



**House Primary and Secondary Education
Proponent testimony HB 549
Presented by Darold Johnson
Ohio Federation of Teachers Director of Legislation,
December 8, 2020**

Chair Jones, Ranking member Robinson and members of the Committee, my name is Darold Johnson, Legislative Director of the Ohio Federation of Teachers (OFT). OFT represents teachers, paraprofessionals, school nurses, higher education staff and faculty, and public employees. We appreciate the opportunity to share our thoughts on HB 549.

We want to thank the sponsors' Representatives Crossman and Manning for introducing the bill. They held several interested parties meeting to get feedback on the bill that allowed all sides to have input.

Ohio's ECOT scandal was the most prominent charter school scandal in the country. We don't need a replication of that event, and the public deserves better. HB549 creates greater public accountability by treating charter schools like traditional public schools.

OFT represents teachers at seven charter schools with three different management companies. We have negotiated contract with these management companies providing OFT a unique perspective when it comes to charter school operations. We support HB 549 because we have seen firsthand how negotiations work cooperatively and with some difficulties. Passage of HB 549 will create a more transparent process whereby all citizens know how charter schools use their public dollars.

We have seen for-profit and nonprofit charter school management companies not disclosed how they use public dollars to teachers, charter school board members, and the public. These corporations don't release the requested information to the charter board or public, claiming it's proprietary information. This is not what is expected of public entities. The public has the right to know how public funds are used.

HB 549 makes charter school operations more transparent. Charter school records would be subject to audits, public records, and applying open meetings laws to

charter operators and sponsors. HB 549 specifies that any document about the delivery of educational services, leases, or any other record regarding the management or operation of a community school kept by the school's sponsor or governing authority or any nonprofit or for-profit entity contract with the school is a public record.

The bill requires for-profit management companies to convert to a nonprofit organization to enter into or renew a contract to operate community schools. It provides that, on or after July 1, 2023, a community school with a for-profit operator no longer qualifies as a public school. The education of children should focus on equity and efficiency, not profit. The bill allows for sufficient time for the transfer to occur.

Also, it specifies that only a nonprofit organization or governing board of an educational service center (ESC) may enter into or renew a contract to be the community school operator after the bill's effective date. Many of the management services provided charters an Education Service Center (ESC) could provide. ESC's are public entities and their services are entirely transparent.

This bill limits a community school operator's profit to not more than 5% of the total payments the community school receives from the state. It establishes a procedure for the use of unspent funds for the next school year or return of them to the community school if the operator's contract is at the end of its term.

HB 549 creates more transparency for charter school operations. OFT supports this bill and urges passage. This concludes my testimony, and I welcome any questions you may have.