Ohio Excels

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House Finance Committee

Testimony on House Bill 33

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Chair Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the House Finance Committee, my name is Lisa Gray, and I am the President of Ohio Excels. Ohio Excels is a non-partisan, non-profit organization created by leaders of Ohio's business community to engage the business community more consistently and deeply in efforts to help improve educational outcomes for all Ohio students. Our focus includes early childhood, K-12, and postsecondary education. And in support of that mission, we are committed to working with the broader business community, policymakers, educators, and other community leaders to support our students, educators, and schools.

Ohio Excels and our business partners believe the Governor's proposal is an exceptionally strong start to the state budget process. It includes policies that address the most pressing issues and target the most impactful strategies for helping students graduate ready to succeed and making higher education more affordable and accessible. Since my time is limited and we have a lot to share, I have appended our full list of priorities to this testimony. I hope you will take a look at these. I am going to focus my testimony today on areas where we think improvements can be made.

Early Childhood Education Eligibility
We believe that the state should make high-quality early childhood education opportunities available for more children and their families, especially for students who are economically disadvantaged. These opportunities will give students a strong foundation for learning and allow parents to return to the workforce. A recent Groundwork poll found that 68% of Ohio moms with children under five who do not currently work full time say they would go back to work if they had access to high quality and affordable childcare. It also found that 80% of Ohioans believe the state should increase funding for childcare. While HB 33 does increase the income threshold for publicly funded early childhood education opportunities from 142% of the federal poverty level to 160%, we believe it should expand to include more children and families. **We believe the income threshold for publicly funded early childhood education opportunities should rise to 200%,** which is $53,000 for a family of four.

Literacy

We are excited early literacy is a priority for the Governor and his budget proposal and believe that nothing is more important than helping our children to become strong readers. The proposals to align materials to the science of reading, provide professional development and stipends for educators, and support literacy coaches for low-performing schools will help many more students read at grade level. While we support this historical investment, we also believe it is important to make sure our teacher candidates are properly prepared in the science of reading. The proposed budget currently requires the Chancellor to review all educator preparation programs for the literacy curriculum they use to train potential educators. However, we think the budget should go further. **There should be a requirement that (1) all teacher preparation programs align their literacy instruction with science of reading strategies, (2) and program approvals be contingent upon preparation programs demonstrating strong alignment.** New teachers should not have to be retrained by our K-12 schools because the college education they paid for does not adequately prepare them to successfully teach all our students to read.

Charter School Funding

We support the continued implementation of years three and four of the Fair Funding school funding formula as proposed by the Governor. We also support the additional per pupil funding for high-quality charter schools and the increase in the facilities funding for all brick-and-mortar charter schools. However, even with those changes, the average public charter school receives approximately 25% less per pupil in overall public funding than comparable school districts. The ability of districts to raise revenue from local taxes puts charters at a disadvantage in recruiting and retaining effective educators and offering enrichment opportunities for students. **We believe that all brick-and-mortar charter schools should receive an additional $1,000 per pupil equity supplement to help close this gap and improve educational opportunities for the children whose families choose these schools.**

FAFSA Graduation Requirement

Our state's future success hinges on more Ohioans earning high-value credentials and postsecondary degrees. The budget makes important investments in making all types of higher education – technical training, two-year colleges, and four-year universities – more affordable for students. The first step for all of these education options is completing the FAFSA, a form that students opt-in to completing. The budget changes the FAFSA from an opt-in to an out-out by establishing the FAFSA as a graduation requirement. It is important to note that the requirement comes with an opt-out provision that any parent or administrator can use, so no student will actually be denied a diploma. However, this will help Ohio students capture some of the [$108 million in federal assistance](#) being left on the table just because students did not complete the FAFSA. Yet in order to make this initiative successful, our school counselors and community organizations need additional support. **We believe the budget should include a grant program that – in coordination with the state-level efforts of ApplyOhio – provides funding to local and regional organizations to support school counselors, engage families, host events, and work to ensure more students complete the FAFSA.**

