**Ohio Senate Finance Committee**

**Primary and Secondary Education Subcommittee**

**Testimony on H.B. 49**

**May 17, 2017**

*Good afternoon Chairman Hite, Vice Chairman Sykes, and subcommittee members. My name is Beth Lear, and I’m here today to present and read a letter from Ohio charter school supporters as testimony on House Bill 49.*

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Dear Members of the Senate:

Every two years as the General Assembly deliberates over the state biennial budget bill, charter school supporters reach out to House and Senate members in hopes of resolving important policy and financial concerns related to Ohio’s charter schools. This letter addresses two such concerns.

The first is funding.

Everyone agrees that children who live in poverty face unique challenges, and yet public dollars for low-income charter school students remains abysmally low. To make matters worse, charter school students are treated differently than identical students who happen to attend district schools.

It’s difficult to explain to parents who ask, “Why doesn’t my child have access to all the resources provided to traditional public school students? Why is my child treated as a second-class citizen in terms of funding”?

It’s difficult to explain to students who ask, “Why don’t our school buildings have gyms, cafeterias and science labs”? The answer is that the Ohio legislature has chosen repeatedly to provide inadequate funding for charter school buildings.

It’s difficult to explain to teachers who ask, “Why can’t charter schools pay teachers competitive salaries?” The answer is that charter schools receive 40%-60% less per pupil funding than traditional district schools. This funding gap prevents charter schools from attracting and retaining experienced and effective teachers.

This funding disparity between charter school students and district school students is enormous. As the attached table shows, in FY 16 Cleveland City Schools received over $21,000 in per pupil revenue while local charters received more than $10,000 less per pupil. In Youngstown the per pupil funding gap is greater than $15,000. In many urban districts, charter school students receive less than half the per pupil funding enjoyed by the district –at a time when we’re being asked to do even more.

Charter schools educate the same disadvantaged students. In fact, charter schools are on the “front lines” of Ohio’s battle to close the academic achievement gaps that prevent at-risk students from reaching their full potential. And many charter schools are succeeding. Each of the charter schools included on the attached table, for example, outperforms its local district. There are many others that do so as well.

One driver of this funding gap is the State’s “targeted assistance” program, which funds students who face the challenges of living in low wealth communities, including nearly 80,000 students attending brick and mortar charter schools. Over the coming biennium, Ohio is projected to spend $1.9 billion on the Targeted Assistance program.

Currently however, brick and mortar charter school students receive only 25 percent of what identical district students receive. This funding scheme begs the question: “Why are charter school students treated so differently than their district peers?”

With all due respect, how do we explain this unjustifiable funding disparity to the parents and teachers of charter school students?

How would you explain it to them?

And when will the legislature finally end this discrimination?

With full access to Targeted Assistance funding, charter schools would be able to, finally, attract and retain the quality teachers and other licensed professionals that charter school students need and deserve. Having a great teaching staff leads to greater student achievement. Ending teacher turnover would result in a vibrant and successful charter movement that consistently offers families in low performing districts effective and academically superior public school options.

The other issue involves how Ohio’s charter school sponsor performance assessment is being implemented, and its impact on charter schools and the students they serve.

It’s well known that the Ohio Department of Education failed miserably in its implementation of the assessment – completely disregarding stakeholder input, seeking to impose administrative rules retroactively, and adopting a framework that includes provisions characterized by the National Association for Charter School Authorizers as reflecting a “serious misunderstanding of the role of charter school authorizers.”

The Department is following nearly this same track for the upcoming assessments.

Even though H.B. 2 clearly calls for equal weighting of the three components of the sponsor assessment – school academic performance, compliance and quality – ODE continues to penalize sponsors that receive a score of zero in any of the three components by lowering their overall ratings to “ineffective.”

The House did not adequately address this problem, because under their provision a score of zero in the academic performance section still lowers a sponsor’s rating to “ineffective” despite that the overall points earned should result in a rating of

“effective.”

The ODE has decided that school size is an academic performance metric. Sponsors are to now measure out technical assistance, monitoring, and evaluation based upon enrollment. Doing so misunderstands the work of sponsors. Sponsors must follow the tenets of ORC 3314 regardless of the size of the school. Enrollment is not an academic measure.

The House did not adequately address this problem.

Last year, ODE established a participation rate for the Progress component at 50% for drop out recovery schools. As these schools serve students that have already dropped out once, most failed the participation rate and then failed the report card. This year ODE increased the participation rate to 75%. Nearly all the drop out recovery schools will fail the participation rate and may be subject to closure.

The House did not address this problem.

We are asking that the Department seek a recommendation from the ***Community School Drop Out Recovery Study Committee, Superintendent’s Work Group*** as to what the participation rate should be for this type of student.

Charter School experts and stakeholders have been meeting with legislators for several months seeking **not** to roll back H.B. 2, as some claim, but to force the Department to faithfully and professionally implement the Sponsor Evaluation System that you created. We have provided examples, documents, and pointed to the Department’s own testimony as evidence of the issues presented. Unfortunately, few changes have been proposed and fewer accomplished.

Unless the Senate clears up these issues more sponsors will lose their sponsorship authority including the highest performing sponsors. The result is schools will be forced to seek sponsorship from ODE’s Office of School Sponsorship.

Perhaps you know that ODE’s sponsor office received a score of zero in the academic performance component for the 2015-16 school year. It is rated “ineffective,” but it’s not subject to the same penalties as other sponsors. Additionally, this isn’t the first time ODE’s sponsor office has scored poorly. In 2005, the General Assembly stripped sponsoring authority from the Department due to poor performance.

Frankly, this is but one more example of why people lose faith in their government. Government makes a set of rules for itself, and a different set of rules for the rest of us.

ODE, in plain sight, is ignoring this sponsor provision contained in H.B. 2. The result is charter schools will be forced to close, and many students will be forced to return to the public schools they chose to leave in the first place – if they return at all. Many of those schools actually have lower academic performance scores than the charter schools they chose. How is that helping these students and families?

Members of the Subcommittee, we respectfully ask for your resolution of the concerns raised in our letter.

Sincerely,

Beth Lear