

Testimony
Provided to the Ohio Senate Finance Committee

Interested party for the
HB 33: Biennial Budget 2024-2025

PROVIDED BY:
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Chairman Dolan and members of the Senate Finance Committee, thanks for allowing me an opportunity to testify as an interested party related to HB 33, as a school board member in the Talawanda School District. I appreciate your time and efforts on behalf of Ohio's children and families, who are in critical need of a revised and updated state funding formula which includes 1) current base cost estimates and 2) offers corrective relief to districts whose local tax burdens are not sustainable. Talawanda School District is one of those districts.

Talawanda School District (TSD) spends an average of \$13,941 per pupil (in 2020 the avg in Ohio was \$13,805). The state's present portion is \$2,500 per student. Local taxes constitute 68% of our public education revenue at Talawanda. About 31% of our district's students qualify for free or reduced lunch participation. The current state share of funding measurement makes TSD (144 sq miles in size) appear to be a wealthy district because of Miami University (tax exempt property) and the surrounding agricultural land (tax reduced by CAUV). Miami University is an exceptional economic partner for our district and farmers deserve tax relief, yet because of these factors and the very low percentage of state support, our local tax revenue burden is too high.

Talawanda's state share of funding is **15.8%** of our total budget. (It was 24% in 2014.) Current comparison state share data for school districts surrounding TSD in southwest Ohio: Hamilton City Schools —73.24%, Edgewood —55.32%, Madison — 55.81%, Monroe —48.72%, Cincinnati Public —40.72%, Ross — 38.69%, Lakota —21.02%. This list includes districts who

have comparable and lower rates of poverty, and higher property tax bases than TSD, yet their state share indexes are higher.

In November 2022, our local voters voted **no** on a new levy of 5.7 mils, and in response we have implemented a 3 year budget cutting plan to address our deficit spending. We have cut busing for high schoolers, as well as, elementary and middle school families within a 2 mile radius of their schools. (In a district as large as ours, this is a cut that hurts our families.) Gifted programs, athletics, and other areas are experiencing cuts or an increase in participation fees in the upcoming school year and beyond. We have deeper cuts planned in the next two years, including arts and music in elementary schools in year 3. These cuts will not correct our deficit situation, only delay state take-over. Our families are beginning to look at neighboring districts to relocate.

Our community is the support system for one of the key national leaders in Ohio Public Higher Education, Miami University. Miami attracts students from across the country, and puts Ohio on the map as a site of education, innovation, and community/regional partnerships. Miami's position is precarious, however, because it is situated in a rural area with few amenities to attract the innovators of tomorrow. One of the reasons faculty and staff choose to work at Miami are the high-quality local schools, and the family-friendliness of the geographically large area that constitutes the Talawanda School District. Our inability to raise local revenues required to support our excellent schools means that more and more Miami workers will choose other colleges, and other states, in which to live and work. *Like all workers considering a move to Ohio, Miami faculty and staff want to live and work in communities which have strong **public** schools.*

While Ohio legislators are keenly focused on tax breaks in an effort to recruit workers, let me remind you that high quality **public** schools are a fundamental recruiting tool for a competitive workforce in Ohio. They enable organizations and businesses to recruit excellent workers who will raise their families here. Our budget situation is a perfect example of how the state needs to better support local school districts who are a key partner in economic development in Ohio. The current (precarious) \$2,500 we receive from the State of Ohio makes our local tax burdens unsupportable by a district with a 31% poverty rate.

The erosion of state support that enables districts like Talawanda to offer robust, meaningful education will in turn erode economic and community development in the Oxford community, and by extension, the quality and student experience of Miami University. A weakening of Miami University's ability to recruit employees will leave the southwest region of Ohio economically weaker, given the tentacles of university education, research and innovation that reach widely across the region and state.

Our situation is unique but it can be resolved. We need your help.

The state funding formula needs updating and needs to be fully funded. It is our belief that there should be a standardized per-pupil reimbursement cost in Ohio, one that is set close to the true cost of a high-quality education - a price tag that has already been determined by those who want to expand the voucher program. If the present HB 33 is enacted, vouchers for *private* schools would be more than twice the amount of per-pupil state support that our *public* school district receives. How is this possible?

Corrective relief for districts such as ours — with unusual conditions that require amendments to ensure adequate state funding support due to high percentages of tax-exempt property holders — needs to be addressed.

If the present situation were to worsen through the expansion of vouchers, and the passage of a flat-rate income tax for upper tax brackets which would eliminate the 10% Rollback on Residential and Agricultural Property tax reimbursement, our district's financial situation will worsen, as will the health of our local community, economy, and that of Miami University.

Thanks for your consideration.