



Ohio Legislative Service Commission

Bill Analysis

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H.B. 479

130th General Assembly
(As Introduced)

Reps. Butler, Terhar, Blair, Henne, Romanchuck

BILL SUMMARY

- Authorizes enterprise academy community schools, which operate on a year-round schedule and are open for instruction every month of the school year for 220 days consisting of not less than nine clock hours with students in attendance.
- Specifically exempts each enterprise academy from the Ohio Core Curriculum and, instead, requires each enterprise academy to provide competency, mastery-based, and blended learning opportunities, the pace of completion of which must be individualized for each student.
- Requires an enterprise academy's curriculum to include core requirement courses, courses on citizenship, entrepreneurship, and financial literacy, supervised vigorous physical activity, study hall and mentorship, and participation in the Post-Secondary Enrollment Options Program or other dual enrollment program.
- Requires the Chancellor of the Board of Regents and the Superintendent of Public Instruction to adopt rules prescribing standards for, and administration of, enterprise academies.
- Requires an enterprise academy to grant course credit to any student who does not complete a course of instruction but who demonstrates competency in that course's subject matter by way of attaining a score, as determined by the Department of Education, in any of the required course content assessments.
- Requires the Department of Education to develop or select an assessment and score range for any assessments that are not already administered for a core requirement course subject or for a specific grade level, by which a student may demonstrate competency for course credit.

- Requires each enterprise academy to provide all-day kindergarten and early childhood education for children who are toilet-trained and at least 2½ years old, the latter of which must be funded by federal funding allocated for daycare and early childhood education initiatives and by other such programs authorized by state law.
- Requires the Department of Education to annually report for each enterprise academy certain statistics with regard to the college and career readiness components.
- Specifically exempts enterprise academies from receiving a building or district grade for overall academic performance or for separate performance measures and, instead, requires the Department of Education to annually report a letter grade only for the college- and career-ready components.
- Automatically qualifies an enterprise academy for Straight A Program grants.

CONTENT AND OPERATION

Enterprise academy community schools

The bill authorizes a new type of community school, called an enterprise academy community school (hereinafter "enterprise academy"). An enterprise academy may be established in any school district, or by a consortium of adjacent school districts, with a total population of at least 15,000 people who are entitled to attend school in that district or consortium of districts. Except as otherwise specified by the bill, an enterprise academy must comply with all provisions of the Community School Law (see "**Background on community schools**" below).¹

Procedural framework

Under the bill, an enterprise academy is administered by a governing authority in the same manner as any other community school. But, the bill specifies that the governing authority of an enterprise academy must be selected by the board of education of the school district or by the boards of education of the districts of the consortium. Each enterprise academy must be sponsored according to continuing law by one of the following entities: (1) the board of education of the district in which the school is proposed to be located, (2) the board of education of any joint vocational school district with territory in the county in which is located the majority of the territory of the district in which the school is proposed to be located, (3) the board of education of any other school district having territory in the same county where the district in which the school is proposed to be located has the major portion of its

¹ R.C. 3314.0110(A)(1).

territory, or (4) the governing board of any educational service center under certain specified conditions.²

The bill requires the governing authority and the sponsor of an enterprise academy to enter into a contract in the same manner as other community schools, except that the contract must describe the differentiated nature of the school's instructional program and prescribe an academic accountability plan.³

The board of education of each enterprise academy must complete a site selection process to determine the location of the school and ensure that the location and the neighborhood surrounding the school is generally considered safe for students.⁴

School operation

Under the bill, each enterprise academy must operate on a year-round schedule, under which the school must be open for instruction with students in attendance in each month of the school year for 220 days. Each school day must consist of not less than nine clock hours with students in attendance, except in emergency situations that have been approved by the State Board of Education.

The bill requires each enterprise academy to provide instruction for students of school age as prescribed under continuing law, and to preschool children in accordance with the bill's provisions (see "**Early childhood education**" below). The bill also requires transportation to and from the school for school age students to be provided in accordance with continuing law and permits transportation for preschool age children to be provided in accordance with a plan adopted by the school's governing authority.⁵

Curriculum requirements

The bill specifically exempts each enterprise academy from the Ohio Core Curriculum. Instead, the curriculum of an enterprise academy must be developed by the governing authority and the pace of completion of the curriculum must be individualized for each student. The bill requires each enterprise academy to provide competency, mastery-based, and blended learning opportunities so that completing the high school curriculum and transitioning to earning an associate degree is as seamless as possible. Under continuing law, "blended learning" means the delivery of instruction in a combination of time in a supervised physical location away from home and online

² See R.C. 3314.02(C)(1), not in the bill.

