



Interested Party Testimony
House Bill 49: Main Operating Budget FY 2018-2019
Presented by School Choice Ohio
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Chairman Hite, Vice Chair Sykes, and members of the Subcommittee on Primary and Secondary Education, my name is Kaleigh Lemaster, and I am the Executive Director of School Choice Ohio. Thank you for the opportunity to testify today on House Bill 49.

School Choice Ohio (SCO) is the only statewide organization that educates parents on the education options available for their children and advocates for the expansion of quality education options for every Ohio child. We work to empower families to choose the best learning environment for their children – whether it’s traditional public school, private school, charter school, or through virtual or blended learning or homeschooling.

Just a couple weeks ago, our organization stood alongside more than 1,500 parents, students, school leaders and advocates on the Statehouse lawn for the School Choice Rally to celebrate school choice in Ohio and the opportunities it provides families in our state.

SCO provides outreach on Ohio’s five state scholarship programs – the Cleveland Scholarship & Tutoring Program, the EdChoice Scholarship Program, the Income-Based (EdChoice Expansion) Scholarship Program, the Jon Peterson Special Needs Scholarship Program, and the Autism Scholarship Program. These programs are helping thousands of students across Ohio attend the school that is the best fit for their learning needs.

House Bill 49 includes a number of items that impact Ohio’s scholarship programs. In addition to highlighting those areas, I would also like to share some recommendations for your consideration.

Cleveland Scholarship & Tutoring Program

The Cleveland Scholarship & Tutoring Program provides scholarships to students who reside within the boundaries of the Cleveland Metropolitan School District to be used toward tuition at the participating private school of their choice. Scholarship amounts for this program are \$4,250 for students in grades K-8 and \$5,700 for high school students.

The scholarship amounts for this program are less than the scholarship amounts for Ohio's EdChoice Scholarship Program. The EdChoice program provides scholarships for students who are assigned to attend the state's underperforming public schools. Scholarship amounts for the EdChoice program are \$4,650 for students in grades K-8 and \$6,000 for high school students to be used toward tuition at the participating private school of their choice.

SCO recommends that the Cleveland Scholarship amounts be increased to \$4,650 for grades K-8 and \$6,000 for high school to give parity to students in these scholarship programs. It is our understanding that no additional funding would be needed for this change.

Income-Based (EdChoice Expansion) Scholarship Program

Ohio's Income-Based Scholarship Program, also known as EdChoice Expansion, provides scholarships to students whose family income is at or below 200 percent of federal poverty guidelines to be used toward tuition at the participating private school of their choice. The demand for this program is high.

The program, funded through a line-item appropriation, is being phased-in with the addition of one grade each year. Students entering grades K-3 were eligible to apply for the 2016-17 school year. SCO supports the continued phase-in of this program as proposed by House Bill 49, which adds fourth grade in the 2017-18 school year and fifth grade in the 2018-19 school year.

The As Introduced Budget allocated \$38,400,000 to the program in FY18 and \$47,700,000 in FY19, which would provide roughly 2,000 scholarships each year. The House version of the budget reduced funding to the program by 1.5% to \$37,824,000 in FY18 and \$46,984,500 in FY19.

SCO has significant concerns about this proposed reduction in funding and the direct impact it will have on low income families in our state. Based on feedback from the Ohio Department of Education (ODE), this reduction could result in about 145 students each year being turned away from the program.

SCO recommends the funding for the Income-Based (EdChoice Expansion) Scholarship program be restored to the amounts included in the As Introduced budget.

Another provision in House Bill 49 impacting this program is a change to the two required application periods. The first period opens on February 1, and the second opens on July 1.

ODE has asked for the option of cancelling the second application period if all the funds for this program have been used in the first application period. Ideally, SCO would like to see enough funding for this program to award all eligible students who apply. Thousands of Ohio families are counting on this scholarship to provide their child with a quality education that meets his or her needs. We should not deny them that opportunity.

However, because this program is funded with a limited amount of money, we ask for your consideration for an amendment we are working on with the department that will allow them to

cancel the second application period if all the funds in the line-item have been used in the first period. However, we ask that you retain the House provision that sets May 31st as the deadline by which the department must determine if all the funds have been used. If the department cannot make the determination by that deadline, the second window should take place in case there are remaining scholarships available.

EdChoice Scholarship Program

Ohio's EdChoice Scholarship was created in 2005 and offers scholarships to students assigned to the state's underperforming public schools. The scholarships are to be used toward tuition at the participating private school of the family's choice.

Every year, ODE publishes a list of designated public schools whose students are eligible to apply for the scholarship. However, Ohio's safe harbor provision prohibits using state testing data for the 2014-15, 2015-16, or 2016-17 school years for EdChoice eligibility. Despite initial assurances that safe harbor would only last for two years, it was extended in the last budget and continues to prevent the department from updating the EdChoice eligibility list. No new schools will be added and no schools will be removed until the 2019-20 school year.

Ideally, we would like to see our state move away from this performance-based model to a fully means-tested program that gives low and middle-income students in grades K-12 the opportunity to choose the school that best meets their learning needs. We are currently supporting proposals in the Senate and House that would accomplish this student-centric approach, which would empower families with the ability to choose the school that is best for their child and remove the fluctuating eligibility we currently have in place.

But, if the legislature prefers to continue to follow the performance-based model we have now with EdChoice, it is critical that we allow the program to work in the way it was intended and remove EdChoice eligibility as a sanction under safe harbor.

Jon Peterson Scholarship Program

The Jon Peterson Scholarship Program is available for any K-12 student in the state who has an IEP from his or her resident school district. Scholarships are worth up to \$27,000, depending on the child's special education category, and are to be used at the participating school and/or provider of the family's choice.

Currently, statute provides two deadlines to apply for the program. The first is April 15 to receive a scholarship to begin July 1, and the second deadline is November 15 for a scholarship to begin the following January. The House version of the budget includes a change that would eliminate these deadlines and allow families to apply year round for this scholarship.

SCO is supportive of this change as it will allow families to apply for the program as soon as their child receives an IEP at any point in the year.

Conclusion

House Bill 49 provides important support to Ohio's scholarship programs, and the recommendations provided by our organization would further strengthen those programs. Ohio is fortunate to have a variety of quality education options, and it is important that families in all zip codes and of all income levels be empowered to choose the best learning environment to meet the unique needs of their children. School Choice Ohio looks forward to working with you throughout the budget process to ensure that Ohio families continue to be empowered by educational choice.

Thank you for this opportunity to provide testimony on House Bill 49. I will be happy to answer any questions that you may have.