Witness Testimony: May 28, 2025

Submitted to: Ohio Senate Finance Committee

Bill: HB 96 - Operating Budget 2026-27

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Dear Ohio Senate Finance Committee Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and all other Senate Finance Committee Members -

Thank you for taking the time to hear my testimony today. My name is Melissa Petrea, a resident of Perrysburg, Ohio. I have a Business degree from Bowling Green State University and have worked in the fields of Finance, Marketing, Analysis, and most recently, Education. I am a certified substitute teacher in the Perrysburg school district, where my three children also attend. It has been my time working within the schools that has led me here today. I see the crowded classrooms, buildings in need of repair, and the overwhelming need for paraprofessionals and intervention specialists to provide a quality and effective education to our children.

The intent of my testimony is to urge this committee to fully fund the Fair School Funding Plan (FSFP) that obtained bi-partisan approval (84 to 13) in 2021. The House sub-plan provides an increase of \$220 million for public schools, which is \$2.75 billion less than what is needed to fully fund public schools. Claims have been made that the FSFP does not work. These claims are misleading, as school district wealth was updated based on current property valuations, but costs to educate were based on costs from 2022. The FSFP plan can be successful if fully implemented and funded, but it has not been given this opportunity.

Ohio school districts are forced to rely on constant local property tax levies to maintain basic operations. In fiscal year 2024, Perrysburg School District ranked 601 out of 606 school districts in per-pupil revenue received from the state at \$3,066 per pupil, or 19% of costs. Perrysburg receives significantly less money from the state than most districts in Ohio, maintains a cost per pupil less than the state average, and maintains five-star report card ratings, yet passing an operational levy has become a struggle for our district.

Furthermore, Ohio school treasurers and county auditors agree that the proposed reserve cap of 30% will further exacerbate this issue, creating instability for both the school districts and the taxpayers. The fiscal year for school districts ends on June 30th. Schools are paid twice a year from both their county auditors and the state. It is at these times they have their highest balances. Around this same time, the state would be checking for reserve balances. This is money needed throughout the year that will be taken from the district, only for the district to need to go back to the voters to ask for this money via a levy. This is not property tax relief. True property tax relief would be the state fulfilling its obligation to fully fund the FSFP. I urge this committee to remove the cap requirement and allow districts to maintain a stable financial structure and the ability to plan ahead for growth and uncertainty.

The state has claimed it cannot afford to fully fund the FSFP, while simultaneously diverting over 1 billion dollars in critical funds from public schools to private schools via the voucher program. There are 1.7 million public students (91%) with a \$220 million increase in the proposed budget, which equates to a \$117 increase per student. There are 173,000 non-public students (9%) with an increase of \$500 million, which equates to an increase of \$2,890 per voucher recipient.

The proposed budget would net out to an average of \$7,560 per pupil in state funding for a public student and an \$11,270 average payout per voucher recipient. The non-public schools receiving these state funds lack the same level of oversight and accountability as public schools. They have enrollment caps and an application approval process. They are not required to accept and accommodate all students, and yet this proposed budget would fund them at a significantly higher rate per pupil. Recent data shows 90% of voucher recipients are not low-income qualified, yet we are prioritizing this funding over public education for all. As a state, we should not be setting the precedent that you can be reimbursed state funds for a public service you choose not to participate in, so you can seek a private replacement.

This budget also includes a proposal to eliminate the 9 elected state board of education seats, which I strongly urge this committee to reconsider. Each region has unique challenges and needs that are entitled to adequate representation from the state school board. If these seats are removed, so will their voice.

Ohio has a critical decision to make. We can invest in our state's future by prioritizing public education funding over vouchers and private sports stadiums for billionaires, or we continue down a path of defunding public schools and watch the overall economic health of our state decline along with it. Ohio is currently ranked 36th by US News & World Report in best states to live in the US for 2025. The choice is clear: as companies and families look for states to relocate to and stay long term, we must invest in our public education system. The testimony I have shared with you all today is on behalf of all Ohioans deeply concerned for the state of public education in Ohio, and in all sincerity, the overall fate of our state. Thank you for taking the time to listen today.

Kind Regards,

Melissa Petrea