

(130th General Assembly)
(Substitute House Bill Number 342)

AN ACT

To amend Section 263.325 of Am. Sub. H.B. 59 of the 130th General Assembly to permit an educational service center to be a partner or the lead applicant of an education consortium seeking a grant under the Straight A Program, to modify the goals of projects supported by the program, to make other changes regarding the operation of the program, and to declare an emergency.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That Section 263.325 of Am. Sub. H.B. 59 of the 130th General Assembly be amended to read as follows:

Sec. 263.325. (A) The Straight A Program is hereby created for fiscal years 2014 and 2015 to provide grants to city, local, exempted village, and joint vocational school districts, educational service centers, community schools established under Chapter 3314., STEM schools established under Chapter 3326., college-preparatory boarding schools established under Chapter 3328. of the Revised Code, individual school buildings, education consortia (which may represent a partnership among school districts, school buildings, community schools, or STEM schools or educational service centers or county boards of developmental disabilities that provide special education and related services to children with disabilities), institutions of higher education, and private entities partnering with one or more of the educational entities identified in this division for projects that aim to achieve significant advancement in one or more of the following goals:

(1) Student Increased student achievement or, in the case of an educational service center, increased student achievement in the educational service center's client school districts or other schools or school districts that are members of the consortium;

(2) Spending reduction in the five-year fiscal forecast required under section 5705.391 of the Revised Code or positive performance on other fiscal measures established by the governing board created under division (B)(1) of this section;

(3) Utilization of a greater share of resources in the ~~classroom classrooms operated by the educational entity or by an educational service center's client school districts or other schools or school districts that are members of the consortium;~~

(4) Use of a shared services delivery model that demonstrates increased efficiency and effectiveness, long-term sustainability, and scalability.

(B)(1) Grants shall be awarded by a nine-member governing board consisting of the Superintendent of Public Instruction, or the Superintendent's designee, four members appointed by the Governor, two members appointed by the Speaker of the House of Representatives, and two members appointed by the President of the Senate. The Department of Education shall provide administrative support to the board. No member shall be compensated for the member's service on the board.

(2) The board shall select grant advisors with fiscal expertise and education expertise. These advisors shall evaluate proposals from grant applicants and advise the staff administering the program. No advisor shall be compensated for this service.

(3) The board shall issue an annual report to the Governor, the Speaker of the House of Representatives, the President of the Senate, and the chairpersons of the House and Senate committees that primarily deal with education regarding the types of grants awarded, the grant recipients, and the effectiveness of the grant program.

(4) The board shall create a grant application and publish on the Department's web site the application and timeline for the submission, review, notification, and awarding of grant proposals.

(5) With the approval of the board, the Department shall establish a system for evaluating and scoring the grant applications received under this section.

(6) When determining whether to award grants from among two or more applicants of similar score, as determined by the board, the board shall award grants to applicants that demonstrate cost savings, as reflected in the goal described in division (A)(2) of this section, over applicants that do not demonstrate cost savings.

(C) Each grant applicant shall submit a proposal that includes all of the following:

(1) A description of the project for which the applicant is seeking a grant, including a description of how the project will have substantial value and lasting impact;

(2) An explanation of how the project will be self-sustaining. If the project will result in increased ongoing spending, the applicant shall show

how the spending will be offset by verifiable, credible, permanent spending reductions.

(3) A description of quantifiable results of the project that can be benchmarked.

If an education ~~e~~consortia consortium described in division (A) of this section applies for a grant, the lead applicant shall be the school district, school building, community school, or STEM school, ~~or educational service center~~ that is a member of the ~~e~~consortia consortium and shall so indicate on the grant application. In order for an educational service center to be the lead applicant on a grant application, at least one of the educational service center's client school districts shall also be included on the grant application as a member of the consortium.

(D)(1) Within ~~seventy five~~ ninety days after receiving a grant application, the board shall issue a decision on the application of "yes," "no," "hold," or "edit." In making its decision, the board shall consider whether the project has the capability of being replicated in other school districts and schools or creates something that can be used in other districts and schools. A grant awarded under this section to a school district, educational service center, community school, STEM school, college-preparatory boarding school, individual school building, institution of higher education, or private entity partnering with one or more of the educational entities identified in division (A) of this section shall not exceed ~~\$5,000,000~~ \$1,000,000 in each fiscal year. A grant awarded to an education ~~e~~consortia consortium shall not exceed \$15,000,000 in each fiscal year. The Superintendent of Public Instruction may make recommendations to the Controlling Board that these maximum amounts be exceeded. Upon Controlling Board approval, grants may be awarded in excess of these amounts.

(2) If the board issues a "hold" or "edit" decision for an application, it shall, upon returning the application to the applicant, specify the process for reconsideration of the application. An applicant may work with the grant advisors and staff to modify or improve a grant application.

(E) Upon deciding to award a grant to an applicant, the board shall enter into a grant agreement with the applicant that includes all of the following:

(1) The content of the applicant's proposal as outlined under division (C) of this section;

(2) The project's deliverables and a timetable for their completion;

(3) Conditions for receiving grant funding;

(4) Conditions for receiving funding in future years if the contract is a multi-year contract;

(5) A provision specifying that funding will be returned to the board if the applicant fails to implement the agreement, ~~as determined by the Auditor of State.~~

(6) A provision specifying that the agreement may be amended by mutual agreement between the board and the applicant.

(F) An advisory committee for the Straight A Program is hereby established. The committee shall consist of not more than eleven members appointed by the Governor that represent all areas of the state and different interests. The committee shall annually review the Straight A Program and provide strategic advice to the governing board and the Director of the Governor's Office of 21st Century Education.

(G) Each grant awarded under this section shall be subject to approval by the Controlling Board prior to execution of the grant agreement.

(H) As used in this section, "client school district" has the same meaning as in section 3311.0510 of the Revised Code.

SECTION 2. That existing Section 263.325 of Am. Sub. H.B. 59 of the 130th General Assembly is hereby repealed.

SECTION 3. This act is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety. The reason for such necessity is to timely authorize educational service centers to fully participate in, and serve as lead applicants for, fiscal year 2015 grants under the Straight A Program. Therefore, this act shall go into immediate effect.

Sub. H. B. No. 342

130th G.A.

Speaker _____ of the House of Representatives.

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. H. B. No. 342

130th G.A.

This act is not of a general and permanent nature and does not require a code section number.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the _____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____