



**House Finance Subcommittee on Primary and Secondary Education
Substitute House Bill 110
Ohio School Boards Association
Buckeye Association of School Administrators
Ohio Association of School Business Officials
June 3, 2021**

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the Senate Finance Committee, thank you for the opportunity to present testimony today on House Bill (HB) 110, the biennial budget. I am Katie Johnson with the Ohio Association of School Business Officials. Joining me for this testimony and in answering your questions are Jennifer Hogue with the Ohio School Boards Association and Kevin Miller with the Buckeye Association of School Administrators.

Our organizations represent public school district, career technical education center and educational service center boards of education, superintendents, treasurers/CFOs, business managers and other school business officials from around the state. We would like to begin by noting that our testimony was drafted quickly. As we continue to review and analyze the substitute bill, we may need to follow up with additional requests.

School funding

On behalf of our members, we reiterate our support of the Fair School Funding Plan. As you have heard, this plan was developed by a group of practitioners who worked collaboratively with all stakeholders over a three-year period.

We encourage the Senate to consider incorporating the following key components as part of the omnibus amendment:

- **Distribution:** Providing a method for determining the state and local share of funding based on a sliding scale, including both income and property capacity, which takes into account the size of the local property tax base and the ability of district residents to raise local tax revenue;
- **Economically Disadvantaged Funding:** Providing increased funding for the Disadvantaged Pupil Impact Aid (DPIA), which will allow districts to better meet the needs of economically disadvantaged students;
- **Weighted Categorical Funding:** Providing categorical funding that is weighted so that over time it will grow as the base cost increases; and
- **Funding Studies:** Ensuring the completion of the studies to determine the true cost of educating students with disabilities, economically disadvantaged students and English learners.

We believe that the Fair School Funding Plan is a rational, transparent and fair plan that provides the necessary resources to meet the needs of Ohio's students. **We strongly urge the Senate to join the education community in support of the plan.**

I will now hand things over to Jennifer Hogue with OSBA to continue our testimony.

Transportation

HB 110 also contains many changes with regard to student transportation, a few which are problematic. We are very concerned about the fiscal impact the bill's payment in lieu of transportation (PILOT) changes will have on districts across the state. The current minimum amount for PILOT is set at \$250. Substitute House Bill 110 proposes to change that amount to no less than 50% of "the cost of providing transportation" with a cap of \$2,500. The bill defines "cost of providing transportation" to be the cost of providing transportation in terms of equipment, maintenance, personnel and administration.

In FY17, on average it cost \$3,740 to transport students attending chartered nonpublic schools and \$2,618 to transport community school students. During that same fiscal year, the average cost to transport a student to a district building was \$824. Since districts are only provided a portion of that cost from the state, this change will result in locally levied dollars subsidizing the transportation of private and community school students that have been declared to be impractical to transport under the law.

Pupil transportation has been underfunded for quite some time. The need for transportation service has continued to grow even while funding in this area has been reduced. The House version of the budget proposed several policy and funding changes that would have made great progress toward meeting the transportation needs of students. Given that those changes have been removed from the bill, these changes to PILOT will only serve to increase the burden on an already strained system. **We ask that you remove the proposed PILOT changes from the bill** and take the time to hold a larger policy discussion about the transportation needs of Ohio's students, the resources necessary to meet those needs and how best to efficiently and effectively provide pupil transportation.

Vouchers and community schools

We appreciate that the Senate maintained provisions of the House Substitute Bill that directly fund community schools, STEM schools, and EdChoice, Cleveland, Autism, and Jon Peterson vouchers. However, we have concerns regarding provisions related to vouchers that are included in the bill. These changes dramatically expand the funding provided to chartered nonpublic schools without any accountability for these public funds or the performance of the children these funds are provided to serve. Our concerns include:

- Increasing the maximum EdChoice awards for K-8 to \$5,500 and for 9-12 to \$7,500, from \$4,650 and \$6,000, respectively, which is well above the proposed \$6,110 base cost per pupil amount received for students who choose to attend traditional public schools;
- Reinstating new EdChoice eligibility criteria that were just repealed in November through Senate Bill 89, which include designating students eligible for a voucher despite never attending a public school;
- Expanding eligibility for the Cleveland voucher program beyond its current geographical boundaries; and
- Requiring school districts to continue to shoulder more of the increasing costs of transporting chartered nonpublic and community school students, while operating on limited transportation budgets, as previously noted.

While we recognize that these vouchers will be funded directly to the nonpublic school, we are concerned that the growing number of vouchers and their accompanying increases in costs will impact future budgets, tying the hands for future General Assemblies and limiting their ability to properly meet the needs of public school students.

The substitute bill also expands the creation of community schools by removing the requirement that new schools be located in a challenged school district, a poorly performing school district, or a school district in the original community school pilot project area. These are large policy changes that significantly impact the education landscape. This type of change warrants standalone legislation that will provide

ample opportunity for public debate and discussion, not a quick budget amendment without adequate opportunity for public input.

I will now hand the testimony over to Kevin Miller with BASA to conclude our testimony.

