908
(3) Changes criteria for no longer being subject to an SIC.	1909
(4) Requires the director of the SIC to appear quarterly	1910
before the district school board to report on the district's	1911
improvement progress.	1912
(5) Requires the SIC to conduct and submit to the district	1913
board at least one annual performance evaluation of the director	1914
appointed by the SIC.	1915
(6) Requires the Auditor of State to conduct a performance	1916
audit of the district in the first year that it is subject to the	1917
SIC.	1918
(7) Requires the district treasurer to make all required	1919
reports to the SIC and to the district board.	1920
(8) Requires the development of school-level improvement	1921

plans in addition to the district-level plan already required	1922
under current law.	1923
(9) Requires the school improvement commission to develop	1924
each improvement plan instead of the director, and each plan must	1925
be approved by the School Transformation Board.	1926
(10) Designates each SIC as a body politic subject to public	1927
records, open meetings, and ethics laws.	1928
(11) Eliminates the ability of a commission to establish an	1929
entity to operate a high-quality school accelerator for schools	1930
not operated by the school district that is subject to the	1931
commission.	1932
(12) Requires SIC chairperson approval for the director to	1933
reopen collective bargaining agreements.	1934
Department of Education	1935
Sections 265.10, 265.210, and 265.338	1936
Increases GRF appropriation item 200550, Foundation Funding,	1937
by \$1,172,000 in FY 2020 and by \$1,760,000 in FY 2021 and	1938
reinstates an earmark in the As Introduced bill for the same	1939
amounts to support academic distress or school improvement	1940
commissions.	1941
Establishes State Lottery Fund Group Fund 7017 appropriation	1942
item 200647, School Improvement, with an appropriation of	1943
\$10,000,000 in each fiscal year to support the Department's share	1944
of the cost of each contract between a school district and a	1945
school improvement organization. Specifies that priority must be	1946
given to funding districts currently subject to an academic	1947
distress or school improvement commission and districts that have	1948
received two overall "F" grades or their equivalent for the	1949
2016-2017 and 2017-2018 school years. Reappropriates the	1950

unexpended, unencumbered balance of the appropriation at the end	1951
of FY 2020 for the same purpose for FY 2021.	1952
Office of the Governor	1953
Section 289.10	1954
Increases GRF appropriation item 040321, Operating Expenses,	1955
by \$300,000 in each fiscal year and earmarks the same amounts to	1956
support the operating expenses of the School Transformation Board.	1957