

The OEA will lead the way for continuous improvement of public education while advocating for members and the learners they serve.

OHIO EDUCATION ASSOCIATION Senate Finance Committee Substitute House Bill 96 – Interested Party Testimony Thursday, June 5, 2025

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, my name is Scott DiMauro. I am in my 34th year in education, which includes 16 years in the classroom as a high school social studies teacher in Worthington City Schools. I currently serve as President of the Ohio Education Association (OEA). On behalf of the nearly 120,000 members of the OEA, we look forward to working with the members of the Ohio legislature to ensure all of Ohio's public school students have the resources and support needed to succeed while in school and in life. The following are some of our positions regarding proposals contained in the Senate Substitute House Bill (HB) 96, the budget bill for Fiscal Years (FY) 2026 and 2027.

School Funding

There is no greater investment than ensuring Ohio's children have the resources and support needed to succeed. While we are still analyzing the Senates school funding proposal, such as the changes to the identification of economically disadvantaged students and the performance supplement, we are alarmed that this proposal severely falls short of ensuring that the state is adequately and equitably funding public schools and providing needed predictability of state support.

While the Senate version contains a shell of the Fair School Funding Plan, it does not provide the needed base cost updates for the formula to properly function resulting in the state share declining. Under the Senate proposal, 146 districts would receive less money from the state next year than this year, and 180 districts would see state revenue decline between FY 2026 and FY 2027. Ohio needs to fund schools based on the actual costs of providing services to students and operational needs. The costs associated with buildings, materials, and supplies are increasing. State funding that falls below inflation will only make it more difficult for districts to pay these expenses.

We are also opposed to the Senate's proposal to base the funding guarantee on FY 2021 levels instead of FY 2025. Funding guarantees at FY 2021 levels undermine the progress of the Fair School Funding Plan to date.

OEA remains supportive of the Fair School Funding formula that was passed in House Bill 110 from the 134th General Assembly and subsequently updated via House Bill 33 in the 135th General Assembly. This funding model, if implemented and updated as intended, provides a stable and consistent student-centered formula focused on how much it costs to educate a child. OEA urges the General Assembly to continue the work of the previous two General Assemblies by fully phasing

in the Fair School Funding Formula with updated cost inputs as this is key to meeting the needs of Ohio's students.

School District Carryover Balances

OEA continues to have serious concerns with a provision that would limit a school district's yearover-year carryover fund to 50% of the previous fiscal year's operating expenses. Under the Senate proposal, funds more than 50%, instead of 30%, would be used to reduce property taxes. The Senate version does give school districts some flexibility in transferring general fund money for future capital projects to be spent within three years and not subject to the threshold.

School districts carry over funds for a variety of factors. These include, but are not limited to, desire to limit levy frequency, funds for programs that previously were funded through federal ESSR dollars, building maintenance and capital improvements, long term planning for purchases and anticipated increases in material and supply costs. The Senate's carryover policy would impact approximately 293 school districts and will force school districts to return to the ballot more often and lead to voter confusion. OEA requests this provision be removed from the bill.

Property Tax Changes

The Senate Substitute bill makes a variety of tax changes impacting school districts with the proposed elimination of certain levy types beginning January 1, 2026 (i.e., replacement, emergency, substitute, combine school district and fixed-sum, and renewals with increase). The Senate also added provisions that allow a county budget commission to reduce millage on any voter-approved tax levy if the commission finds it "reasonably necessary and prudent" to avoid unneeded property tax collections and the requirement that school boards obtain a two-thirds vote of all members to put a tax levy on the ballot.

These provisions, along with the carryover balance policy, will make it challenging for districts to predict their revenue. Taken as a whole, these provisions undermine local control, create unnecessary hurdles, limit the options for school districts to raise local revenue, and do not provide school districts with adequate time to adjust. While there is a need to address increased property taxes, these provisions, coupled with the lack of a school funding formula that provides sufficient state support, will severely hamper school districts. This has a real impact on our students, leading to larger class sizes, reduced staffing, and fewer course offerings. OEA requests that these provisions be removed, and that tax reform be thoroughly debated and analyzed outside of the budget bill.

The Senate also retained a provision that amends the duration for school district operational revenue and expenditure forecasts from five to three years. Cutting the length of the forecast from five to three years reduces the ability of Ohio school districts to engage in fiscally responsible financial planning and be an efficient steward of taxpayer dollars. For this reason, OEA requests that the change to the five-year forecast be removed from the budget.

Vouchers

The substitute bill removes a provision in the House-passed version that would have created yet another voucher program. The provision would have established an "education savings account" for students who attend non-chartered private schools. These schools eschew the scant state oversight applied to voucher recipient schools and as such are exempt from the state's current voucher programs. OEA appreciates the removal of this provision as it would significantly add to the over \$1 billion a year that the state spends on private school tuition. The explosion of funding for private school vouchers undercuts the ability to fully and adequately fund Ohio's public schools.

