

Senate Education Committee House Bill 96 Testimony Reading Community City Schools

Dr. Damon Davis, Superintendent
Ms. Beth Wernery, Board President
Mr. James Perdue, Board Member
Mrs. Jennifer Burke, Treasurer
Mr. Todd Schilling, Career Based Learning Coordinator

The Harm HB96 Will Cause to Academic and Workforce Development Progress

Chair Brenner, Vice Chair Blessing, Ranking Member Ingram, and members of the Senate Education Committee, thank you for the opportunity to testify today on House Bill 96.

My name is Dr. Damon Davis, and I proudly serve as Superintendent of Reading Community City Schools which is a suburban district located in Hamilton County serving approximately 1,400 students of which 58% are economically disadvantaged and over 12% have special education needs.

I am joined today by Board President Beth Wernery, Board Member James Perdue, Treasurer Jennifer Burke and Todd Schilling, Career Based Learning Coordinator.

First and foremost, I would like to thank you for your previous support for public education. Your meaningful legislation has led to significant growth in our district as well as many you represent. However, I'm here today to sound the alarm on House Bill 96. This legislation puts our students, our workforce pipeline, and the trust of our community at risk. It threatens to unravel the progress we've made, not just financially and educationally, but will also undermine the significant impact we have made regionally in regards to economic development and workforce readiness.

Reading Schools has created a culture of workforce readiness and helping students develop their "Whats Next" This has been in alignment with the work this committee has worked so hard to create over the last 3-5 years.

HB96 would hinder critical work being done by our Business Advisory Council and the 13 other BACs in your districts, damaging our collective effort to build Ohio's workforce pipeline.

HB96 Undermines Stability, Excellence, and Trust

At its core, House Bill 96 threatens Reading Schools' financial stability and academic excellence. It punishes responsible financial planning, risks vital academic and workforce development programs, and breaks the commitments we made to our voters. These are commitments we have honored with careful planning and measurable results.

The Fair School Funding Plan Was Working

The Fair School Funding Plan (FSFP) has been essential for districts like ours, small but determined, and who have fostered community trust through strong fiscal stewardship. This plan links funding to our actual student needs, provides resources to support special education, economically disadvantaged students, and workforce readiness.

But HB96 significantly limits student opportunities by replacing the Fair School Funding with a "bridge temporary formula" which is based on outdated inputs from FY22. By not updating the inputs results in an imbalance in the formula and shifts the burden away from the state and unto our local taxpayers. For Reading Community Schools this is a projected loss of \$3.1 million over the life of the five year forecast which is about 15% of our annual budget.

What's at Risk: Real-World Workforce Development and Innovation

Let me be clear, this isn't just about dollars. It's about opportunity.

Thanks to the state CTE equipment grant, we will be launching a new innovation space focused on offering students hands-on experience in high-demand fields as identified by the state of Ohio. This isn't theoretical. This is real workforce readiness.

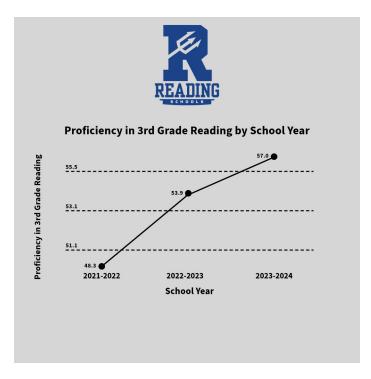
If HB96 passes, this space may sit empty, not because of a lack of vision or student interest, but because we will not be able to adequately provide staff. The state will have helped us build the space and then cut off the support we need to run it.

One of our students, who recently received a job offer through our career pathways stated in his words 'Now I'll have health insurance and can buy new glasses.' That is the transformative power of education. And that is what's at risk.

Academic Growth: A Track Record Worth Protecting

Over the past three years, Reading Schools has also seen consistent academic growth across key indicators: achievement, progress, early literacy, and graduation. We're closing gaps. We're creating opportunities that didn't exist before and changing the trajectory of our students' futures.

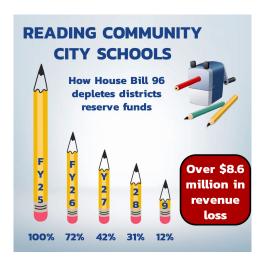
Our Class of 2025 has already earned over \$3.5 million in scholarships through our academic and workforce development programs, These are real results for real families.

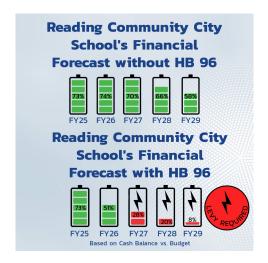


Fiscal Stewardship: A Commitment to our Community

In May 2022, the community approved a 9.99 mill operating levy. It had been 10 years since the district requested new operating funds. Through prudent planning, the district used one-time pandemic relief funds (\$5.1M) and one-time competitive grants strategically to offset ongoing expenses and build cash reserves. Our long term plan which was built to maintain our cash reserves to:

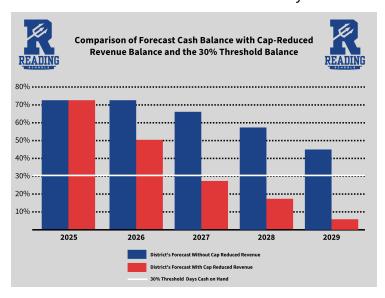
- Manage levy cycles and avoid frequent ballot issues;
- Navigate cash flow gaps due to the timing of tax collections and state payments;
- Plan for long term capital and maintenance on our OFCC funded 2019 campus
- Support the district's bond rating to refinance 2016 bonds for taxpayer savings





HB96 would cap these reserves stripping away \$8.6 million of voter approved savings. We would be forced through a fiscal emergency to return to the ballot in 2026 which is much sooner than our plan of 2032. This is not tax reform but rather increases the local taxpayers long term cost for a one-year saving and destroys the financial well being of the district.

Over the course of our 5 Year Forecast, as expected with a normal levy cycle, our cash balances are naturally depleting. Levy planning included a 10 year plan with cash accumulating in the early years and as expenses increase cash depletes. This ensures we maintain programming our community expects long term without returning frequently to the voters for additional levies as this causes voter fatigue, increased taxes and erodes the trust the district has earned with the community.



Broader Consequences: A Statewide Setback

As previously mentioned, this bill doesn't just hurt Reading, it sets a dangerous precedent:

- It punishes fiscal responsibility.
- It undermines school choice.
- It contradicts state workforce goals, just as we begin building the future talent pipeline Ohio says it wants.

Governor DeWine, when visiting our district, praised our work to "expand opportunity." HB96 walks back his vision.

What We're Asking

We are here to advocate for the following:

- Fully fund and phase in the Fair School Funding Plan and update the base cost inputs to reflect current costs, such as staffing, class sizes, and services.
- Remove the cash balance provision
- Preserve and protect local control.

Closing Message: Preserve Opportunities for our Students

Reading Schools stands for strong academics, fiscal responsibility, and community trust. House Bill 96 puts all of that at risk.

This legislation doesn't just threaten dollars. It threatens direction, opportunity, and hope. Our district needs stable and predictable state funding to adequately and responsibly plan for our student needs and implement the programming our community expects and deserves.

We challenge you to protect what you've built. Honor the commitment made to our voters, and let us continue our mission, to "inspire the leaders of tomorrow with engaging opportunities today."

That is the Blue Devil way.

Chair Brenner and members of the committee, thank you for your time and consideration. We would be happy to answer any questions you may have at this time.