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# OHIO LEGISLATIVE SERVICE COMMISSION

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S.B. 165  
134<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Manning

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### SUMMARY

- Establishes a process by which certain school districts currently subject to an academic distress commission (ADC) may be relieved from the oversight of its ADC prior to meeting the conditions prescribed by continuing law.
- Requires the Auditor of State, not later than 60 days after the bill's effective date, to complete a performance audit of school districts to which the bill applies and submit the results of the audit to the district.
- Declares an emergency.

### DETAILED ANALYSIS

The bill establishes a process by which a school district for which an ADC was established in 2013 under former law and is currently subject to an ADC that was re-established under continuing law, as enacted in 2015, may be relieved from the oversight of its ADC prior to meeting the conditions prescribed by continuing law.<sup>1</sup> The only school district to which those conditions apply is the Lorain City School District (see "**COMMENT**" below).

#### **District academic improvement plan development and approval**

The bill requires the board of education of a school district to which the bill applies, not later than 90 days after the bill's effective date, in consultation with the appropriate stakeholders and the district's ADC and chief executive officer (CEO), to develop and submit a three-year academic improvement plan to the Superintendent of Public Instruction. The plan

<sup>1</sup> R.C. 3302.103(A).

must include annual and overall academic improvement benchmarks and strategies for achieving those benchmarks.<sup>2</sup>

The state Superintendent must review the district's plan and submit it with any suggested modifications and a recommendation to approve or disapprove the plan to the State Board of Education, not later than 30 days after receiving it. Not later than 90 days after the plan is submitted to the state Superintendent, the State Board must review the plan and any suggested modifications and approve or disapprove it, with or without the modifications, by a majority vote of voting members.

Upon approval by the State Board, the district board may begin to prepare to implement the plan, which is in effect from July 1, 2022, to June 30, 2025. The district's ADC and CEO must work with the district in preparing to implement the plan.

Additionally, the district board may submit a request to the State Board to modify the district's improvement plan while it is being implemented. No modifications to the plan can be made without the State Boards' approval.<sup>3</sup>

## **Plan implementation**

Under the bill, while the school district is implementing the approved academic improvement plan, the district board reassumes all power granted to it under statutory law. Additionally, the district's ADC, and presumably the district's CEO, continue to exist and provide assistance to the district, but neither have any operational or managerial control of the district. Finally, the district board must provide annual reports to the State Board on the district's progress toward achieving the academic benchmarks in the plan.<sup>4</sup>

At the end of three school years under the improvement plan, the State Board must evaluate the district's performance. If the district improves but does not meet at least a majority of the academic improvement benchmarks, the district board may apply to the State Board for a one-school-year extension to continue implementing the plan. If the district does not meet at least a majority of the established benchmarks at the end of the extension, the district board again may apply to the State Board for a one-school-year extension. The bill prohibits more than two extensions.

If the district either (1) does not meet at least a majority of the academic improvement benchmarks at the end of five school years under the improvement plan or (2) if the district's application for an extension is not approved by the State Board, the district once again becomes subject to continuing ADC statutory law, and the district's CEO reassumes the powers that were being exercised under ADC law prior to July 1, 2022 (see "**Background**" below).

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<sup>2</sup> R.C. 3302.103(C).

<sup>3</sup> R.C. 3302.103(D).

<sup>4</sup> R.C. 3302.103(E).

If the district meets at least a majority of the academic improvement benchmarks at the end of the initial evaluation or after an extension granted by the State Board, the ADC is dissolved, and the district continues exercising all powers granted under statutory law.<sup>5</sup>

## **Performance audit**

The bill requires the Auditor of State, not later than 60 days after the bill's effective date, to complete a performance audit of a school district to which the bill applies and submit the audit results to the district board.<sup>6</sup>

The performance audit must be conducted in the same manner as a performance audit for a school district in fiscal distress. Such an audit may review any programs or operations where greater operational efficiencies or enhanced program results can be achieved.<sup>7</sup>

## **Background – academic distress commissions**

Current law, enacted in 2015, requires the state Superintendent to establish an ADC for certain school districts with persistently low academic performance to guide actions to improve their performance. The law requires each commission to appoint a CEO who has substantial powers to manage the operation of a qualifying district and prescribes progressive consequences for the district, including possible changes to collective bargaining agreements and eventual mayoral appointment of the district board.

H.B. 166 of the 133<sup>rd</sup> General Assembly placed a one-year moratorium on the establishment of new ADCs, which expired on October 1, 2020.<sup>8</sup> Another moratorium currently is proposed by H.B. 110 of the 134<sup>th</sup> General Assembly, As Passed by the House, that would prohibit the establishment of new ADCs for the 2021-2022 and 2022-2023 school years.<sup>9</sup>

In addition, in 2020, due to the COVID-19 pandemic, the Department of Education was prohibited from issuing ratings for overall grades on the state report cards for any school districts or schools for the 2019-2020 and 2020-2021 school years. And, due to absence of report card grades, a safe harbor was enacted for districts and schools from various provisions of law reliant on report card grades, including the establishment of new ADCs and additional progressive consequences for existing ADCs for those school years. On the other hand, the powers authorized prior to those school years were retained by the CEO of the ADC.<sup>10</sup>

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<sup>5</sup> R.C. 3302.103(F).

<sup>6</sup> R.C. 3302.103(B).

<sup>7</sup> R.C. 3316.042, not in the bill.

<sup>8</sup> Section 265.520 of H.B. 166 of the 133<sup>rd</sup> General Assembly.

<sup>9</sup> Section 265.520 of H.B. 110 of the 134<sup>th</sup> General Assembly, As Passed by the House.

<sup>10</sup> Section 17(B) of H.B. 197 of the 133<sup>rd</sup> General, as subsequently amended by H.B. 409 of the 133<sup>rd</sup> General Assembly.

For a detailed description of current statutory law on ADCs, see pp. 10-23 of the LSC Final Analysis of H.B. 70 of the 131<sup>st</sup> General Assembly at: <https://www.legislature.ohio.gov/download?key=2653&format=pdf>.

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## COMMENT

The bill's provisions only apply to the Lorain City School District, which is the only district for which an ADC was established by the state Superintendent in 2013. The other two school districts currently subject to an ADC are the Youngstown City School District and the East Cleveland City School District. Youngstown's initial ADC was established in 2010. Following the passage of H.B. 70 of the 131<sup>st</sup> General Assembly, effective October, 15, 2015, Youngstown's initial ADC was dissolved and a new ADC was re-established under the provisions of H.B. 70. East Cleveland's ADC was established in 2018 under the new law.

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## HISTORY

Action	Date
Introduced	04-15-21