

Testimony on Governor Kasich's Proposed Budget

Finance Subcommittee on Primary and Secondary Education

Ohio Statehouse

March 23, 2017

Mr. Chairman, Members of the Committee, Good Morning.

I am Nicholas D. Atterholt, Legislative Liaison for the Board of Education for Hillsdale Local Schools in Ashland County, and I am here today to express our concerns regarding Governor Kasich's proposed state budget, and in particular the school funding formula that results in a grave inequity in state funding for rural school districts such as ours.

Our school district, like many in the state, is struggling through some very difficult financial times. At the end of the 2012-2013 school year, our district was forced to make budget cuts that resulted in significant losses for our students, and reduction in enrollment. The industrial technology and family and consumer science programs were eliminated at the middle school and the high school. Reductions in art, music, and physical education were made at all grade levels, and anyone interested in participating in extra-curricular activities was required to meet a high cost for "pay to play." Although our district, over the course of the last five years has been able to slowly bring back some of these programs, the damage to our student enrollment has been done. From fiscal year 2012 to fiscal year 2014, enrollment dropped by over 130 students; a significant decrease for such a small district.

In the fall of 2013, our voters approved a 1.25 percent earned income tax levy, which comprises 15 percent of our current budget. This income tax remains in place, a subject of anger amongst district property owners who are essentially double taxed. Yet, according to the Governor's proposed formula, we are set to lose another 5% of State funding. If the Governor's budget is passed with the current school funding formula, Hillsdale will lose an additional \$183,000 in 2018 and in 2019. This is in addition to the State funding that Hillsdale lost from the previous biennial budget. These biennial budgets continue to cut funding to rural schools across the State of Ohio as property values remain high, but population decreases. Do rural children not deserve the same access to high quality education as wealthier more populated districts?

In FY 2005, the state funded Hillsdale at 52.5 percent. Now, in FY 2017, the state funds Hillsdale at 35 percent. Interestingly, in FY 2006, 23.4 percent of our students were eligible for free and reduced lunches; now, in FY 2017, 26 percent of our students are eligible. Thus, while the funding burden on our local district has increased by 17 percent over the last twelve years, so has the financial struggle of our district residents. And, although the Ohio Supreme Court has ruled 4 separate times that school funding in our state, with its heavy reliance on property taxes, is unconstitutional, the State continues to further require local property taxes to pay for public education. It is the Assembly's and

the Governor's job to enforce the Ohio Constitution, yet, every two years the DeRolph decision is ignored by both branches. The duty to raise funds continuously falls on the local School Boards, and the property owners of small rural districts are at their breaking point.

It is very difficult to see the Governor's budget as anything less than an attempt to force the consolidation of rural schools, thus dismantling agricultural communities, as well as to force unnecessary burdens on public educators. The Governor continues to push public educators to the point of early retirement, or to deter young people from taking up the noble task to become teachers altogether.

The Governor now seeks to require teachers to take part in a yearly private industry externship? What private industry shall the teachers of Hillsdale take part? Go home to their family farms for the day? This requirement is absurd, creates no benefits to anyone, and must be removed from the budget. Furthermore the Governor asks that local business leaders be appointed as ex-officio school board members. Our District's School Board already has two elected-members in private industry, and I can see no reason how further unelected membership could in any way help or streamline our District. If a local industry leader would like to be a member of a local Board of Education they may by all means run for said office. Should we establish an ex-officio General Assembly to assist you gentlemen in doing the jobs you were elected to do?

At Hillsdale, with very limited resources, we are doing the very best we can to be fiscally responsible yet provide a quality education for our students; however the state, you gentlemen included, continue to move the target. Every year the District is required to submit a financial Five-Year Forecast to the State, however, every two years, the Governor's Biennial Budget cuts funding to our District. It's a moving target that the State puts on districts, with no accountability, as the districts are then forced to ask their property owners to pass more levies. The Five-Year Forecast becomes a useless piece of busy-work as the District's funding allowance is upended every two years.

Furthermore, with the lack of cohesion in standards, over testing or standards of testing, and the district Report Cards, the District is forced to fend off a negative public perception without any guidance or support from the State. A "C" letter grade for a district's Report Card was previously a rating of "effective." You can see, as a parent or as a former student yourself, "effective" seems much more encouraging to a community member, who is continuously being asked to pass levies, than a "C" letter grade; all the while the State fails to provide districts with a database of students' performance growth on standardized tests. What is the point of these standards and testing requirements if the State does not provide analysis for the districts to use to improve scores? We continue to force our students to take standardized tests, with no results or reasoning for the over testing, but these test scores and Report Card grades have an effect on enrollment and funding for rural public schools.

This multi-layered onslaught by the State against rural districts, as the biennial budget continues to cut funding, and the State's deceptive Report Card system, causes a burden to rural districts of Ohio that will result in the dismantling of rural Ohio public education.

There is no government task more important than the development of young people to become active and educated members of society. The State seems to forget this fact all too often.

We respectfully ask that the legislature rectify the injustices of the Governor's assault on rural public education. Hillsdale has produced successful, educated, members of society for nearly 100 years, under one name or another, but without the legislature's support, we will be unable to continue to succeed in our task.

Thank you for the opportunity to speak to you today.