



Interested Party Testimony

House Bill 64: Biennium Budget, FY2016-17

Presented by School Choice Ohio: Jason Warner, Legislative Director

Monday, March 9, 2015

Chairman Cupp, Ranking Member Phillips and members of the Subcommittee on Primary and Secondary Education:

My name is Jason Warner, and I am the legislative director at School Choice Ohio. We are the only statewide organization that educates parents on their education options and advocates for the expansion of quality options for every child. I appreciate the committee affording me the opportunity to speak today regarding House Bill 64.

The past four years have seen the expansion of school choice options in Ohio, and we now lead the nation in education options available to families. From Cleveland to Cincinnati, Dayton to Youngstown, and all points in between, thousands of qualifying families have the opportunity to take advantage of one of Ohio's five scholarship programs that allow parents to choose the education option that is best for their child. During the 2013-14 school year, which provides the most up-to-date data available, just over 29,000 families elected to send their child to a participating private school using a scholarship awarded to them by the state of Ohio.

But school choice is about more than just the scholarship programs. During the 2013-14 school year, school choice was also represented by the more than 207,000 students who participated in public school choice programs, including community schools, dual enrollment programs and public school district open enrollment.

All told, these 236,000 students account for 13 percent of Ohio's 1.8 million student population¹. School Choice Ohio is proud to serve as an advocate for these programs. We are also happy to be a resource for families, educators and lawmakers to learn more about the programs and how they can benefit both students and the state at the same time.

As I noted, while we have seen tremendous growth in the availability of school choice programs in Ohio in the past four years, there is still room for improvement. House Bill 64 makes a number of significant improvements to the scholarship programs. In addition to highlighting those, I wish

to share with you a few recommendations on other areas where School Choice Ohio believes improvement is warranted.

Ohio Educational Choice & Cleveland Scholarship Programs

Two years ago, Governor Kasich proposed, and this legislature established, the first statewide income-based scholarship program for families across Ohio. Under the program, any family not eligible for the Cleveland or EdChoice scholarship program who have a household income of not more than 200% of the federal poverty guidelines can qualify to receive a scholarship to attend a participating private school of their choice. At present, students in kindergarten and first grade are the only eligible students under the income-based scholarship. House Bill 64 would continue the phase-in of this program by adding two additional grades over the next two years — second grade in the 2015-2016 school year and third grade in the 2016-2017 school year.

The initial program two years ago appropriated funding for this scholarship via proceeds from the Ohio Lottery Profits Fund. The expansion continues to be funded through a separate budget line-item as opposed to a deduction from the student's resident school district. Under House Bill 64, that the funding would come directly from the state general revenue fund (GRF) as opposed to the lottery profits fund. School Choice Ohio supports this continued expansion and funding modification, and we encourage this committee and the legislature as a whole to do so as well.

House Bill 64 also makes a major funding change to the Ohio EdChoice Scholarship Program. Since the EdChoice scholarship program was created in 2005, the maximum value of the scholarships has remained unchanged. Both the \$4,250 value of the K-8 scholarship and the \$5,000 maximum value of the 9-12 scholarship are below the statewide average for private school tuition, which is \$6,066 in the 2014-15 school yearⁱⁱ.

A substantial majority of private schools that participate in the scholarship programs have continued to do so despite the significant gap between actual tuition costs and the scholarship amounts. But we are hearing from many schools that they can no longer afford to make up the difference. If these schools elect to no longer participate in the scholarship programs, choice options for families will be substantially limited.

The budget proposal before you recommends that EdChoice funding for the 9-12 scholarship be increased to a maximum of \$5,700 per year, equal to the funding Cleveland Scholarship high school recipients have received for the past two years. There is no recommendation to change the K-8 voucher amount, which would remain \$4,250 under the as-introduced version of House Bill 64.

We applaud the governor and this legislature for the desire to see that the EdChoice Scholarship Program remains a viable alternative for families throughout Ohio, and support any increase in funding.

That being said, School Choice Ohio believes that parity is important, and we request that this committee consider increasing the funding for both EdChoice and Cleveland scholarships, at both the K-8 and 9-12 levels, to be equal to the proposed public school funding increases. This would increase the scholarship amounts to \$5,900 for the 2015-16 school year and \$6,000 for the 2016-17 school year. This change will bring the value closer in line with the statewide average cost of private school tuition and ensure the programs' continued success well into the future.

It is worth noting that if these increases are enacted, these values would still represent the maximum values of the scholarships. Any school that charges below the cost of the maximum value of the scholarship would only receive the tuition amount, with the remaining balance being retained by the student's resident school district, in the case of the EdChoice scholarship.

Jon Peterson Special Needs & Ohio Autism Scholarship Programs

We also stand in support of proposed funding changes to the special needs categories in House Bill 64, which would see funding increased to a range of \$7,578-\$31,637 by the end of the 2016-17 school year for disability categories 1-6. These are the same funding categories used for the Jon Peterson Special Needs Scholarship Program. This would have a direct impact on students receiving the scholarship in categories 1-4.

However, since the implementation of the Jon Peterson Special Needs Scholarship Program, we have seen the steady growth of a disparity in funding for students with disabilities in categories 5 and 6 – students with disabilities that include multiple handicaps, autism, traumatic brain injury or hearing-and vision-impaired students. Scholarship recipients in these categories are capped at \$20,000 annually. For this current school year, that cap presents a shortfall for category 5 students of \$2,529 when compared to their peers in public schools. Category 6 students are underfunded by \$10,455. While challenging, these differences have been manageable for parents and providers over the past four years.

Under House Bill 64 that disparity will grow to be nearly \$3,400 for Category 5 students and almost \$12,000 less for Category 6 students by the end of fiscal year 2017. Likewise, the Ohio Autism Scholarship has been capped at \$20,000 since it was codified in 2006. These arbitrary caps do nothing but limit the opportunities for the very students the scholarships are intended to benefit. These are among our states most vulnerable students, and we should be doing

everything to ensure they are receiving not only an exceptional education, but the services their IEPs call for as well.

For this reason, we are asking this committee to consider increasing the cap for both the Jon Peterson Special Needs and Autism scholarships to \$27,000 annually. Doing so will close the gap completely for students with category 5 disabilities and narrow the gap for category 6 students to a mere \$4,600 by the end of FY2017. These funds are already available to these students if they remained in their designated public school. This increase would go a long way toward ensuring students with special needs are getting the best possible education going forward.

In conclusion, I would once again like to thank you Chairman Cupp and members of the Primary and Secondary Education subcommittee for inviting me to provide testimony today on House Bill 64, the biennium budget for FY2016-17. It is our firm belief that, while the proposal before you helps to strengthen Ohio's existing school choice programs, enactment of these along with our proposed changes will ensure their availability to families across Ohio for years to come.

Thank you Chairman Cupp for this opportunity and I would be happy to answer any questions you or the members of the committee may have.

ⁱ Statewide Public Organizations October Headcount, Grades K-12 and Ungraded, ODE

ⁱⁱ Average Private School Tuition Cost (2014-2015), Private School Review