

Testimony on Ohio Substitute HB 305
Submitted to the Ohio House Finance Committee, November 17, 2020
on Behalf of the Heights Coalition for Public Education
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Chairmen Oelslager and Callender, and Members of the Committee: The Heights Coalition for Public Education commends the sponsors in both chambers of the Ohio Legislature for bringing forward the proposed [Fair School Funding Plan](#), defined by Substitute HB 305. The bill's original sponsors described the new plan's necessity when it was introduced a year and a half ago: Eighty percent of the state's school districts, 503 of 610 districts, were capped or had fallen onto guarantee. Today, neither base cost nor categorical state school funding comes close to approximating the actual cost of K-12 schooling in Ohio.

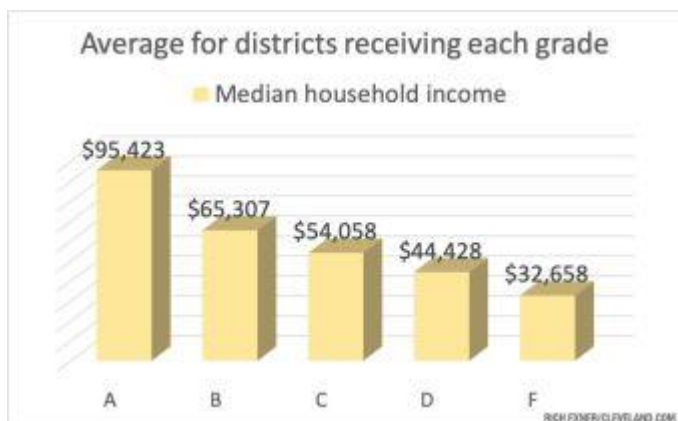
Substitute HB 305 enhances equity, increases the state's investment in the under-resourced public schools and school districts with concentrations of the state's poorest children, and ends school district deduction funding for charter schools and tuition vouchers for private school tuition.

We commend the sponsors of the bill for revising the original plan to enhance equity. For measuring local capacity, you have expanded the range of the sliding scale to ensure that the state better distinguishes wealthy school districts from the school districts with low property tax bases or those which struggle to pass levies because their residents are impoverished. And you have increased categorical aid for economically disadvantaged students from \$272 per pupil to \$422 per pupil, an urgently important change. The purpose of the state school funding plan, in accord with the provisions of the Ohio Constitution, is to create a system that ensures that all children are provided an equitable opportunity to learn. The late political theorist, Benjamin Barber defined educational equity: "Education need not begin with equally adept students, because education is itself the equalizer. Equality is achieved not by handicapping the swiftest, but by assuring the less advantaged a comparable opportunity. 'Comparable' here does not mean identical..." (*An Aristocracy of Everyone*, p. 13)

For many years---through mechanisms like the state report card which rates and ranks school districts; the third grade guarantee; the state takeovers in Youngstown, Lorain, and East Cleveland; and the assignment of charter schools and vouchers, all based primarily on aggregate standardized test scores---Ohio has doled out punishments for schools and school districts that serve concentrations of the state's poorest children. However, a mass of educational research documents that aggregate standardized test scores for any school or school district correlate with family and neighborhood income and are a poor measure of school quality. In September of 2019, the *Cleveland Plain Dealer* published [a stunning analysis](#), by the newspaper's data analyst Rich Exner, of the school district grades awarded by the state of Ohio on the 2018-2019 state report cards. Exner's bar graphs present a series of almost perfect downward staircases, with "A" grades for school districts in communities with high median income and "F" grades for the school districts in Ohio's poorest communities. The correlation of academic achievement with family income has been demonstrated now for half a century,

but too often Ohio policy has blamed public school teachers and administrators instead of using the resources of government to assist struggling families who need better access to healthcare, quality childcare, better jobs, food assistance, and better resourced public schools.

