



## Testimony on Substitute Senate Bill 295

Thank you, Chair Brenner, Vice Chair O'Brien, Ranking Member Ingram, and Senate Education Committee members for giving me the opportunity to provide testimony today on Sub SB 295.

My name is Chad Aldis, and I am the Vice President for Ohio Policy at the Thomas B. Fordham Institute. The Fordham Institute is an education-focused nonprofit that conducts research, analysis, and policy advocacy with offices in Columbus, Dayton, and Washington, D.C. Given the subject matter of my testimony today, I also want to note that our Dayton office is a charter school sponsor. (This testimony will use the more common phrasing of "charter school" to refer to what in Ohio law is called a "community school".)

Today's testimony is based on Substitute SB 295 and couldn't include any potential amendments that this committee has or will adopt.

Fordham plays an interesting role in the charter school ecosystem. We are proudly both an advocate for charter schools but also fiercely committed to the principle that all schools—including charter schools—be accountable for their academic performance. For that reason, we are opposed to the current language in Substitute Senate Bill 295.

Before explaining our concerns with the current bill language, I want to start with some things that the bill gets right. Charter schools have long had a provision in law requiring a school to be closed after three years of very low academic performance. There is a similar measure in law for traditional public schools, but there isn't any evidence that it is enforced. This legislation would set the same standard for closure and/or intervention for both traditional and public charter schools. That's a good thing. At some point, after years of low performance, the state has a moral obligation to push districts to improve schools.

Importantly, the identification measure proposed is an improvement over existing law and includes both achievement (Performance Index) and growth (Value-Added) components. Any school, traditional public or public charter, identified would be both very low performing and have very low levels of academic growth for three consecutive years. The law also proposes a host of thoughtful, potential interventions—including but not limited to closure—for low performing district schools. This is a necessity as there are situations where a district school simply cannot close because it's the only school in the district serving certain grade levels, and there is a constitutional responsibility to ensure that every student has access to a public school.

The substitute bill, in our view, gets those things right, and the chair deserves credit for tackling those issues. And yet, this is opponent testimony. Most of the areas of concern stem from the principle that public charter schools are and were designed to be different than district schools.

From the beginning of the charter school movement, advocates—including Fordham—have said that charters should be given more autonomy and freedom from regulation in exchange for accountability for results. We continue to believe that this exchange—autonomy for accountability—has the greatest potential to produce improved student learning outcomes. Across the nation, this model has allowed

many high-performing charter networks to thrive and has driven achievement gains, particularly among low-income students.

While Ohio initially struggled with charter accountability, the state began to take this side of the bargain more seriously with the passage of an automatic charter-closure law in 2006 and the charter reforms of 2015, which put more pressure on charter-school sponsors to authorize quality schools. These accountability mechanisms have driven significant improvement in Ohio's charter sector. Just prior to the pandemic, Fordham published a rigorous study using student-level data finding that brick and mortar charters, on average, outperformed local district schools in math and reading.<sup>1</sup> Post-pandemic, we've continued to see evidence that site-based charters outperform district schools.<sup>2</sup>

We believe that substitute SB 295 would weaken charter accountability by giving chronically low-performing schools a free pass from the state's automatic closure law. Instead of being forced to close, low-performers would be allowed to stay in operation, though required to follow some restructuring protocols. This shouldn't be an option for poor-performing charter schools. Unlike closing district-run schools, a charter school closure does not put at-risk the state's constitutional responsibility to make a public school available for students anywhere in the state. Charter schools are options for families—and in many cases, extremely valuable ones—but the state does not have a duty to keep a low-performing charter school open. In fact, the state's responsibility here is to remove a poor-performing public school alternative that is not serving children well.

While we believe there is merit to revisiting the identification criteria for poor performance, it's worth noting that under current automatic closure law, just 14 charters (out of about 320) met the low performing criteria in either 2022-23 or 2023-24.<sup>3</sup> The schools on this list are having considerable challenges serving students academically, as indicated by their 1-star Achievement ratings last year<sup>4</sup> (meaning their students score far below the state average) and indicators that students are not making sufficient progress (low Progress and Gap Closing ratings). While none of these schools have actually been forced to close—that takes three consecutive years—the current system seems to be working as intended. It's supposed to be a fail-safe that ensures closure, in what should be relatively rare cases when a school's sponsor is unwilling to close a low-performing school. These numbers also track with how the automatic closure law worked in the past: Historically, about 4 charters closed per year when the automatic closure law was in effect.

As currently drafted, we have serious concerns about how the bill handles charter accountability. It can however be improved in ways that preserve and strengthen charter accountability mechanism. We recommend the following be added to the bill.

1. Do not allow for a “restart” of the clock for charters that have met current closure provisions, as the substitute bill does. Any change in the performance criteria should apply prospectively, but it must not wipe out one or two years of poor performance. Those years mattered to the students who attended

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<sup>1</sup> <https://fordhaminstitute.org/ohio/research/impact-ohio-charter-schools-student-outcomes-2016-19>.

<sup>2</sup> <https://fordhaminstitute.org/ohio/research/ohio-charter-schools-after-pandemic-are-their-students-still-learning-more-they-would>.

<sup>3</sup> 6 of the 14 schools met the low-performing criteria in both years, and would be compelled to close if they meet them in 2024-25. <https://education.ohio.gov/getattachment/Topics/Community-Schools/Sections/Schools/At-Risk-for-Closure-List-FY25.pdf.aspx?lang=en-US>.

<sup>4</sup> 2 of the 14 schools did not have an Achievement rating (1 dropout recovery and 1 K-3 school).

these schools, and the state shouldn't pretend like their lack of progress didn't happen. Any new identification criteria should acknowledge that schools on the current closure list have been struggling.

2. If a restructuring option is made available to charter schools, the following provisions should be added:

a. Require permanent closure, if a school identified for restructuring continues to meet the low-performing criteria three years after being so identified. Chronically low-performing charters should not be allowed to be in perpetual school-improvement status; at some point, the state needs to step in and close the school.

b. Base charter school sponsor evaluations half on academic performance. As noted above, the state's automatic closure law should be a last resort. Sponsors are the entities that should actually be closing low-performing schools. However, since the 2015 charter reforms, the state has chipped away at charter sponsor accountability by allowing for an effective rating—through the paperwork-driven components of the evaluation system (quality practices and compliance elements)—even if the sponsor's school portfolio are delivering very poor academic results. If there has to be some type a weakening of automatic closure, the state must at the same time restore and strengthen accountability for charter sponsors. This can be done by increasing the weight of the academic portion of their evaluation to 50% (up from 33% currently). The higher weight on academics would create a stronger incentive for sponsors to close low-performing schools in their portfolio.

The state's automatic closure law and sponsor evaluations are key accountability mechanisms that ensure that the charter sector is fulfilling its promise of autonomy for accountability—and more importantly, fulfilling its promise of a high-quality education to Ohio families and students. While there are some positives in the substitute bill, as drafted, it would roll back charter accountability. In fact, it would put the sector at risk of returning to the pre-House Bill 2 charter landscape. The sector has improved greatly under a stronger accountability framework, and now is not the time to return to low expectations for Ohio's charter schools.

I'm happy to answer any questions that you may have.