Academic distress commissions

Sub. HB 110 establishes a process by which a school district subject to an academic distress commission (ADC) can be relieved from the oversight of its ADC. The process requires the district to develop and implement a three-year academic improvement plan and submit annual reports on its progress toward benchmarks. If the district meets the majority of the plan's benchmarks at the end of the evaluation period as determined by the State Board of Education, the ADC is dissolved. Currently, this process applies only to the Lorain City School District. **We ask the Senate to revise the substitute bill to include Youngstown City Schools and East Cleveland City Schools.**

Definition of unused school facility

The Senate's substitute budget bill adds to the definition of an "unused school facility" in the law governing a district's involuntary sale of such facilities. Substitute HB 110 adds language that includes any school building that has been used for direct academic instruction but less than 60% of the building was used for that purpose in the preceding school year. This is especially troublesome given the fact that many districts used hybrid or remote learning to keep students safe during the pandemic and could meet this definition.

This opens the door to boards of education being forced to offer district buildings for sale or lease to community, STEM, or college-preparatory boarding schools located in the district's territory. These school facilities are funded by district taxpayers and are being used for academic instruction. **We ask the Senate to remove the expansion of the definition of unused school facilities from the budget bill.**

F-1 visa

The Senate's budget bill also removes provisions included in the House version of HB 110 that would have reinstated a limit on the participation of F-1 visa students in interscholastic athletics to only those who attend a school that begin operating a dormitory on its campus prior to 2014. A school district must be SEVIS certified by the Department of Homeland Security in order to issue an I-20 to a foreign student, leading to an F-1 visa. F-1 visa students are not exchange students, but students who pay full tuition. Very few public schools are SEVIS certified—there is no need for them to have this certification, but a majority of private schools—especially those with dormitories—are SEVIS certified because they seek to recruit foreign students who pay full tuition. This creates an unequal playing field when it comes to sports between SEVIS-certified chartered non-public schools and public schools which are typically not SEVIS certified. **Our organizations advocate for the re-insertion of the F-1 visa limitation as included in the House's version of the budget bill.**

Additional concerns

Our previous testimony on HB 110 shared components of the budget bill that were of concern to our members. Attached to our testimony is a document outlining those outstanding concerns.

Chair Dolan and members of the Senate Finance Committee, thank you for the opportunity to provide testimony today on substitute HB 110. We are glad to answer any questions you may have.

Continued Areas of Concern

Transportation

HB 110 also contains many changes with regard to student transportation, several of which are problematic. Rather than implement these drastic changes, we urge the committee to instead remove the transportation provisions from the bill and replace them with the transportation provisions that are included in HB 1, the Fair School Funding Plan. We offer the following suggestions should the subcommittee be inclined to keep the provisions in the bill rather than replace them with the language in HB 1.

The bill would require that students with late enrollment in community or private schools be scheduled on a bus within 14 days. Not all districts can make this deadline. If a new student does not live along an existing route, a route has to be modified and the other students riding that bus will have to be given notice of stop and time changes. An additional problem is that when notice is given during the month of August, transportation offices are at the busiest point of their year. It is not always possible to drop everything to give priority to a late enrollment. We suggest that rather than 14 days, the language state that transportation assignment should occur as soon as possible.

HB 110 would also restrict the use of public transit. This change will remove a resource that has been available for public schools since school transportation was first mandated. While in a perfect world, we would like all students to have access to yellow school buses, there are simply not enough yellow school buses or drivers available to absorb all of the students that currently ride public transit. If this change occurs, school districts will have to divert yellow buses currently used to transport high school students and K-8 students who live less than two miles from school to instead serve students currently riding public transit. This will result in a net loss of transportation service for many students and their families.

New language in HB 110 would also change the deadline for community schools to notify districts that they intend to transport their students to August 1. This is very late in the process for the notification to occur. Many districts begin their work in March to determine routing decisions as well as staffing and bus inventory needs. The current deadline is January 1. If a date change needs to occur, a more reasonable selection would be March 1 to coincide with the district's preparations for the next school year.

Computer science education

We also appreciate Governor DeWine's foresight to provide opportunities for students in computer science education. However, without appropriate funding, it will be difficult for districts to create new programming while meeting the staffing requirements for these courses. We urge the committee to remove the provisions related to computer science from the bill, and instead introduce separate stand-alone legislation that can be crafted with input from stakeholders while providing the resources necessary to implement programs and courses that will serve students well.

Graduation requirements

The bill also includes several changes to Ohio's graduation requirements. We again ask that these provisions be removed and considered separately from the budget. This will allow for a robust discussion on the impact of these changes, especially since provisions in the bill would create separate graduation requirements for different types of schools.

Resources for dyslexia resources

HB 110 retools the state's diagnostic assessments in reading for grades K-3 so that they can be used as a screener for students with dyslexia. This will help districts with the costs associated with implementing Tier I screening requirements from HB 436 of the 133rd General Assembly. However, we remain concerned about the resources needed to provide Tier 2 screening tools, to implement new multi-sensory structured literacy programs, to certify teachers in those programs, to provide meaningful professional development for all teachers, K through 12, and to implement necessary interventions for

students identified as having dyslexia. We ask that you consider providing additional dollars to cover the costs associated with implementing HB 436.