



**The Alliance for High Quality Education
Interested Party Testimony – H.B. No. 96
Senate Finance Committee
May 27, 2025**

Chairman Cirino, Vice Chairman Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, thank you for the opportunity to provide written testimony on House Bill 96 (State Operating Budget). My name is Anthony Podojil, Ph.D., and I am the Executive Director of The Alliance for High Quality Education (AHQE).

The Alliance for High Quality Education is a consortium of 74 high-performing school districts located throughout the State of Ohio including the Toledo, Cleveland, Akron-Canton, Columbus, Dayton, and Cincinnati areas. The Alliance for the last twenty-nine years has represented its members' interests on matters of state education policy and funding, as well as contributing to fostering high quality educational opportunities for students in their districts and those across the state.

State Operating Budget – Property Tax Reduction Proposal

The Alliance is supportive of exploring options related to reducing the reliance on local property taxes. Historically, property tax levies are the primary vehicle in which Alliance members have had available to them to raise revenue due to many being at the minimum level in the state funding formula. With the elimination of the general business tangible personal property (TPP) tax and other reductions in the commercial tax base, our members – and their voters – have experienced a major shift in the tax burden on to homeowners. Statewide, the share in the tax base between homeowners and businesses was 52% to 48% in 1999, respectively. Today, it is 68% to 32%. Among our members, that disparity is likely greater.

The inclusion of the property tax reduction provision in the House version may have the unintended effect of exacerbating the property tax issue by inducing additional property tax levies at shorter intervals. The provision does not address or recognize the following:

- This one-size-fits-all approach overlooks the unique circumstances of each district and the rationale for how their budgets are developed and planned.

- The cyclical nature of levy approvals results in an increase of reserves in the early years of the levy cycle. This ensures that funding covers expenses through the life of the levy without making additional funding requests.
- Cash reserves, beyond cash flow necessities, reflect the need to prepare for uncertainties through conservative budgeting practices.

We would recommend that any property tax proposal tied to carryover balance totals, including the provision in the House version, consider, at a minimum, the following:

- Ensure that districts that are projected to deficit spend in the first three years of their forecast are not impacted by any carryover balance changes.
- Beyond meeting their multi-year fiscal thresholds, if districts have unencumbered funds, the districts will provide tax commissions during their yearly budget review, the rationale for carrying that amount in their budget planning.

Above a specified threshold, budget commissions would have authority, but not be required, to reduce carry-over percentages if it does not conflict with the district's financial obligations under the ORC or would place a district in fiscal watch, caution, or emergency.

State Operating Budget – Funding Model

The Alliance is encouraged that the current House version of the bill ensures no district receives less funding and that every district sees an increase. This commitment to increasing the overall investment in our schools is a meaningful step forward. Having said that, the Alliance continues to support a long-term vision for a funding formula that fully meets the needs of all students in all schools. While the House version did not include a full phase-in of the Fair School Funding Plan or an update of the cost inputs, we are grateful for the additional investment made and the continued momentum behind this important work. The goals of a working formula should continue to be:

- Landing all districts on a fully funded and fully updated funding model thereby removing guarantees and having the funding continue to follow the child.
- All models will need a mechanism that allows for inflationary updates and property re-evaluations, and other necessary adjustments.
- At some point, a full phase in needs to be completed.

The Alliance, as we have advocated for in prior budgets, believes that the current minimum funding level contained in law – 10% of the state share percentage – must be retained and subsequently increased to ensure that all districts receive a base level of funding commensurate with similar funding levels for private schools through the distribution of the

administrative and auxiliary funds program. This chamber increased that floor from 5% to 10% last session, and our members are extremely grateful for that commitment. But there are still more than 20 school districts that receive less state aid per pupil than private schools receive, not including EdChoice or other scholarship payments.

State Operating Budget – Policy Initiatives

We support the Governor’s proposed School Bus Safety Task Force, which provides grants for school districts to purchase school bus safety features such as seat belts, collision avoidance systems, ground wash lights, and more. We would support restoring the governor’s \$30 million appropriation that was reduced to \$10 million by the House so that we can broaden the impact of this important program. We also recommend restoring the governor’s proposed increase in annual bus driver training.

We support the creation of the Ohio Principal Apprenticeship Program, proposed by the Governor and maintained by the House. This new program will allow aspiring principals to train under veteran principals to gain on-the-job experience and help school districts to train and retain skilled principals. We urge the Senate to restore the \$5 million to support this program.

We support the Governor’s proposal to better prepare high school graduates with the skills needed for success in college, careers, and real life by coordinating with the Governor’s Office of Workforce Transformation to review and update the industry-recognized credential list to ensure Ohio’s schools and districts are preparing students for careers on Ohio’s Top Jobs List. We support the continued effort to increase the number of in-demand career-tech programs across the state and provide additional assistance in mentoring and career advising. We urge the Senate to restore the career awareness and exploration funding eliminated by the House to better help connect kids to a career.

We support the Governor’s continued promotion of the Governor’s Read Ohio program which supports schools and districts in the implementation of evidence-based strategies for effective literacy instruction.

We support the bill’s funding to support literacy coaches in schools and districts with the lowest reading proficiency.

Finally, we support the Governor’s proposal to address non-academic barriers that prevent students from engaging in learning, such as attendance, mental health, and student wellness by allocating funds for the use of Student Wellness and Success to ensure all students have access to quality mental health and physical healthcare services.

Transportation

Transportation routing systems are both complex and contain interrelated components that many times result in multiple changes when requests involve a route change. For example, if a new student does not live along an existing route, a route must be modified. Any time a route is modified, all students riding the bus on the modified route could be impacted regarding bus stop and pick up time changes. These issues would be magnified depending on the time of the school year, any route modification is implemented.

We recommend that in lieu of making any comprehensive changes to the current system using the budget process as the vehicle we would suggest that the General Assembly establish a task force, as contained in the House version, that is comprised of all impacted stakeholders to work with DEW to review current rules and guidelines with the purpose of making changes to the system related to scheduling, route development, and funding and penalties related to compliance.

The Alliance offers our involvement and support related to the above recommendation and believes that this task should happen as early as possible so that changes to the system can be made no later than the 26-27 school year.

Thank you for the opportunity to provide written testimony. The Alliance looks forward to working with the General Assembly and the DeWine administration as HB 96 moves through the legislative process. Please contact me if you have any questions.

- Anthony Podojil – apodojil@ahqe.org

Dr. Podojil's Bio

Prior to joining the Alliance as its Executive Director, Dr. Podojil worked as an elementary teacher and Middle School and High School building administrator in the Orange, Chagrin Falls, Riverside and Cleveland Heights/University Heights school districts. He also served as superintendent for the West Geauga Local Schools for thirteen years, earning a doctorate in Educational Urban Administration at Cleveland State University.