³ R.C. 3314.0110(A)(2).

⁴ R.C. 3314.0110(A)(3).

⁵ R.C. 3314.0110(B). See also R.C. 3314.09 and 3314.091, not in the bill.



delivery whereby the student has some element of control over time, place, path, or pace of learning.⁶

Under the bill an enterprise academy's curriculum, at a minimum, must include all of the following:

- "Core requirement" courses, which must provide students with the ability to score at or above the proficient level on the state achievement assessments selected by the State Board.
- Courses on citizenship, entrepreneurship, and financial literacy. Each governing authority may use either the academic content standards developed by the State Board or may develop its own standards for these courses.
- Supervised vigorous physical activity, to be provided in a manner prescribed by the governing authority. Under the bill, participation in varsity athletics satisfies this requirement.
- Study hall and mentorship, which must account for not less than one clock hour per school day. Each study hall must be staffed by a qualified teacher and may include mentorship activities such as career counseling. Mentorship may be provided by private organizations, including, but not limited to, big brothers big sisters or similar organizations.
- Courses beyond the core requirement courses, depending upon the progress of each individual student. The bill gives governing authority discretion to select the course content and the manner in which these courses are offered.
- Participation in either: (1) the Post-Secondary Enrollment Options Program, or (2) another dual enrollment program in an agricultural, industrial, vocational, or trade school or obtainment of an industry certification or apprenticeship in any field. Students who enroll in such a program must enroll only in courses that will further college or career readiness as determined by the Chancellor of the Board of Regents and the Superintendent of Public Instruction.⁷

⁶ R.C. 3301.079(J)(1), not in the bill.

⁷ R.C. 3314.0110(C)(1).



To the extent possible, instruction in the dual enrollment programs (referred to above) must be provided on-site at the enterprise academy. Under the bill, the Chancellor of the Board of Regents and the Superintendent of Public Instruction must adopt rules prescribing standards for, and administration of, enterprise academies. Those rules must require all state institutions of higher education to accept and award credit for any course offered at the enterprise academy under the Post-Secondary Enrollment Options Program.⁸ (H.B. 487 of the 130th General Assembly proposes changing the name of that program to "College Credit Plus" and numerous operational changes to the program.)

The bill permits each enterprise academy to enter into partnerships with applicable institutions and groups, including, but not limited to institutions of higher education and agricultural, industrial, vocational, and trade schools. Under the bill, these programs must be funded by the Chancellor with funds as appropriated by the General Assembly.

The bill requires an enterprise academy to offer a combination of technology-based instruction (Internet- or computer-based) and classroom-based instruction to each student. Under the bill students are grouped according to age but are not assigned traditional grade levels. Instead, teachers must permit each student to advance through the curriculum at the student's own pace.⁹ Further, the bill permits each enterprise academy to offer classes and operate in separate buildings under the same contract.¹⁰ (Generally, community schools may not offer the same grade in separate facilities.¹¹)

Course credit for demonstrated competency

The bill requires each enterprise academy to grant course credit to any student who does not complete a course of instruction but who demonstrates competency in that course's subject matter. Under the bill, a student may do so by attaining a score, as determined by the Department of Education, in any of the Ohio Graduation Tests or college- and career-ready assessments.¹² The bill requires the Department to develop or select an assessment and score range for any assessments that are not already administered for a core requirement course subject or for a specific grade level or both, by which a student may demonstrate competency in that subject at that grade level for

⁸ R.C. 3314.0110(C)(1).

⁹ R.C. 3314.0110(C)(2).

¹⁰ R.C. 3314.0110(F).

¹¹ See R.C. 3314.05, not in the bill.

