



HB 33 – State Budget Bill (2023) Testimony

Before the Senate Finance Committee

Belpre City Schools, Washington County
Jeffrey S. Greenley, Superintendent

May 31, 2023

Good Morning Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, and Members of the Senate Finance Committee. Thank you for the opportunity to present testimony today on House Bill (HB) 33. My name is Jeffrey Greenley and I currently serve as Superintendent of Belpre City School District. I am submitting this testimony in my official capacity as Superintendent as well as on behalf of the Belpre City School District Board of Education. Belpre City Schools serves approximately 985 students in Washington County Ohio and is nestled along a particularly beautiful bend of the Ohio River just across from Parkersburg, WV. Our district is considered high poverty with an elementary school that fluctuates year to year around 60% of students in high poverty.

It is my pleasure today to offer testimony in support of HB 33, the State Budget Bill, as championed by Rep. Jay Edwards. I come today to offer testimony regarding three portions of the budget bill that is currently under debate. First, I will discuss the need for the Fair School Funding Plan to be continued in this budget with the FY 2022 base cost inputs as included by

the House. Second, I will discuss the critical need for the Ohio Appalachian Accelerated Bill to be continued in this budget as included by the House. Finally, I will conclude my remarks with some philosophical concerns around the proposed expansion of vouchers and the potential impact it could have on public schools across the state.

We last testified before this body during deliberations on HB 110 – the 2021 budget bill. At the time, and at the risk of beating a dead horse, we reminded you of the catastrophic impact that Belpre City was dealt with the phase out of the formerly locally generated Tangible Personal Property taxes that at one time made up about 40% of our district’s budget. In a nut shell, Belpre City Schools lost over \$28 million in badly needed revenue from the elimination of the TPP despite the legislature’s assurance that 70% of the then created Commercial Activity Tax (“CAT tax”) would be allocated to education. As many of you are aware, not one penny of that money has been directly allocated towards education or received by Belpre City Schools. At the same time, the valuation of a large plant in our attendance area increases our valuation in the funding formula’s eyes without providing the amount of taxation such a plant should generate given its “depreciation.”

Given this reality, as fiduciaries of the institution, the Board, Treasurer and I have taken our obligation to ensure that we have the necessary funds to meet our needs very seriously. By statute the district has two mechanisms to ensure that it has the necessary dollars to support its expenses: pass a levy or institute a reduction in force. Belpre City Schools has had historic difficulty in passing levies (more on this later). In May 2018 the taxpayers of Belpre City supported the district in passing a new levy to generate \$1.5 million per year in badly needed

funds; funds which did not add to our offerings but just ensured we could provide just the bare minimum in terms of teachers and programming for our students. Despite that success, Belpre City Schools was still projected to need new operating dollars just a few years after its May 2018 five-year forecast projection. The district did the responsible and prudent thing that lawmakers would have it do: it contacted the Ohio Auditor of State's office and invited it in to do a performance audit to identify potential cost savings. After reviewing the results, Belpre City School District Board of Education passed a reduction in force in May 2019 that saved the district approximately \$650,000 per year. We have had two additional periods of RIF or position abolishment, one in June 2020 and more recently in May 2023, to make sure we control costs and be good stewards of our funds.

We are so grateful that the Fair Funding Plan was placed in the last budget, and are even more encouraged to see that both the gubernatorial and House versions of the budget bill included another two-years of phase-in. Our district funding has seen a badly needed increase in per-pupil funding. This has allowed us to hire additional teachers, mental health and administrative staff to support our teachers and improve our operations. It has also increased the time before we need to go back to our local tax base for additional operating dollars. However, if our district is going to maintain operations at our current level, especially with the ESSER/ARP funds expiring in the near future, we must see further implementation of Fair Funding which includes FY 2022 cost sets. Without it, we would lose the small amount of ground we have gained in terms of student support, and would have to ask our tax base for additional operating funds.

Which leads me to my next issue, the Ohio Accelerated Appalachian School Building Accelerated Bill. From a facility stand point, we are at a critical juncture in our district's history. Our oldest building, the Lawton Building, was built in 1928 – the year sliced bread was invented. Our newest building was completed in 1969 – the year Neil Armstrong landed on the moon. The Board asked its community seven times since 1997 for permanent improvement funds – each of these requests was denied. After years of deferred maintenance, the recent projections by our consultant, based on information a contractor provided during the OFCC ELPP process, that we would spend as much as upwards of \$20 million over the next ten years in repairs. Given that reality, the Board has been working with our community to build consensus around constructing a new, PK-12 building that would consolidate four inefficient facilities into one and solve our ongoing facility issues and keep us from throwing good money after bad repairs. The Board voted in December 2021 to approach the community for a new bond issue to build a new school. Just a month later, inflation began to increase to dramatic levels. Two months later, Mr. Putin invaded Ukraine causing even more economic uncertainty. During that initial bond campaign, I heard from many of our constituents that, given the economic uncertainty and rising costs, they just couldn't commit to a building levy. It failed by 87 votes. The Board decided to place the proposal back on the November 2022 ballot. Incredibly, in just a few months, inflation and interest rates sent the cost of the same proposed new building up by almost \$3 million. To make matters worse, just a few weeks before election day, our county auditor made the announcement that property valuation would be going up by as much as 30%. We immediately received unprecedented feedback from our community that,

as much as they understand the need for schools, given inflation and an unvoted increase in property taxes, they just couldn't support it. The levy proposal failed. The Board reevaluated its position. It put additional operating dollars into the proposal to keep the price as low as possible. But it again failed.