Substitute HB 305 eliminates school district deduction funding for the state's vouchers and charter schools, and would, therefore remedy what has become a primary source of inequality in Ohio's system of funding public schools. Because, in Ohio, students in so-called failing schools qualify for vouchers, and because the siting of charter schools is limited to districts with lower test scores, "school district deduction" funding for these programs punishes the very school districts that serve concentrations of children living in poverty. Not only will vouchers and charter schools drain \$2,352,881,306 overall from the budgets of Ohio school districts for vouchers and charters in FY 21 and FY 22, [according to William Phillis](#), executive director of the Ohio Coalition of Equity and Adequacy, but the cost of these school district deductions for vouchers and charters is inequitably distributed across the state's 610 school districts. School district deduction funding, which is said to provide students an escape from so called "failing" schools, inequitably sucks money out of the local budgets of school districts which serve children who need expensive additional services. Many of these districts also



have the lowest capacity to raise local revenue. In many cases, the students carrying away the vouchers have never been enrolled in the districts from which they are carrying away the money.

In a white paper last April, a co-convenor of the Heights Coalition, [Susan Kaeser explains](#) why specifically the EdChoice voucher program, funded by school district deduction, is inequitable: “The financial burden of EdChoice vouchers is not shared evenly by school districts across the state, punishing some districts and not others. This disparity is made worse by the reality that the majority of students in the districts most affected by vouchers live in poverty and are not white...”

The Heights Coalition advocates for the public schools in the Cleveland Heights-University Heights City School District, whose school district budget has been devastated in recent years by EdChoice vouchers. Why? First is the [clamor for vouchers among a growing community of religious families](#) whose children have never been enrolled in the district’s public schools. The second reason is the increase over the years in impoverished students currently enrolled in our public schools. According to the [Ohio Department of Education’s 2019 Cupp Printout](#), 99.98 percent of our students are currently designated as disadvantaged.

Here is what the school district deduction for EdChoice vouchers has done to our school district. In a PowerPoint presented to the Cleveland Heights-University Heights Board of Education last month, the school district’s treasurer, [Scott Gainer explains](#) that in our school district the number of students claiming vouchers—and the dollars being deducted from our school district’s budget—have grown precipitously. Much of the growth occurred when the Legislature, in the FY 20-21 biennial state budget, expanded eligibility to all students in grades 8-11 in EdChoice designated schools. The amount diverted from our school district budget to EdChoice vouchers has grown from \$2,256,017 in 2017; to \$3,232,403 in 2018; to \$4,187,249 in 2019; to \$7,074,249 in 2020; to \$9,017,250 in the current 2020-2021 school year.

Currently 1,792 students are carrying vouchers out of our school district budget at the expense of the 4,810 students enrolled in our public schools. This year EdChoice voucher students are diverting to private and religious schools 45 percent of the school district’s state’s foundation school funding despite that they represent only 27 percent of the combined total of students the state counts as part of the district.

While 1,240 of vouchers granted by the state this year are renewals, which means that the district continues to collect state aid to cover a portion of the cost of each voucher, students applied for 552 new vouchers for this school year—a year when the state budget allocation is frozen at the FY 2019 level. For these 552 students, the district is forced to cover the full cost of their vouchers—\$2,566,800—out of the local school district budget.

And while the legislature claims that the vouchers are designed to help students and their families be able to make a choice to leave public schools, Gainer documents that in our school district during the current school year, 1,699 of the 1,792 students carrying the vouchers out of our school district—roughly 95 percent—have never been enrolled in our public schools. In essence, this means that in our school district, and across Ohio, the Legislature is forcing local public school districts to undertake an unexpected expense: paying for private and religious education.

In the *DeRolph* decision, the Ohio Supreme Court charged the state legislature to create a system that is no longer overly reliant on the passage of local operating millage. Currently in our district, EdChoice diverts 45 percent of state foundation funding out of our school budget and forces our voters to replace this funding with additional local operating levies.

The Heights Coalition for Public Education commends you for considering Substitute HB 305. The Fair School Funding Plan is a comprehensive blueprint which, when funded, will ensure that public schools across Ohio can provide an opportunity to learn for all of our children. We urge you promptly to enact the Fair School Funding Plan.