¹² R.C. 3314.0110(C)(5). See also R.C. 3301.0710(A) and (B) and R.C. 3301.0712, neither in the bill.

course credit. The bill requires each enterprise academy to annually (on the same dates designated by the state Superintendent, for the spring administration of the state achievement assessments) report the percentage of students who have earned course credit by age and highest grade level of competency.¹³

Early childhood education

Each enterprise academy must provide (1) all-day kindergarten and (2) early childhood education for children who are toilet-trained and at least 2½ years old.¹⁴ Under continuing law, "all-day kindergarten" means a kindergarten class that is in session for not less than the same number of clock hours each week as for students in grades 1 through 6.¹⁵ The bill defines a "toilet-trained" child as one who no longer requires the use of diapers, training pants, or disposable pull-up underwear. The bill requires, to the extent possible, early childhood education to be funded by federal funding allocated for daycare and early childhood education initiatives and by other such programs authorized by state law.

Miscellaneous provisions

Under the bill, an enterprise academy must provide students with disabilities special education services in accordance with continuing law.¹⁶ The bill also specifies that each full-time teacher employed by an enterprise academy must be paid not less than \$85,000 per school year.¹⁷

Reporting requirements

Under the bill, the Department of Education must annually report for each enterprise academy both of the following components:

(1) For the college-ready component, the percentage of students who attend a college or university within one year after graduation and who complete a bachelor's degree within three years of graduation from the academy.

(2) For the career-ready component, the percentage of students who earn not less than 200% of the minimum wage within one year after graduation from the academy

¹³ R.C. 3114.0110(E).

¹⁴ R.C. 3314.0110(C)(3) and 3314.06(A).

¹⁵ R.C. 3321.05, not in the bill.

¹⁶ R.C. 3314.0110(C)(4). See also R.C. Chapter 3323.

¹⁷ R.C. 3314.0110(D).

and the percentage of students who earn not less than 250% of the minimum wage within three years after graduation from the academy.¹⁸

The bill also requires the Department to annually report a letter grade for both the college-ready and the career-ready component for each enterprise academy. The State Board of Education must prescribe benchmarks based on the aforementioned criteria for the assignment of these letter grades.¹⁹ The bill specifically prohibits the Department from issuing a letter grade or report card for an enterprise academy under the current rating and report card system that applies to all other public schools.²⁰

Straight A Program funding priority

The bill requires, notwithstanding anything to the contrary, that a timely grant application by an enterprise academy community school submitted for Straight A Program funding must be deemed to automatically meet the goals of the Straight A Program. Additionally, in reviewing such grant applications, the Straight A Program governing board must first consider all grant applications submitted by enterprise academies. The bill specifies that notwithstanding current law, grants awarded to enterprise academy community schools must not exceed \$3 million.²¹

Background; Straight A Program

Am. Sub. H.B. 59 of the 130th General Assembly, as subsequently amended by Sub. H.B. 342 of the 130th General Assembly, created, for fiscal years 2014 and 2015, the Straight A Program to provide grants to school districts, educational service centers, community schools, STEM schools, college-preparatory boarding schools, individual school buildings, education consortia (which may represent partnerships among school districts, school buildings, community schools, or STEM schools), institutions of higher education, and private entities partnering with one or more of those educational entities. Under this law, grants are awarded for projects aiming to achieve significant advancement in one or more of the following goals: (1) increased student achievement, (2) spending reduction in the five-year fiscal forecast or positive performance on other fiscal measures established by the Straight A governing board, (3) utilization of a greater share of resources in the classroom, and (4) use of a shared services delivery model that demonstrates increased efficiency and effectiveness, long term sustainability, and scalability. H.B. 59 appropriated \$88.7 million, for fiscal year 2014,

¹⁸ R.C. 3314.0111(A).

¹⁹ R.C. 3314.0111(B).

²⁰ R.C. 3314.0111(C). See also R.C. 3302.03, 3314.012, and 3314.017, none in the bill.

