

Conference Committee on House Bill 9 on EdChoice Vouchers

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Rancor and confusion over the issue of EdChoice private school tuition vouchers continue to fill the chambers of the Ohio Legislature. The Legislature has given itself sixty days to address problems with Ohio's EdChoice voucher program, problems created when changes were surreptitiously inserted into the state budget last summer during last minute hearings by the conference committee.

Today's debate is about more than whether we ought to have vouchers. After all today in Ohio, we do have vouchers---five kinds of vouchers. There is the original 1996 Cleveland Scholarship program. Additionally there are now four statewide Ohio voucher programs: Peterson Special Education vouchers, Autism vouchers, EdChoice vouchers, and a newer program, EdChoice Expansion vouchers.

As I have listened to hearings in the Ohio Senate and the Ohio House, what I have heard are all sorts of arguments about a number of important policy questions. Legislators and advocates across Ohio are arguing about four different questions, but the debate has grown increasingly chaotic as people conflate the questions, their answers to the questions, and the intersection of the issues involved. Here are the four questions:

- Should Ohio pay for private school tuition vouchers out of the state's education budget when the state should be spending the money to support what everyone agrees are underfunded public schools?
- As far as the operation of the EdChoice voucher program goes, should qualification for the vouchers be based on the grades Ohio has been assigning to schools on the state report cards or should it be based on family income alone?
- As far as the operation of the EdChoice voucher program goes, should the state fully fund the vouchers or should the state be deducting the price of the vouchers from local school district budgets?
- As far as the operation of the EdChoice voucher program goes, what should the state do to hold harmless the school districts which lost millions of dollars during the current school year when an unexpected and explosive number of students already in private schools claimed vouchers which legislators had surreptitiously---in a brand new state budget---permitted them to claim through a local school district deduction?

I will sort out the issues one question at a time, because I think we all need to consider carefully the answers to the four questions one at a time.

Should Ohio pay for private school tuition vouchers out of the state's education budget when the state should instead be spending the money to support what everyone agrees are underfunded public schools? I have consistently opposed school privatization and the diversion of tax dollars out of public schools into vouchers and charter schools. Further Ohio's state constitution provides for the common good by establishing a comprehensive, democratically governed system of public education---publicly funded, universally accessible, and accountable to the public. Justice in education---the distribution of opportunity for all children and not just for some---can best be achieved systemically. The public schools are the optimal institutions for balancing the needs of each particular child and family and at the same time securing the rights and addressing the needs of all children.

But whether or not Ohio ought to have five massive school voucher programs is not the issue right now for Ohio and its legislature.

The Three Questions Regarding the Operation of the EdChoice Program

The current challenge for the Legislature is repairing the damage for public schools caused by Legislature's surreptitious expansion last summer of the EdChoice voucher program in amendments added during the Ohio Budget Conference Committee. These changes did not become known until August, just as the school year was beginning when the [Ohio Association of School Business Officials warned](#) school treasurers that districts had begun experiencing budget deductions due to the expansion of the program a month earlier. The fine print of the biennial budget established that the number of public schools where students are eligible to claim EdChoice vouchers increased during this 2019-2020 school year to 517 from 255 in the 2018-2019 school year. And the budget bill established that the number of qualifying schools is now scheduled to grow to more than 1,200 public schools in the 2020-2021 school year.

Should qualification for the vouchers be based on the grades Ohio has been assigning to schools on the state report cards or should it be based on family income alone? It has become a cliché in Ohio that vouchers provide escapes from "failing" schools for the children trapped in those schools. I continue to wonder whether the legislators and state

officials devising the state's letter grades for public schools ever visit and observe the schools being graded. Public schools across Ohio's 610 school districts work with children bringing a range of challenges. Nationally, the failure of the No Child Left Behind Act to close test score gaps ought to have taught us all that punishments and threats don't enable educators to close test score gaps. The academic research is long and very clear. The test scores on which the Ohio's report card system mostly depends correlate highly with aggregate family and neighborhood income. This is why the exurban, high-income school districts uniformly earn the Legislature's plaudits and the state's high grades. A punitive system like Ohio's, which threatens low scoring schools with low report card grades, more vouchers, and more charter schools, only reduces resources for the schools with the greatest challenges.

Legislators say they agree that the state's school report cards---on which the EdChoice system identifies the schools where children can qualify vouchers---are deeply flawed and must be reconsidered. [The Ohio Department of Education awards](#) letter grades for public schools in six categories: Achievement, Progress, Gap Closing, Graduation Rate, Improving At-Risk K-3 Readers, and Prepared for Success. The grades are calculated with algorithms unknown to the public. If a school is rated D or F for two years running in **any one** of the categories it becomes a "School Choice Designated School." And because of a hold-harmless period between 2014 and 2017, the years for which schools are held accountable by EdChoice in the current (2019-2020) school year and the next (2020-2021) school year are 2013-2014, 2017-2018, and 2018-2019.

House Speaker Larry Householder must be commended for rejecting the idea of conditioning vouchers on the school district report cards. The *Plain Dealer's* [Patrick O'Donnell explains](#): "Householder... criticized state report cards whose grades are used to label schools as underperforming, saying state grades should be constructive, not a 'gun to the head' of schools. He singled out the K-3 Literacy grade, which measures how well schools help struggling young readers, as a grade that needs to be eliminated. 'K-3, that's the most ridiculous thing in the world. Why was it put there? It's simple. It created more opportunities for private schools to take public school kids out of the system... A lot of these performance standards have been put in place because these people in competition with public schools have lobbied for more and more difficult standards. Instead of trying to outdo your competition by being better, they're trying to outdo the competition by making them worse.'"

