



Chairman Brenner, Vice Chair Slaby, Ranking Member Fedor and members of the House Education and Career Readiness committee, thank you for letting Representative Kick and I present House Bill 438 to you today. House Bill 438 addresses issues brought forward to us from the Educational Service Center (ESC) of Medina County that have been echoed by the Ohio ESC Association, and various ESCs across the state.

This legislation has two main goals. The first goal, which is permissive, would allow the governing board of any single county ESC to add appointed members to the board who represent client school districts of the service center that are not otherwise represented on the board. Multi-county ESCs, such as the Athens-Meigs ESC, already have this ability.

This legislation would simply extend this ability to single-county ESCs to ensure full and adequate representation on the board. In terms of scope, this section of the bill could affect every county with at least one city, and a single-county ESC, if they so choose.

The second goal of the bill would be to permit a local school district to sever its territory from one ESC and annex that territory to an adjacent ESC under the following conditions:

- The Board of Education for a local school district must have previously severed and annexed its territory under section 3311.059 prior to June 30, 2011
- If the previous qualification is valid, the ESC board by resolution may sever and annex their territory to an adjacent territory
- This resolution must be approved by the state board of education.
- The electors of the local school district have the right to a referendum vote of this decision within 60 days following the resolution.
- Upon the effective date of the severance, the governing board of the *new* ESC shall take steps for the election of new governing board members, to correlate with the new annexation.
- The local school districts cannot repeat this process within a 4-year time frame.



REPRESENTATIVES HAMBLEY AND KICK

With these conditions considered, the second part of this legislation is narrowly constrained and limited in scope. Initial indications are that the only affected school districts would be Black River Local School District, and the five school districts in Sandusky County. Again, this section is also permissive – so these districts would have to choose for themselves if they would like to sever and subsequently annex to a new ESC.

Since the restructuring of how ESCs work in 2011, ESCs have proven to be a cost-effective tool for schools districts. In fact, they have shown an average 35 percent cost savings, yielding \$65 million in savings for the state annually. I think we can agree that when a publicly funded entity shows this efficiency, we should leverage these institutions as much as possible. Passing this legislation would increase member schools’ participation in ESC governance, and return choice to school districts whose hands were tied under the changes in 2011.

Thank you for the opportunity to present House bill 438 to you today. We are available for any questions.