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# OHIO LEGISLATIVE SERVICE COMMISSION

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H.B. 635  
133<sup>rd</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. Rogers and Patterson

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### SUMMARY

#### Approval of community school sponsors

- Requires all entities that wish to sponsor community schools, including those currently exempt from initial approval requirements, to apply to the Department of Education for sponsorship approval and enter into an agreement with the Department.
- Specifies that, once approval is granted, those previously exempt sponsors may continue to sponsor schools in the same manner and subject to the same reapplication, evaluation, and approval procedures as all other sponsors.

#### Quality Community School Support Program

- Removes eligibility for a community school to be designated as a “community school of quality” for the Quality Community School Support Program if the school’s operator operates community schools in other states.
- Specifies that a community school that already received a designation under this provision (1) maintains that designation for the first fiscal year following the fiscal year in which it was designated but must be considered to be in probationary status and (2) loses its designation for the second fiscal year following the fiscal year in which it was designated if it fails to show improvement.

### DETAILED ANALYSIS

#### Approval of community school sponsors

The bill requires all entities that wish to sponsor community schools, including those currently exempt from initial approval requirements, to apply to the Department of Education

for sponsorship approval and enter into an agreement with the Department.<sup>1</sup> Currently, this requirement does not apply to (1) an entity that sponsored schools as part of the original community school project area (Lucas County) and (2) the successor of the University of Toledo Board of Trustees.<sup>2</sup>

The bill also specifies that, once approval is granted, those previously exempt sponsors may continue to sponsor schools in the same manner and subject to the same reapplication, evaluation, and approval procedures as all other sponsors.<sup>3</sup>

## **Quality Community School Support Program**

The bill makes changes to the eligibility criteria for the Quality Community School Support Program, which was created for FY 2020 and 2021 in H.B. 166 of the 133<sup>rd</sup> General Assembly. This program provides “community schools of quality” \$1,750 in each fiscal year for each student identified as economically disadvantaged and \$1,000 in each fiscal year for each student who is not identified as economically disadvantaged. H.B. 166 designated four separate types of “community schools of quality,” each with its own indicators. Under that act, a school designated as a “community school of quality” maintains that designation for the two fiscal years following the fiscal year in which it receives that designation.<sup>4</sup> For FY 2020, “community schools of quality” have already been designated and funding has already been paid to those schools.

For a table showing the types of schools that qualify for the program, see pp. 137-138 of the LSC Final Analysis for H.B. 166, at: <https://www.legislature.ohio.gov/download?key=12387&format=pdf>.

### **Eligibility for FY 2021**

First, the bill eliminates two of the types of community schools that may be designated as “community schools of quality.” Because schools have already been designated as “community schools of quality” for FY 2020, this change will only impact the process of designating “community schools of quality” for FY 2021.

The types of community schools that are no longer eligible to be designated as “community schools of quality” under the bill’s provisions are those that had a sponsor that was rated “exemplary” or “effective” on the sponsor’s most recent report evaluation, contract with an operator that operates schools in other states, and satisfy either of the following:

1. One of the school’s operator’s schools received funding through the Federal Charter School Program or the Charter School Growth Fund; or

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<sup>1</sup> R.C. 3314.015; conforming changes in R.C. 3314.016 and 3314.02.

<sup>2</sup> Repealed R.C. 3314.021 and 3314.027.

<sup>3</sup> R.C. 3314.015(J).

<sup>4</sup> Section 265.335 of H.B. 166 of the 133<sup>rd</sup> General Assembly.

2. All of the following criteria are satisfied:
  - a. One of the school's operator's out-of-state schools performed better than the school district in which the in-state school is located, as determined by the Department of Education;
  - b. At least 50% of enrolled students are economically disadvantaged;
  - c. The school's operator is in good standing in all states; and
  - d. The school's operator does not have financial viability issues preventing it from effectively operating a community school in Ohio.<sup>5</sup>

### **Continuing eligibility**

The bill also changes the manner by which a community school designated as a "community school of quality" under the criteria described above maintains that designation. Currently, a school automatically maintains its designation for the two fiscal years following the fiscal year in which it is designated as a "community school of quality." However, under the bill, such a school must be considered to be in probationary status for the first fiscal year following the fiscal year in which the school receives the designation. If the school fails to show improvement, as determined by the Department, the school loses its designation in the second fiscal year following the fiscal year in which it receives the designation.<sup>6</sup>

### **Background on community schools**

Community schools (often called "charter schools") are public schools that operate independently under a contract with a sponsoring entity. A conversion community school, created by converting an existing school, may be located in and sponsored by any school district or educational service center in the state. On the other hand, a "start-up" community school may be located only in a "challenged school district." A challenged school district is any of the following: (1) a "Big-Eight" school district (Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo, or Youngstown), (2) a poorly performing school district as determined by the school's performance index score, value-added progress dimension, or overall ratings on the state report card, or (3) a school district in the original community school pilot project area (Lucas County).<sup>7</sup>

The sponsor of a start-up community school may be any of the following:

- The school district in which the school is located;
- A school district located in the same county as the district in which the school is located has a major portion of its territory;

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<sup>5</sup> Division (B)(3) of Section 265.335 of H.B. 166, as amended by Section 4 of the bill.

<sup>6</sup> Division (D) of Section 265.335 of H.B. 166, as amended by Section 4 of the bill.

<sup>7</sup> R.C. 3314.02(A)(3).

- A joint vocational school district serving the same county as the district in which the school is located has a major portion of its territory;
- An educational service center;
- The board of trustees of a state university (or designee) under specified conditions;
- A federally tax-exempt entity under specified conditions;
- The Department’s Office of Ohio School Sponsorship; or
- The mayor of Columbus for new community schools in the Columbus City School District under specified conditions. However, it does not appear that those conditions have been triggered and cannot be triggered now without further legislation.<sup>8</sup>

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## HISTORY

Action	Date
Introduced	05-19-20

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<sup>8</sup> R.C. 3314.02(C)(1)(a) through (g) and 3314.029, latter section not in the bill.