Should the state fully fund the vouchers or should the state continue deducting the price of EdChoice vouchers from local school district budgets? EdChoice, one of the Ohio's four statewide voucher programs, takes the money through the deduction method, counting the voucher student as enrolled in the local school and then extracting [\\$4,650 for each elementary school voucher and \\$6,000 for each high school voucher](#) right out of the public school district's budget. But a serious problem arises because in Ohio, state funding is allocated at different rates from school district to school district, and in many cases the vouchers extract more dollars per pupil from the local school budget than the state awards to that district in per pupil state aid. Added to this: Until this year, to qualify for a voucher, an Ohio student must have been enrolled in the public school in the year previous to applying for the voucher. But, secreted into the state budget last summer was an amendment providing that high school students may now receive a voucher even if they have never been enrolled in a public school. All of these provisions added together mean that many Ohio school districts are now losing more dollars to EdChoice vouchers than the per-pupil amount they receive from the state of Ohio, and much of this money is flowing away from school districts to students who have always been enrolled in private and religious schools and never attended a public school in the district from which the EdChoice dollars are flowing. Further, during this school year, when formula basic aid for public schools is frozen at last year's level, school districts are paying for tuition vouchers for additional private school students without the school district's receiving any funding for the students who have just begun taking vouchers.

The Legislature's explosive expansion of the number of qualifying schools in the EdChoice program has combined with the school district deduction funding of the program to create an existential crisis for a number of the state's local school districts which are suddenly watching millions of dollars drain out of their budgets. The Legislature has saddled school districts with a school privatization program whose size the Legislature has no incentive to control. Money quietly washes out of local school district budgets, but the state has no record of the amount and leaves the school district with no control over what is happening to their local budgets. If the state were to take over full funding of the EdChoice program, the Legislature would at least be forced in a democratically transparent budget allocation to assume control over the cost by limiting the number of the vouchers and setting the amount it would be prepared to allocate.

The *Statehouse News Bureau's* [Karen Kasler quotes](#) House Speaker Larry Householder endorsing the idea of replacing the school district deduction with direct state funding as a fairer way to fund the EdChoice program: "These Opportunity Scholarships would be funded directly and entirely by the state, instead of being deducted from state aid paid to local districts.... This approach has a lot less impact on local school districts and puts the focus where it belongs: For a more equal opportunity for all of Ohio's 1.8 million school kids, regardless of their ZIP Code."

What should the state do to hold harmless the school districts which were harmed financially during the current school year when an explosive number of students already in private schools claimed vouchers paid for by the local school district deduction? In my school district in Cleveland Heights-University Heights, the [district recently distributed a brochure explaining](#) that EdChoice vouchers cost the district \$4.2 million for us last fiscal year and an estimated loss of \$6.8 million this fiscal year. Each time a student secures an EdChoice Voucher, that student can keep the voucher, paid for by the school district deduction, every year until the student graduates from high school. The school district's information handout continues: "The CH-UH City School District will ask the community for a new 7.9 mill operating levy in March. The current funding issues with EdChoice are the major reason for this millage. In fact, the District would not need to ask for a levy until 2023, if it weren't for the way EdChoice was funded, and the millage would be significantly less."

In the original Senate plan to amend the EdChoice Program, \$30 million was promised to help the school districts which experienced sudden explosive increases in voucher use during the current 2019-2020 school year. The Senate had also allocated \$7 million to repair losses to funding for the Cleveland schools in the recently passed state budget. After the Senate's original plan was sent on to the House and the House plan sent its amendments back to the Senate, the hold harmless funding was omitted. Advocates must demand that the House leadership adheres to its promise eventually to restore hold harmless funding into the eventual redesign of the EdChoice program. The *Plain Dealer's* [Patrick O'Donnell reported](#): "The House measure does not include about \$7 million toward the Cleveland Scholarship, a Cleveland-only voucher program, or \$30 million for school districts with large voucher increases this ongoing school year... Householder said he would support that money being included in a final compromise."

What Should the Legislature Do about EdChoice Vouchers?

Should Ohio be spending money on vouchers when everyone agrees our state's public schools are underfunded? Of course not. Our state ought to be funding a thorough and efficient system of public education as the state constitution prescribes. Funding for public education is particularly important in this year when a new funding plan is being considered and when state dollars for public school per-pupil basic aid have been frozen.

But it is a reality that Ohio will continue to have vouchers after 60 days of legislative negotiations on the operation of the EdChoice program. Given that reality, our legislature must stop the bleeding caused by the injury of explosive growth in the EdChoice voucher program in the state budget last summer.

- The Legislature needs to decouple EdChoice vouchers from the flawed school report cards that the legislators say they will extensively revise at some point due to longstanding problems.
- The Legislature should fully fund the EdChoice program out of the state budget to take responsibility for and establish transparency about the expense of this program. The Legislature must ensure that the budgetary burden of EdChoice vouchers is not thrust onto local school districts serving concentrations of children in poverty, the very school districts which already need smaller classes, more social workers, school librarians, art and music programs, and advanced curricular offerings.
- And certainly the Legislature must return the money stolen by the EdChoice voucher program out of this year's local school district budgets without warning.