



**Conference Committee on House Bill 9
Interested Party Testimony
Ohio School Boards Association
Ohio Association of School Business Officials
February 14, 2020**

Good morning, Chairman Jones, members of the Conference Committee. My name is Will Schwartz and I represent the Ohio School Boards Association. Joining me in this testimony is Barbara Shaner from the Ohio Association of School Business Officials. Our colleague Kevin Miller from the Buckeye Association of School Administrators is attending a conference out of state and would otherwise be participating with us. The Committee will likely hear testimony from him next week.

We begin by expressing our appreciation to the Committee and to the House and Senate for their leadership in tackling this important issue. The Educational Choice Scholarship Program (EdChoice) has been a point of contention for our members since its inception, but the recent explosion in the number of so-called “failing schools” has generated an overwhelming response by our members to demand changes to the flawed EdChoice program. Legislators have responded to the need for change by bringing forward a number of ideas for consideration, which is what brings us here today.

Our organizations support legislation that would put an end to Ohio’s laws that force public school districts and their taxpayers to pay for private school tuition. Senate Bill 89 would do just that, by implementing an income-based only model for the EdChoice program. It also would sunset problematic school district territory transfer provisions, and dissolve the three academic distress commissions. These are all positive steps toward more reasonable public education policy, and we urge the Committee to include these SB 89 provisions in the House Bill 9 committee report.

Under the current EdChoice program, a student is eligible for a voucher if their public school building is considered underperforming and a “failing school” based on the state’s flawed report card system. The number of buildings deemed “failing” has exploded over the past two years: from 255 in the 2018-2019 school year to 1,227 for the upcoming 2020-2021 school year. The financial implications for school districts across the state are colossal.

Common sense tells us that Ohio does not have over 1,200 ‘failing’ school buildings. The situation is especially suspect given that some of the ‘failing schools’ on the eligibility list have overall grades of A, B or C. Allowing this program to continue as-is sends a powerful message

of failure. Yet Ohio's public school system is not failing. On the contrary — our public school districts and the students they educate are constantly improving.

I will now turn the testimony over to Barbara Shaner.

Many districts are suddenly losing millions of dollars to the voucher program because of recent changes in law. High school students who were already attending a private school and paying their own tuition now have their tuition subsidized by the local school district at an annual rate of \$6,000 per student. The loss of these funds impacts the students who remain in public schools, because it forces district officials to make cuts that reduce services and opportunities for their students.

As you know, school districts rely on both state and local resources to fund educational programs and services. No school district receives the full, per-pupil basic aid amount from the state, set at \$6,020 in fiscal year (FY) 2019. So, when the cost of vouchers is deducted from a district's state aid to pay for private school tuition, the resources that were meant to serve the remaining students are siphoned off in order to subsidize the cost of the vouchers.

This is particularly the case in FY 2020 and FY 2021 as foundation funding for this biennium has been frozen at FY 2019 levels. When the list of EdChoice eligible buildings jumped from 255 in FY 2019 to 517 in FY 2020, coupled with the change to allow existing private high school students to take a voucher, the number of vouchers granted and their accompanying costs increased exponentially. With the funding freeze, school districts are forced to pay the full cost of all the new vouchers awarded in this biennium with no funding adjustments due to a frozen funding formula.

We applaud the investment that Gov. Mike DeWine and the Ohio General Assembly made through HB 166 in the health and welfare of students through the new student wellness and success funds (SWSF). \$675 million was dedicated to help meet the non-educational needs of students, such as addressing mental health and behavioral challenges. These are factors educators have identified as barriers to student achievement, and we appreciate the state's focus on these issues. However, districts are now being sent mixed messages when greater deductions for EdChoice vouchers offset or minimize the effects of the new SWSFs.

We want to address one point this Committee has discussed during the hearings thus far: the cost of educating students in the public school districts. Public schools are required to educate all students regardless of their circumstances. As a result, the per-pupil expenditures reported by the Ohio Department of Education include costs for services that are over and above a basic education.

For example, per-pupil spending includes addressing the challenges that come with high concentrations of poverty. Public schools also serve students with disabilities, which carries significantly higher costs. Public schools provide career-technical education services, which cost more than the typical academic-oriented education.

Public schools also provide and subsidize services to private schools for both voucher and non-voucher students. This includes the cost of transporting private school students, which is 4.5

times the cost of transporting a public school student, according to transportation data from the Ohio Department of Education.

Expenditures for those items above and beyond basic education costs can be avoided by private schools through admission policies, or through vouchers aimed at addressing special needs. Therefore, the statewide average expenditures per pupil are not easily compared to private school costs or to the state's voucher amounts, so we caution against using these expenditures for such comparisons.

Will Schwartz will now conclude our testimony.

Our message today is to move away from policies that promote criticism of Ohio's public schools, particularly as they relate to a failed report card system that punishes schools and wrongly declares them to be "failing schools". In many areas of the state, public schools are the hub of the community and the place where people come together for a common purpose. Additionally, the school district is often the largest employer in the area, making it a key player in the local economy.

The state and local partnership that makes up our public school system serves all Ohioans. The alternative is to risk an uneducated citizenry and more unnecessary burdens on society. The Ohio Constitution calls for a system of public education – a thorough and efficient system of common schools. We believe a better investment of funds would be to find ways to eliminate educational disparities among public schools. But if the state wishes to go beyond funding a public system and offer private school tuition to students, then the state should pay for them directly. School districts should not be required to subsidize these payments.

In closing, the provisions contained in Senate Bill 89 would end the practice of awarding private school tuition vouchers based on a flawed report card system and paid for by school districts. Instead, vouchers would be awarded to students solely based on family income, the priority being those students most in need. The costs for this income-based program, called the Buckeye Opportunity Scholarship program, would be covered by the state. It would remove the program's reliance on a flawed report card system that currently punishes districts, and local communities would no longer be required to subsidize private school tuition.