

## MIAMI COUNTY EDUCATIONAL SERVICE CENTER

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Ohio Senate Finance Committee Testimony of David Larson, Superintendent, Miami County Educational Service Center Regarding Educational Service Center (ESC) Funding May 29, 2025

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Finance Committee:

Thank you for the opportunity to provide written testimony on the need for a modernized and adequately resourced funding model for Ohio's Educational Service Centers (ESCs) as part of the FY 2026–2027 biennial state operating budget.

My name is David Larson, and I serve as the Superintendent of the Miami County Educational Service Center. Our ESC supports nine public school districts and multiple nonpublic schools, serving students from preschool through high school across West Central Ohio. In many ways, we are the infrastructure behind the infrastructure; providing critical educational services to students, families, and school staff throughout the region.

Ohio's ESCs respectfully request that the General Assembly:

- Update the ESC funding formula to reflect FY 2024 costs, including increasing the base amount and revising per-pupil funding tiers.
- Add a third tier to the model to account for economies of scale and service variation across ESCs of different sizes.
- Establish a biennial review and recalibration of ESC funding, consistent with state practices for school districts.

ESCs remain one of the most efficient and effective ways Ohio delivers educational services. The current funding model, however, is based on outdated FY 2018–2020 cost data. In FY 2025, ESCs will receive only \$32.36 per student—\$25.81 less than they would receive if their 2007 allocation had simply kept pace with inflation.

This underfunding comes at a time when expectations and demand for ESC services are growing:

- ESCs saved Ohio school districts over \$100 million in 2024 by reducing duplication and administrative overhead.
- They secured \$317 million in external grants, generating \$8.83 in value for every \$1 of state investment
- ESCs have increased personnel by 10% since 2020 and expanded services to nonpublic schools by over 200%.

Despite this, ESCs do not have taxing authority and depend on state appropriations to meet core operational needs. In Miami County, our ESC operates on a \$30 million budget, yet receives less than \$1

million in direct state operating funds. That funding, however, is critical to sustaining the infrastructure that allows us to lead regional initiatives and support students with intensive needs.

Across the state, ESCs lead programs in school safety, literacy, early learning, and workforce development. In Miami County, we:

- Serve as the county's largest provider of direct services to students with significant and complex disabilities—nearly 75% of our budget is devoted to special education.
- Operate and maintain specialized preschool and disability-focused classrooms that cannot be integrated into typical school buildings, yet do not qualify for state facilities funding.
- Coordinate our Career Connections initiative, which brings career aptitude assessments to every high school student and connects them with local employers and high-demand career paths.
- Implement threat assessment training, support regional literacy benchmarks, and lead the instructional coaching efforts critical to achieving state learning priorities.

These are not supplemental services—they are foundational. Yet our ability to expand them is directly tied to how the state invests in our capacity to lead them.

A modernized ESC funding formula will:

- Sustain and expand equitable access to essential services, including those mandated by the state.
- Help ESCs manage rising costs in facilities, personnel, and transportation—especially in specialized programming.
- Enable ESCs to deliver consistent, high-quality services across school types, regardless of district size, location, or tax base.

We respectfully ask that the Senate Finance Committee:

- Increase the base and per-pupil funding for ESCs using updated FY 2024 cost data.
- Adopt a three-tiered formula to better align funding with the service scope and size of each ESC.
- Ensure ESCs are eligible for additional state grants, including for school safety and facilities needs.

Adequately funding ESCs is not only efficient—it is a proven investment in student access, fiscal responsibility, and regional equity. We stand ready to do even more for Ohio's students, if given the resources to do so.

Thank you for your time and your continued leadership on behalf of Ohio's children.

Respectfully,

**David Larson**Superintendent

Miami County Educational Service Center