Rural schools have seen this pattern play out time and time again. Thankfully, Rep. Edwards and the House included in its budget the previously proposed Ohio Accelerated Appalachian School Building Accelerated Bill that would provide us with many advantages. First, it would allow us to not have to wait on funds for an ELPP project given the notorious backlog in CFAP funds. More importantly, it would recognize the equity issue found in rural districts like ours. Our community understands the need for new facilities. But given our demographic, which includes many retirees on a fixed income, they feel their property valuation does not translate into disposable income that they can dedicate to support the project. The proposed Ohio Accelerated Appalachian School Building Accelerated Bill would help our district by providing an additional 20% of state matching funds if our community can pass the levy the first time. These ballot issues have been divisive to say the least in our town. There are good people on both sides of the debate who want to provide for our children but have harsh realities given current economic conditions. I have had preliminary conversations with people in our town and they are very excited about the possibility of additional funding for a project. This has already been done in urban districts across Ohio and its time that Appalachian counties get an equitable opportunity to see their students placed in learning environments that will better support them at a cost our community can afford.

These two issues are related. Despite our best efforts, our community does not understand why neighboring districts receive a larger amount of per-pupil funding as well as a larger state share of OFCC facility dollars. Funding the Fair Funding Plan for two more years with FY 2022 cost sets, and creating the Ohio Appalachian Accelerated Program, would go a long way towards providing the equitable funding that our small town of approximately 6,600 people need to sustain its school district. Our community loves its schools, but without equitable funding it, and many other rural districts across the state, cannot continue to pay ever increasing property values to sustain itself. We humbly ask that the Senate concur with the House and provide the equitable funding necessary for our town to provide what our students needs from both a facilities and operations standpoint.

Finally, I want to speak briefly on the potential expansion of vouchers. As an arm of the state, the public school system has a vested interest in preparing students to be effective citizens (Gutmann 1987). Unlike other multinational cultures, the United States is a multicultural country which seeks to instill a sense of shared humanity (and nationalism) with all individuals and races, most easily accomplished by ensuring that the various cultures, socio-economic statuses and races inside the country mix and mingle within diverse school systems (Gutman, 1996). I am concerned that, if expanded, vouchers would lead to additional private school offerings that would cater to a particular ideology or partisan idea. Since the advent of social media, we already see groups of people self-select into groups, social circles and news that cater or reinforce their particular world view. Increasingly, people who see things differently are banned or blocked. We have seen a similar trend in news stations after the advent of the 24-hour

news cycle, where folks can now choose a news source that may lend itself more to their own particular view. My concern is that public schools are one of the last places in our Republic where, no matter what background you have, you attend school together. This has many benefits for a multicultural country like ours where we our citizens need to be exposed to, and learn from, people different from us given our great American melting pot. Now this is also messy – we are currently locked in culture wars where parents on both sides of the spectrum accuse the other (or schools themselves) of using schools to inculcate a particular world view that they don't like. But this messy swirl does provide the benefit of having groups of people meet, engage in debate and consider perspectives different from their own. My concern with vouchers is this: schools will begin to open that will cater to one particular ideology, worldview, partisan idea, etc. and attract students. Over time, I fear that we would start having students in our country being educated in schools that would expose them to just one view and rub shoulders with people who accept that view. If we think we are locked in partisanship now, imagine a generation of students who are self-selected into schools that reinforce a particular view. We could lose the cohesion, since of national unity and empathy/understanding that public schools provide students with – a benefit that many of us don't even feel/realize that they perform that function. It has been a long road to get to the point where we have common schools, for all citizens, funded by its citizens. Kaestle (1983) outlines that history. Ohio was admitted to the Union in 1803 and passed a voluntary school bill in 1821 authorizing local districts to tax property for common schooling. Unsurprisingly, many communities did not voluntarily do so. So, in 1825 Ohio passed a law requiring towns to provide schools and tax

property for it. But it was unenforceable. It wasn't until 1853, after 50 years of controversy and debate, that Ohio created a common system of schools funded by the people for all. I fear that, if unchecked, vouchers would undermine the wisdom of that hard fought victory by eroding common funding for schools for all.

Mr. Chairman and members of the committee, thank you for your time today. I am happy to address any questions you may have about our district my testimony.

Respectfully submitted,

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