



**Senate Primary and Secondary Education Committee
House Bill 110
Ohio School Boards Association
Buckeye Association of School Administrators
Ohio Association of School Business Officials
April 22, 2021**

Chair Brenner, Vice Chair Blessing, Ranking Member Fedor and members of the Senate Primary and Secondary Education Committee, thank you for the opportunity to present testimony today on House Bill (HB) 110, the biennial budget. I'm Will Schwartz with the Ohio School Boards Association. Joining me for this testimony and in answering your questions are Kevin Miller with the Buckeye Association of School Administrators and Katie Johnson with the Ohio Association of School Business Officials. Our organizations represent public school district, career technical education center and educational service center boards of education, superintendents, treasurers/CFOs, business managers and other school business officials from around the state. We would like to begin by noting that our testimony was drafted prior to the House finishing its work on the budget and may not reflect all of the changes made by the House. We may need to follow up with the committee when additional information becomes available should we have other changes to request.

School funding

On behalf of our members, we want to take this opportunity to express our support for the Fair School Funding Plan. This new formula, included by the House in HB 110, is a result of an effort to research, analyze and ultimately recommend a new funding formula. This work was conducted by a group of practitioners from urban, suburban and rural school districts representing the diverse needs and unique challenges that our 600+ school districts, career technical education centers and educational service centers face. We are proud of their dedication and hard work over the past three years in developing and refining the Fair School Funding Plan.

The Fair School Funding Plan 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.

The **first step** of the plan applies an objective methodology to determine the cost of educating a typical student, which is referred to as base cost. The objective methodology applied in determining base cost takes into account the circumstances of each district, creating per pupil dollars that represent the revenue needed for districts to provide quality educational programming. Ohio has not utilized a base cost methodology for many years, and the workgroup's recommendations are welcomed by the education community.

The Fair School Funding Plan provides, in **step two**, a method of sharing this base cost between the state and local taxpayers using a fair, defensible measure of capacity to generate funds locally, taking into account the size of the local property tax base and the income of district residents. This approach of determining the state and local share of funding based on a sliding scale, including both income and property capacity, is more equitable than basing it on property values alone.

In addition, the Fair School Funding Plan identifies a framework for providing additional resources to meet needs beyond those of a basic education. These costs are often referred to as categoricals or add-ons. In **step three** of the plan, categorical funding is applied to provide additional funds for economically disadvantaged students, students with disabilities, English learners, gifted students, and career and

technical education students. Thus, the Fair School Funding Plan provides both base cost and categorical funding that is driven by the number of students in a district and the unique needs of those students. Ohio has not had a school funding formula in place for the last two years. Even when a funding formula was in place, over 80% of K-12 school districts were not on the formula. The funding provided for the vast majority of Ohio's 1.6 million public school students was established with no objective analysis of what it costs to educate these students.

HB 110 proposes to phase in the increases for the Fair School Funding Plan over the next six years. Increases from most of the formula's components are phased in at 16.67% in FY 22 and 33% in FY 23. The exception to this phase-in is the Disadvantaged Pupil Impact Aid (DPIA). HB 110 proposes to fund this component's increase at 0% in FY 22 and 14% in FY 23. **We request that the Senate provide the same phase in for DPIA that is being applied to all other components of the formula over the next biennium.** This will allow districts to better meet the needs of economically disadvantaged students.

The Fair School Funding Plan provides an objective and transparent solution- a three-step process- for school funding in Ohio. Dr. Howard Fleeter, economist and leading Ohio school funding expert who serves as a consultant to the Ohio Education Policy Institute, agrees that the Fair School Funding Plan provides the objectivity missing in any previous attempts to develop a formula, noting the plan includes:

- a new input-based methodology for determining the base cost amount, which will vary based on district demographics;
- a new method for determining the state and local share of funding based on a sliding scale, including both income and property capacity. This new measure takes into account the size of the local property tax base and the ability of district residents to raise local tax revenue;
- increased funding for economically disadvantaged students; and
- a recommendation for studies to be carried out to determine the true cost of educating students with disabilities, economically disadvantaged students and English learners.

Therefore, Fleeter concludes, when fully funded and implemented, the Fair School Funding Plan meets the constitutional mandate to "secure a thorough and efficient system of common schools throughout the State."

We believe that the Fair School Funding Plan, developed with the help of practitioners in the field, is a rational, transparent and fair plan that provides the resources to meet the needs of Ohio's students. **We strongly urge the Senate to join the education community in support of the plan.**

I will now hand things over to Katie Johnson with OASBO.