²¹ Section 263.325 of Am. Sub. H.B. 59 of the 130th General Assembly, as amended by the bill.



and \$144.7 million, for fiscal year 2015, from the Lottery Profits Education Fund to finance grants under the Program.²²

Grant priority

Under current law, when determining whether to award grants from among two or more applicants of similar score the Straight A governing board must award grants to applicants that demonstrate cost savings over applicants that do not demonstrate cost savings. Current law further specifies that an applicant can show cost savings either through spending reductions in the five-year fiscal forecast or positive performance on other fiscal measures established by the governing board.²³

Grant amount

Under current law, the maximum Straight A grant amount that may be awarded to a single school district, educational service center, community school, STEM school, college-preparatory boarding school, school building, institution of higher education, or private entity partnering with one or more educational entities is \$1 million.²⁴ The limit on an award to an education consortium is \$15 million.

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

Background on community schools

Community schools generally

Community schools (often called "charter schools") are public, nonprofit, nonsectarian schools that operate independently of any school district under a contract with a sponsoring entity. The schools often serve a limited number of grades or a particular purpose. The schools are financed with state funds that are deducted from the state aid accounts of school districts in which their students are entitled to attend school.

Unless otherwise specified in R.C. Chapter 3314., or in the contract between a community school and a sponsor, a community school is exempt from all state laws and

²² Sections 263.10, 263.320, and 263.325, first two sections not in the bill.

²³ Division (B)(6) of Section 263.325. Since a previous version of Section 263.325 is set forth in the bill, division (B)(6) of current law is not shown in the bill.

²⁴ Division (D)(1) of Section 263.325.



rules pertaining to schools, school districts, and boards of education, except any laws granting certain rights to parents.²⁵

Operating standards

Unlike traditional school districts, community schools are run according to a negotiated contract between a sponsoring entity and the community school governing authority. Ohio law requires that certain information and assurances be included within the terms of any such contract. Those include, but are not limited to, the following:

- Specification of the academic goals to be achieved and the method of measurement that will be used to determine progress toward those goals, including the statewide achievement assessments;
- Performance standards by which the success of the school will be evaluated by the sponsor;
- Admission and dismissal procedures;
- The ways the school will achieve racial and ethnic balance reflective of the community it serves;
- Requirements for financial audits by the auditor of state according to certain prescribed standards;
- Assurances that the school will provide learning opportunities to a minimum of 25 students for a minimum of 920 hours per school year;
- Assurances that the governing authority will purchase liability insurance;
- Assurances that the school will be nonsectarian in its programs, admission policies, employment practices, and all other operations.²⁶

Teacher compensation requirements

Any community school that receives federal Race to the Top grant funds must adopt a performance-based teacher salary schedule in accordance with the same requirements that apply to traditional school districts.²⁷ Community schools that do not

²⁵ R.C. 3314.04, not in the bill.

²⁶ R.C. 3314.03(A), not in the bill.

²⁷ R.C. 3314.03(A)(11)(i) and 3317.141, neither in the bill.



receive Race to the Top funds may set teacher salaries in accordance with their own procedures.

Curriculum and graduation requirements

To be eligible for a diploma from a community school, a student must complete the school's curriculum and generally pass all five subject areas of the Ohio Graduation Test.²⁸ Further, a community school's curriculum must comply with the state minimum high school curriculum of 20 specified units of study.²⁹ Once the nationally standardized assessments and end-of-course examinations in science, math, English language arts, and social studies are in place, community schools will be subject to those assessments in place of the OGT. Thus, a student who obtains a diploma from a traditional community school must take substantially the same courses and assessments as a student who obtains a diploma from a traditional school district.

Teacher qualifications

The contract between a sponsor and a governing authority must specify the necessary qualifications of teachers, including a requirement that the school's classroom teachers be licensed in the same manner as teachers who teach in traditional public schools, except that a community school may engage noncertified persons to teach up to 12 hours per week.³⁰ However, it is not clear whether community schools must meet the federal requirement that teachers in core subject areas must be "highly qualified." Essentially, to be highly qualified, a teacher must be licensed in the subject area or grade level for which the teacher is assigned and demonstrate subject area competence.³¹

HISTORY

ACTION	DATE
Introduced	03-18-14

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²⁸ R.C. 3314.03(A)(11)(f), 3313.61, and 3313.612, none in the bill.

²⁹ R.C. 3313.603(C), (D), (F), and (J), not in the bill.

³⁰ R.C. 3314.03(A)(10), not in the bill.

³¹ See R.C. 3319.074, not in the bill.

