

Ohio Senate Finance Committee
Substitute H.B. 33
Proponent Testimony
Anthony J. Calderone, Superintendent, LaBrae Local Schools
May 31, 2023

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, and esteemed members of the Senate Finance Committee, my name is A.J. Calderone, Superintendent of LaBrae Local Schools, and I am grateful to the committee for the opportunity to offer my written proponent testimony for Substitute H.B. 33.

In my 30 years as a public educator, which includes 18 as an administrator, I have never been more hopeful about the state of public school funding in Ohio. Monumental progress was made in the 134th General Assembly with the authorization and implementation of the Fair School Funding Plan. I am appreciative of all members of that General Assembly for their historical support to move Ohio toward a more thorough and efficient system of common schools. Despite this groundbreaking progress, I think we all can agree there is more work to be done, and this General Assembly will play just as a significant role as the last in ensuring Ohio's public schools are well funded and well resourced.

LaBrae Local Schools is a district that has a student economically disadvantaged rate of 52%. One mill of taxation in LaBrae generates roughly \$123,741 of revenue. All of our local revenue is generated on total operating millage of 47.3 mills against property valuation that ranks LaBrae 523rd out of 620 public schools in the state. Like many in our region, we've seen our industrial tax base practically evaporate. It has been 32 years since LaBrae last requested new operating revenue from our community. Moreover, LaBrae Schools is the epitome of fiscal responsibility, having never been placed in fiscal emergency during its 53-year history. We are always mindful of balancing resources to the wants and needs of students. Suffice is to say that our ability to thrive is dependent upon prudent fiscal management. Thus, a local economic climate that is hopeful of a resurgence, and limited capacity to effectively raise local revenue, makes our district extremely dependent on Ohio's commitment to adequately fund public education.

I offer this narrative of our district to underscore the importance of the Fair School Funding Plan, and most importantly, the need for this legislature to remain committed to enhancing and funding the Plan. Thus, I am requesting the legislature to be steadfast in increasing the general phase-in, and the phase-in of the disadvantaged pupil impact aid, to 50% in FY2024, and further increase the phase-in percentage to 66.7% in FY2025.

Furthermore, Ohio is in exceptional fiscal shape. We have the resources to significantly increase our investment in students. I ask the Senate to pass a budget bill that keeps the FY2022 base cost input data in Substitute H.B. 33. Much has transpired in the last three years, and all private and public entities are facing inflationary pressures associated with the cost of doing business. Using antiquated data to determine the value of base cost inputs cannot be justified when Ohio has the resources to fund input levels that more accurately reflect the true cost of educating a typical child. Remaining on the scheduled phase-in for all of the core inputs will allow the formula to

begin to operate more naturally moving forward, and doing so, provides school district leaders with a trajectory that is predictable and facilitates effective planning.

The House included a 33% increase to the Ohio base teacher salary in the budget bill presented to the Senate. This sizeable increase is problematic for LaBrae Local Schools as our base teacher salary is below \$40,000, as are most of the districts in our county. For LaBrae to meet this requirement if enacted means granting a 10.43% raise to the base salary of our locally negotiated salary schedule. Such an increase impacts the entire salary schedule as all other salaries are indexed to the base. The fiscal impact is an increase in expenditures of \$986,667 over the next two years, which negates LaBrae's projected foundation funding increases presently in Substitute H.B. 33. This dramatic increase would require practically all new projected funding to pay for increased costs for classroom instruction with very little leftover for other needs such as literacy resources, general classroom instructional materials, and increased costs in purchased services and goods due to inflationary trends.

While I am wholly supportive of increasing the base teacher salary schedule, I believe the budgetary pressures on Ohio's tax revenue across all departments will make it difficult to continue the proper phase-in of the Fair Funding Plan and adequately fund the 33% increase to the teacher salary schedule. Subsequently, I ask the Senate to take a more measured approach and increase the base teacher salary by 5% in each year of the biennium. A gradual increase in the base salary allows districts to adapt to the change and manage increases within the confines of their locally negotiated agreements and present resources.

Furthermore, one extremely important funding component that often times is lost on policy makers is the high cost of educating students with disabilities. Low incident/high cost special education expenses have been woefully underfunded for many years. It is important for Ohio to enhance the funding for special education, and special education transportation, so districts can adequately provide rewarding learning environments for disadvantaged learners. Special education funding has not kept pace with educational needs and associated costs, and districts need a greater commitment from Ohio to better meet the needs of our students. Thus, I ask the Senate to support the increased financial commitment to funding special education as presented in Substitute H.B. 33.

Further, the bus purchasing program has been instrumental in helping Ohio districts offset the costs of purchasing new buses. The cost to purchase a new bus for LaBrae increased 10% from 2020 to 2022. Currently, the cost to purchase a new bus easily exceeds \$100,000. Purchasing new buses can be cost prohibitive for many districts, and the continuation of a scalable purchasing assistance plan from the State is an imperative to ensure school districts are able to make the regular investment in their fleet. I ask this committee to keep the bus purchasing program the House included in this budget bill.

Lastly, it would be remiss of me to testify and not address the proposals for a backpack scholarship program. At some point in the budget making process there will be an effort to incorporate S.B. 11 into Substitute H.B. 33, and I ask legislators to resist this effort. It is important for all Ohioans to remember that nearly 90% of school aged children attend public schools. Moving Ohio to a universal voucher system of funding, whether through direct payments to

private and parochial schools, or through educational savings accounts, jeopardizes the ability to adequately make the aforementioned investments.

There are some who claim the cost of a backpack scholarship program will not be as expensive as the price tag placed upon it by the Legislative Services Commission. Let recent voucher expansion in other states serve as a testament to the legislature. In Arizona, a state with a universal program, 80% of students on a voucher have never attended public schools. Similar scenarios are true in Wisconsin and New Hampshire. Do backpack scholarship proponents really believe that the uptake rate will be as low as they project? That a majority of parents currently funding a private education are going to reject a taxpayer funded voucher? An understanding of human nature tells us the uptake rate will be high and the cost significant. Funding a universal backpack program is not fiscally conservative, in fact, it would be a policy that is fiscally irresponsible, jeopardizes taxpayers, and jeopardizes our ability to make continued investments in public education.

Lest anyone think that public schools are afraid of the competition, I remind them that public schools have been competing against each other since 1989 when Ohio adopted open enrollment. If the intent of this legislature is to make universal vouchers law, then it is crucial, as in any competitive environment, to ensure the rules are identical for both parties. The General Assembly needs to level the competitive playing field by ensuring private schools are subject to the same level of regulatory compliance, enrollment requirements, and operating standards as public schools. Without ensuring parallel standards, legislators are creating a de facto protected class and using public dollars to fund those institutions without providing taxpayers any transparency or accountability. Please know that public education, and our dedicated educators, are not afraid of competition. In fact, we welcome it, but it is not competition if we are not operating under the same regulations.

In closing, I thank you for your consideration of the aforementioned, and I ask you to lead us in strengthening public education in Ohio. I thank you for your service to Ohio, and I thank you for the opportunity to offer written testimony in support of Substitute H.B. 33.