DPIA spending requirements

Ohio has long had a list of allowable uses for funds targeted toward economically disadvantaged students. HB 110 proposes to expand this list and applies it to DPIA funds. However, HB 110 also adds an additional requirement that districts develop a plan for utilizing their DPIA funds in coordination with both a board of alcohol, drug and mental health services and one of the following: an educational service center, a county board of developmental disabilities, a community-based mental health treatment provider, a board of health of a city or general health districts, a county department of job and family services, a nonprofit organization with experience in serving children, a public hospital agency, a federally qualified health center, or a federally qualified health center look-alike. Our members understand the need for a plan to use these funds and are accustomed to doing so, but **we request that the mandate to use specific partners in developing the plan be removed from the bill.** Instead, we believe that districts should be provided with flexibility in determining how best to meet the needs of their students and with which entities they will partner in meeting those needs.

Transportation

HB 110 also contains many changes with regard to student transportation, a few which are problematic. We offer the following suggestions.

The bill would require that students with late enrollment in community or private schools be scheduled on a bus within 14 days. Not all districts can make this deadline. If a new student does not live along an existing route, a route has to be modified and the other students riding that bus will have to be given notice of stop and time changes. An additional problem is that when notice is given during the month of August, transportation offices are at the busiest point of their year. It is not always possible to drop everything to give priority to a late enrollment. **We suggest that rather than 14 days, the language state that transportation assignment should occur as soon as possible.**

HB 110 would also restrict the use of public transit. This change will remove a resource that has been available for public schools since school transportation was first mandated. While in a perfect world, we would like all students to have access to yellow school buses, there are simply not enough yellow school buses or drivers available to meet the demand. If this change occurs, school districts will have to divert yellow buses currently used to transport high school students and K-8 students who live less than two miles from school to instead serve students currently riding public transit. This will result in a net loss of transportation service for many students and their families. **We request that this language be removed from the bill.**

New language in HB 110 would also change the deadline for community schools to notify districts that they intend to transport their students to August 1. This is very late in the process for the notification to occur. Many districts begin their work in March to determine routing decisions as well as staffing and bus inventory needs. The current deadline is January 1. **If a date change needs to occur, a more reasonable selection would be March 1 to coincide with the district's preparations for the next school year.**

Student transportation is a challenge because it is an area that has been underfunded for the past few years. The need for transportation service has continued to grow even while funding in this area has been reduced. We firmly believe that the provisions and funding provided in the Fair School Funding Plan, will provide the needed changes and resources to make available greater efficiency and increased service.

Academic distress commissions

The Governor's proposal also includes a prohibition on any new academic distress commissions being appointed during the 2021-2022 and 2022-2023 school years. This is a great first step in correcting the problems that surround academic distress commissions. **We urge you to keep this provision in the bill.**

I will now hand the testimony over to Kevin Miller with BASA.

Computer science education

We also appreciate Governor DeWine's foresight to provide opportunities for students in computer science education. However, without appropriate funding, it will be difficult for districts to create new programming while meeting the staffing requirements for these courses. **We urge the committee to remove the provisions related to computer science from the bill, and instead introduce separate stand-alone legislation that can be crafted with input from stakeholders while providing the resources necessary to implement programs and courses that will serve students well.**

Graduation requirements

The bill also includes changes to Ohio's graduation requirements. **We ask that these provisions be removed and considered separately from the budget.** This will allow for a robust discussion on the impact of these changes, especially since provisions in the bill would create separate graduation requirements for different types of schools.

The Governor's budget proposal included a requirement that students complete the FAFSA as a requirement for graduation. The FAFSA is a cumbersome document, and there is merit in providing

support to help students and parents complete the FAFSA to see what types of aid would be available to them to make post-secondary education a reality. However, this need not be a graduation requirement. The House removed this provision at the request of our associations and others. **We request that this requirement not be reinserted in the bill.**

Resources for dyslexia

HB 110 retools the state's diagnostic assessments in reading for grades K-3 so that they can be used as a screener for students with dyslexia. This will help districts with the costs associated with implementing Tier I screening requirements from HB 436 of the 133rd General Assembly. However, we remain concerned about the resources needed to provide Tier 2 screening tools, to implement new multi-sensory structured literacy programs, to certify teachers in those programs, to provide meaningful professional development for all teachers K through 12, and to implement necessary interventions for students identified as having dyslexia. **We ask that you consider providing additional dollars to cover the costs associated with implementing HB 436 from the 133rd General Assembly.**

Chair Brenner and members of the committee, thank you for your time and attention. We would be happy to answer any questions you may have at this time.