Regional Partnerships

Ohio currently has Regional Education Partnerships covering 20 counties working to successfully drive educational attainment for our children and families. These collective impact initiatives involve a variety of community stakeholders – such as educators, employers, community organizations, and philanthropies – who collaboratively work together to achieve agreed-upon metrics in their communities across the education continuum from early childhood through workforce. These partnerships have made significant progress in establishing themselves by piloting and expanding work to impact student success, career awareness, graduation readiness, and transitions to postsecondary education and training. Financial support was provided in the last General Assembly through HB 169, but it was not included in this budget. **We believe that the state should support these current partnerships and support new ones to operate in unserved areas of Ohio. We respectfully request an investment of $5 million dollars in the biennial budget to support this critical work.**

As I mentioned earlier, I encourage you to review the other proposals Ohio Excels and our business partners support in HB 33. Thank you for your time today, and I would be happy to answer any questions you might have.

Ohio Excels State Budget Policy Priorities

Ohio Excels believes the Governor's proposal is an exceptionally strong start to the state budget process. It includes policies that address the most pressing issues and target the most impactful strategies for helping students graduate ready to succeed in the workforce and close the skills gap for employers. This brief outlines the proposals from the As-Introduced version of the state budget that Ohio Excels supports. Amendments to the budget are noted in **blue**.

Early Childhood Education: Expanding Access and Quality

- *Early Childhood Education Eligibility:* Increases the income threshold for publicly funded early childhood education opportunities from 142% of the federal poverty level to 160%.
    - o **Amendment Request: Ohio Excels believes the income threshold for publicly funded early childhood education opportunities should rise to 200%, which is $53,000 for a family of four.**
- *Preschool Expansion:* Includes an additional $46 million per year in Early Childhood Education grants, estimated to expand preschool for an additional 11,525 children under 200% of the federal poverty level.
- *Child Care Capacity:* Allocates $150 million of state ARPA funds to provide childcare scholarships and to increase infant and toddler childcare capacity – a critical need – among communities throughout the state.
- *Department of Children and Youth:* Creates the new Department of Children and Youth that will promote efficient and effective delivery of services to Ohio's more than 2.5 million children and their families.

K-12 Education: Accelerating, Funding, and Diversifying Learning Opportunities

- *High-Quality Instructional Materials:* Requires the Ohio Department of Education to identify high-quality instructional materials aligned to the science of reading, bans the discredited instructional strategy called three cueing, and creates a new fund of $64M in FY 2024 to help schools update their materials.
- *Literacy Professional Development:* Allocates $43M a year to support new professional development rooted in effective literacy instruction for all teachers and administrators, a stipend for teachers that complete the training, and the development of free courses by the Ohio Department of Education.
- *Literacy Coaches:* Funds up to 100 literacy coaches for schools and districts with the lowest reading proficiency rates using $18M over the biennium to help educators implement effective strategies.
- *Student Tutoring:* Provides $15M a year to support math and literacy tutors for students.
- *Educator Preparation Programs:* Requires the Chancellor to review all educator preparation programs for the curriculum they use to train potential educators how to effectively teach reading to all students.
    - o **Amendment Request: Ohio Excels believes there should be a requirement that all teacher preparation programs align with science of reading strategies and that the Ohio Department of Higher Education should have a robust verification process when approving programs.**
- *Public School Funding:* Continue the phase in of the Cupp-Patterson school funding formula created during the last budget with about $557M in additional funds over the biennium but no changes to the formula itself.

- *Charter School Funding:* Increases the per pupil awards to high-quality charter schools to $2,250 and up to $3,000 for economically disadvantaged students and increases facilities funding for all brick-and-mortar schools to $1,000 per pupil.
    - o **Amendment Request: Ohio's public charter schools receive approximately 25% to 35% less per pupil in overall public funding than comparable school districts. Ohio Excels believes that all brick-and-mortar charter schools should receive an additional $1,000 per pupil equity supplement to help close this gap and to improve performance.**

- *EdChoice Scholarship:* Increases the eligibility for the EdChoice voucher program from 250% to 400% of the federal poverty level.

