Testimony of David Larson Superintendent, Miami County Educational Service Center Senate Education Committee – May 14, 2025 In Support of Am. Sub. H.B. 96

Chairman Brenner, Vice Chair Blessing, Ranking Member Ingram, and members of the Senate Education Committee:

Thank you for the opportunity to offer testimony on House Bill 96. My name is Dave Larson, and I serve as Superintendent of the Miami County Educational Service Center (ESC). I appreciate your work on behalf of Ohio's students and schools, and I come before you today to respectfully ask for your support in updating and strengthening the ESC funding model included in the state budget.

ESCs are a vital, yet often underrecognized, part of Ohio's educational landscape. We serve as the backbone of regional service delivery for school improvement, curriculum support, early learning, special education, and professional development. In Miami County, we also serve as the county's largest provider of direct services to students with significant and complex disabilities. Nearly three out of every four dollars in our operating budget are devoted to special education.

The Miami County ESC's budget of approximately \$30 million supports students in preschool through high school, across nine school districts. Yet, of that \$30 million, less than \$1 million comes from direct state operating subsidy. Nevertheless, that operating money is essential to the infrastructure necessary to support quality service delivery. Additional state subsidy would allow more ESCs to take part in state initiatives and deploy programs in more rural areas of Ohio. ESCs are expected to sustain large-scale, specialized operations with minimal base funding, despite our critical role in advancing the very priorities set by the state.

Additionally, many ESCs operate and maintain separate facilities specifically for preschool services and classrooms serving students with intensive needs. These programs often cannot be absorbed into traditional school settings due to the specialized staff, equipment, and environments required. While essential to serving Ohio's youngest and most vulnerable learners, these facility costs are largely borne by ESCs, which have no taxing authority and are not eligible for school construction funding through the Ohio Facilities Construction Commission.

ESCs are also one of the most efficient ways Ohio delivers educational services. By leveraging a regional service model, we eliminate redundancies and reduce administrative overhead across districts. Each year, ESCs must demonstrate that their services are more cost-effective than districts providing them independently or outsourcing to vendors. In 2024 alone, ESCs saved districts over \$100 million and generated \$317 million in outside grants, delivering \$8.83 in value for every \$1 in state funding. Directly funding ESCs is not only

efficient, it is one of the smartest investments the state can make to extend the impact of every tax dollar. The cost-effective structure of ESCs can be an important strategy to effectively invest in high impact solutions in a constrained state budget.

Despite this proven value, ESC funding has not kept pace. The current model still relies on outdated FY 2018–2020 data, and in FY 2025, ESCs will receive just \$32.36 per student. This amount is \$25.81 below what our FY 2007 allocation would be if adjusted for inflation. Meanwhile, the number of students and districts we serve continues to grow, as do the costs of delivering high-demand services, particularly in special education, early childhood education, and mental health.

We urge you to adopt the updated ESC funding model proposed by the Ohio ESC Association, which is based on FY 2024 data and reflects the realities of today's service demands. This revised model includes a tiered structure that accounts for the size and scope of each ESC and promotes greater equity across regions.

In Miami County, we've expanded our impact through initiatives like our Career Connections program, which gives students exposure to high-demand career paths and local employers. We've led threat assessment training, supported literacy benchmarks, and brought career aptitude assessments to every high school student in the county. These are not supplemental services. They are core to building safe, skilled, future-ready communities.

Finally, more adequate and direct ESC funding allows us to ensure consistent, high-quality services, regardless of the school district a student attends. It creates opportunities not only across ZIP codes, but across school types—whether traditional public, community, or nonpublic. ESCs are uniquely positioned to support students wherever they are enrolled, and with the right investment, we could significantly expand those supports.

Chairman Brenner and members of the committee, thank you for your time and for your commitment to Ohio's students. I urge you to support a modernized, adequately funded ESC model in the final version of the budget. It is an investment in efficiency, equity, and outcomes for every child in Ohio.

Respectfully,

David Larson
Superintendent

Miami County Educational Service Center