



**The Alliance for High Quality Education
Interested Party Testimony –H.B. No. 1
House Finance Subcommittee on Primary and Secondary Education
March 1, 2021**

Chair Richardson, Ranking Member Troy, and Members of the House Finance Subcommittee on Primary and Secondary Education, thank you for the opportunity to speak to you today regarding HB 1. 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.

Prior to joining the Alliance as its Executive Director, I 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. I also served as superintendent for the West Geauga Local Schools for thirteen years. I earned my doctorate at Cleveland State University in Urban Educational Administration.

On behalf of the Alliance, we thank the bill sponsors and the school funding task force members for the continued work and bipartisan effort to recommend a new funding formula for Ohio's schools. This collaborative effort has culminated in the development of comprehensive school funding plan, with the exception indicated below, which we believe provides a rational, transparent approach for determining both the cost of educating students and how the funding of education is shared between the state and local taxpayers.

While we lend our support to the work performed by each subgroup, today we ask the bill sponsors and this Committee consider changes to the distribution formula as it relates to the proposed minimum funding level. In addition, the Alliance feels strongly that policymakers should take into consideration the impact that the total amount of property taxes levied by a community that are needed to offset a state funding share that is at or close to the stated minimum can be a significant burden for those communities.

The Alliance believes that the current minimum funding level contained in HB 1, (5% of the state share index), is an arbitrary figure established in existing law that should not be continued without re-evaluation as part of HB 1 deliberations. Unlike all the other components of the proposed HB 1 formula, the minimum funding level is not tied directly to a specific set of criteria that would establish an understandable rationale for utilizing this percentage as the funding floor both now and in the future.

The impact of utilizing this percentage as the floor in the formula will ultimately equate to several traditional public school districts receiving less state funding than chartered, nonpublic schools (private schools). Private schools receive state funds to underwrite the cost of essential “auxiliary services” for students and to reimburse private schools for state-mandated administrative and auxiliary services. The historical rationale for providing private schools with state funding is the recognition that these services are required, and private schools should not have to cover the costs to comply with these requirements.

Regarding the current minimum funding portion of the formula, the minimum funding level for districts is set at 5%. That equates to approximately \$300.00 per pupil under our present per pupil allocation. In comparison, under present law, non-public schools receive monies from the State for required auxiliary services and reimbursements for certain required recordkeeping equating to an amount that has historically equated to approximately \$1400.00 per pupil.

We believe that the formula contained in HB 1 should set the funding floor for traditional public-school districts not less than the amount a parochial/private school receives from the state for required auxiliary services/reimbursements. If those funding levels remain at their present levels for administrative and auxiliary services in this budget cycle, that would equate to a funding floor of somewhere between 15%- 20% based on the current formula projections.

We believe the creation of a funding floor equal to the amount granted to nonpublic schools for all public districts would be a fair way to assure all students and schools receive an adequate level of funding regardless of which school category they fall in. Moving the floor from the present 5% level to the level described above would provide those districts that would fall to that level a meaningful, consistent, and staple funding level that would provide a level of certainty when conducting their fiscal planning. It would also provide a rationale set to a set of criteria for increases in the future

The determination of an adequate minimum funding level is critical when you frame the level of local support needed in the terms of property tax generated to meet the local share. While this bill does not address this factor, we would ask you to think about the taxing “capacity” of a district, in relation to its stated perceived “wealth”.

A district's ability to increase funding at the local level is determined by the total amount of property wealth available to them and the willingness of the electorate to increase that funding through school levies. For many of our members, a majority of the funding available to them is generated by that local commitment.

We encourage this Subcommittee to consider finding a way to recognize the level of funding that a community is contributing, in terms of total locally voted millage, when comparing that to other similar districts. Currently, there is no way to recognize when districts, due to their placement on the state funding spectrum, have had to return an inordinate number of times to the local ballot to come up with their share of the funding model.

Thank you for the opportunity to provide testimony today. The Alliance looks forward to working with the General Assembly and the DeWine administration as HB 1 and the budget continues to move through the legislative process. I am happy to address any questions Committee Members have at this time.