However, OEA continues to oppose language still present in the substitute bill that expands eligibility for the Jon Peterson and Autism voucher programs. The bill expands eligibility to students from age 3 to 22, for non-chartered private school students and those who are home schooled. Additionally, the bill would also allow for services to be provided virtually. These changes both increase the cost and decrease the accountability and oversight of the funds.

Academic Intervention Services

The substitute bill includes new language requiring school districts to provide academic intervention services to students who score "limited" on state assessments in math and English language arts. This language is essentially Senate Bill 19, currently pending in the Senate Education Committee.

OEA testified as an interested party on SB 19. In his testimony, OEA Vice President Jeff Wensing lauded the intent of the bill but expressed concerns about resources and implementation. OEA believes that the proposals contained in Senate Bill 19 receive full deliberation in both houses rather than being included in the state budget.

School Staffing Survey

OEA supports the Ohio Senate reinstatement of language proposed in the executive budget that requires Department of Education and Workforce (DEW) to annually collect school district employment and vacancy data for teachers, paraprofessionals, bus drivers, providers of specialized services, principals and assistant principals, and any other positions determined by DEW. There is currently no central source of information to allow for accurate, real- time tracking of educator shortages or surpluses at the state level. This survey will help provide data to guide and support recruitment and retention strategies for the benefit of students.

Teacher Assignment

OEA requests removal of language proposed in the executive budget that would allow teachers to be assigned without regard to the subject and grades they have been prepared to teach, and without any confirmation that a teacher has completed mandated professional development in areas such as the science of reading or dyslexia instruction. Abandoning objective standards and qualifications to guide teacher assignment short-changes students and taxpayers by making it less likely that all students have a properly certified, trained and prepared educator.

Allowing Use of Teacher Evaluations in Resident Educator Licensure Program

OEA requests removal of language proposed in the executive budget that would allow evaluations to be used as a "measure of progression" in the resident educator program. As a professional issue, it has always been important to maintain separation between teacher licensure and teacher evaluation because they serve very different purposes. A teaching license is a statewide employment credential granted by the State Board of Education that means an individual has met qualifications to teach certain grades and subjects anywhere in the state. By contrast, teacher evaluations are a separate process used by local school districts to inform personnel decisions for teachers who are already licensed and have been employed by a school district.

Financial Literacy Instruction Exemptions

OEA requests removal of a House-inserted provision allowing a school district to adopt a policy to excuse students from the financial literacy high school graduation requirement if they participate in a financial literacy program offered through the student branch of a credit union or by a bank during high school. While the policy must require the financial literacy program to meet or exceed the state standards and model curriculum for financial literacy, there is no requirement that instructors be licensed educators nor is there guidance as to how long or where a student would participate in such a program.

Transportation Workgroup

OEA appreciates the Senate retaining language inserted by the House that proposes the creation of a transportation workgroup to annually monitor and review the student transportation system and develop recommendations for changes to better meet the transportation needs of Ohio students. OEA supports this recommendation and requests that bus drivers be included in this workgroup.

State Board of Education

OEA continues to oppose a provision still present in the substitute bill that would silence the voice of the public by removing elected members from the State Board of Education (SBOE). Two years ago, the legislature curtailed the authority of the State Board of Education by removing most of its duties. Now, the House version of the budget bill would remove all elected members from the SBOE and reduce the Board to five members appointed by the governor. This provision is anti-democratic and an attack on the voice of educators as the current members of the board collectively have over 295 years of education experience. OEA's legislative policies call for a fully elected school board.

Additionally, OEA is concerned with the proposed changes in the House version of HB 96 regarding the way that the SBOE is funded. OEA opposes any increase in teacher licensure fees to pay for any potential gap in funding from the state.

Religious Release Time

OEA recommends removing language inserted by the House and Senate that creates state regulations around religious release time parameters. Instead, OEA asks that current law be

maintained to allow local school districts the flexibility to set the time parameters that best fit their district's needs.

In conclusion, throughout the past year, my fellow OEA officers and I traveled throughout the state to meet with our members. We saw and heard firsthand accounts of the challenges educators and students face every day - challenges that are only made harder when our schools are underfunded. The Fair School Funding Plan was designed to correct years of unconstitutional and inadequate school funding by grounding state aid in what it costs to educate a child. Fully updating and phasing in this plan is not just a fiscal decision, it's a moral imperative.

Our students, no matter their ZIP code, deserve the resources and opportunities that allow them to thrive. By committing to the full implementation of the Fair School Funding Plan, this legislature has the chance to invest in a future where every child—urban, suburban, and rural—has access to a high-quality public education. I urge you to pass a budget that reflects this commitment, and to stand with the educators, families, and communities working every day to give Ohio's children the future they deserve. OEA looks forward to working with this committee and the legislature on making improvements to Substitute House Bill 96.

Chair Cirino, this concludes my remarks. I'm available for any questions committee members may have.