Higher Education: Increasing Accessability, Affordability and Completion

- *FAFSA Graduation Requirement:* Creates a FAFSA graduation requirement for high school students, with an opt-out provision any parent or administrator can use. This changes the FAFSA from the current opt-in to an opt-out.
    - o **Amendment Request: Ohio Excels believes the budget should include a grant program to supplement the state-level efforts of ApplyOhio for local and regional organizations to support school counselors, engage families, host events, and work to ensure more students complete the FAFSA.**

- *Ohio College Opportunity Grant (OCOG):* Increases the eligibility threshold for students from families with an income of up to $87K and nearly doubles the award amounts for each student to $6,000 per year for some students by the end of the biennium, making Ohio's financial aid competitive with neighboring states.

- *Ohio College Access Grant (OCAG):* Creates a new need-based aid program with $41M over the biennium that will give up to $1,000 to students attending two-year institutions, community colleges or technical centers, and regional campuses.

- *Merit Scholarship:* Creates a new merit-based scholarship that provides students finishing in the top 5% of their school's graduating class an additional $5K a year if they attend any Ohio college or university.

- *Maintenance of Effort:* Creates a requirement that higher education institutions do not increase tuition and fees to match the additional state support provided to students.

- *Access Challenge:* Creates a new fund of $40M in each year that will support non-academic needs of higher education students in public two- and four-year insitutions, including advising, counseling, success coaching, bridge programs, and wraparound services.

- *ApplyOhio:* Creates an office that will help coordinate efforts to make postsecondary education more affordable and accessible for adults without a diploma, recent high school graduates, former students, and veterans.

- *WorkFORCE Ohio:* Creates a $30M a year program to provide challenge grants to colleges and universities to build or expand programs that address critical education and training needs required by economic development wins.

- *Second Chance Grant Program:* Continues the program which allows students that disenrolled from college to receive state aid if they return to any higher education institution, supported with $2M in funding each year.

- *College Credit Plus Credentialling:* Allocates $7.5M each year to support more high school teachers earning the required credentials to teach College Credit Plus courses in their high schools.

Career Pathways & Partnerships: Preparing & Connecting Talent to the Workforce

- *Computer Science Promise Program:* Requires that all Ohio students in grades 7-12 have access to at least one computer science course a year and includes funding to reimburse districts that offer an approved online course.

- *Teach CS:* Creates a new grant program to fund coursework, materials, and exams to help more existing teachers and industry professionals earn the credentialling they need to teach computer science.

- *Work-Based Learning Incentive Program:* Creates a new fund of $10M each year for $1,000 payments to each school that helps a K-12 student complete 250 hours of a work-based learning experience such as an internship.

- *Innovative Workforce Incentive Program:* Continues a program that rewards districts and schools with a payment of $1,250 for each student that earns a qualifying, in-demand industry credential.

- *Credential Reimbursement:* Continues a program that reimburses the cost of K-12 students earning a credential, such as a testing fee.

- *TechCred:* Continues the employer-driven, short-term, and technology-focused credential program with $25.2M in each year.

- *Individual Micro-credential Assistance Program (IMAP):* Increases the funding to reimburse training providers for the short-term credentialing from $3.5M to $7M each year.

- *Business Advisory Council Recognition Initiative:* Allocates $6M over the biennium to provide incentive payments of up to $50,000 each year to K-12 business advisory councils that achieve a "high quality" designation.

- **Amendment Request: Ohio Excels believes the state should continue the Regional Education Partnership grant program at the Ohio Department of Education to support partnerships that span early childhood through higher education, all with the goal of increasing educational attainment in their region, with $5M in each year of the biennium.**

- *Industry Sector Partnerships:* Increases the total funding for these regional workforce collaborative grants from $2.5M to $7.5M a year.

- *In-Demand Career-Tech Programs:* Allocates $50M each year to launch new in-demand career-tech programs and industry-recognized credential programs in career technical centers and traditional high schools.

- *Career-Technical Construction Grant:* Provides $200M in FY 2024 to support facility costs to help address wait lists for career-technical education programs and that lack programs for critically needed occupations.

- *Super RAPIDS:* Allocates $200M in FY 2024 for grants to higher education insitutions to support new construction and equipment purchases for higher education and training programs aligned to local workforce needs.