



Date: June 21, 2019

To: The Honorable Larry Householder, Speaker of the Ohio House of Representatives
The Honorable Larry Obhof, President of the Ohio Senate
The Honorable Scott Oelslager, Chairman of the Ohio House Finance Committee
The Honorable Matt Dolan, Chairman of the Ohio Senate Finance Committee
The Honorable Jim Butler, Ohio House Speaker Pro Tempore
The Honorable Dave Burke, Vice Chairman of the Senate Finance Committee
The Honorable Jack Cera, Ranking Member Ohio House Finance Committee
The Honorable Sean O'Brien, Member Ohio Senate Finance Committee

From: Jennifer Hogue, OSBA- 614-804-2181
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Barbara Shaner, OASBO- 614-325-9562

Re: Amended Substitute House Bill 166

We are writing to express the thoughts and views of the members of our three organizations on several issues before the Amended Substitute House Bill (Am. Sub. HB) 166 Conference Committee. We urge you to consider these positions as you work through matters of difference between the two chambers.

Student Wellness and Success Funds

We prefer that the Conference Committee report restore the investments made in the House version of the bill. We greatly appreciate the additional investment in students through the Student Wellness and Success Funds. This proposed funding recognizes that all districts have students living in poverty and would distribute the funding to districts based on the concentration of students in poverty residing in the district. Our members have long expressed the lack of resources and support to meet the social and emotional needs of students. We are extremely grateful that Governor DeWine, the Ohio House, and the Ohio Senate listened, recognized the need for additional resources, and deliberately chose to invest the state's resources to serve our students in this way. We believe these funds will go a long way in addressing the nonacademic barriers to student success. We urge the Conference Committee to adopt the level of funds appropriated in the House version of the bill.

We would also like the Conference Committee to include the expansion of the uses of Student Wellness and Success Funds that were included in the Senate version. That expansion includes services for child nutrition and physical health, fitness, wellness, as well as student services provided prior to or after the regularly scheduled school day or at any time school is not in session.

Academic Distress Commissions

We request that you restore the House version of the bill that would enact HB 154. These provisions provide a pathway for local districts and communities to determine the needs of their districts and develop an improvement plan that will meet the needs of students. The steps

contained in the House version of the bill would go a long way toward improving outcomes for schools and, most importantly, for the students they serve.

Voucher Expansion

Our organizations oppose the Senate's expansion of Ohio's private school voucher program in the Senate version of HB 166. Ohio already provides millions of taxpayer dollars to private schools. While Ohio struggles to adequately fund local school districts, we urge you not to add additional programs that will siphon dollars from public education by diverting public tax dollars to pay for private school tuition. Further, such public policy changes should be considered on their own as stand-alone bills. We urge you to remove all the changes to Ohio's voucher programs from the bill.

Graduation Requirements

We request that you remove the graduation requirement changes included in the Senate version of the bill. Last year, the State Board of Education convened the Advisory Committee for Graduation Requirements, a group of 25 stakeholders including superintendents, principals, and teachers. The committee met multiple times over several months to address this important issue. The State Board of Education recommended changes based on the work of the Advisory Committee.

What we supported most about that plan was its expansion of opportunities for students to demonstrate what they know and are able to do. The provisions included in the bill still rely heavily on tests and only provide additional paths to graduation once test options have been utilized.

We also have serious concerns about the creation and development of the "competency" score, and we question the need to create an additional scoring level when five scoring levels already exist. If such a score level is created, however, we believe it should be determined by the State Board of Education, not the Governor's Executive Workforce Board. Currently, all scoring levels set for state assessments are determined by the State Board of Education.

Finally, we are concerned about the redundancies in the proposal regarding the at-risk identification and student graduation plan provisions. We believe the recently created student success plans and career advising policies already serve the same purpose.

School District Earned Income Tax

We request that you restore the provision included in the House version that corrected an inconsistency with the school district earned income tax. When the state's small business income tax exemption was established, the statute was adjusted to add the small business income back in for purposes of calculating the taxable income for a traditional school district income tax. That adjustment was inadvertently left out for the school district earned income tax option. Both school district income tax statutes fall under the same section of law, but the taxable income definition is different for each version of the tax.

The school district earned income tax is favored by retired residents who are often on a fixed income from a pension or social security, and so it makes sense that it should be the preferred tax for school districts. However, by inadvertently applying the small business income tax deduction to the school district earned income tax, districts are discouraged from using this tax.

Growing School Districts

We ask that the Conference Committee keep the resources for growing districts provided in the Senate version of the bill. The Senate included additional assistance for school districts with growing enrollment (\$15.5 million in FY 2020 and \$23 million in FY 2021). Because the bill freezes foundation funding for the state share of education services, districts seeing growth in the number of students they are educating will be at a disadvantage if there is no recognition of the additional students. Some are growing so rapidly that it is nearly impossible for local resources to keep pace

with the costs associated with the new students. This group of growing districts exists across the spectrum in terms of local capacity to generate revenue.

Tax-related bills

We ask that the Conference Committee adopt the Senate version of the bill as it relates to the removal of three tax-related bills that had been inserted into the House version of the bill (HB 75, HB 149 and HB 187 — Board of Revision process changes, tax subsidies for residential developers, and the elimination of the August Special Election for levy requests in most instances). We oppose all three bills, and if the General Assembly wishes to consider them, they should be heard as stand-alone bills.

School Breakfast Expansion

We request that you keep the changes made in the Senate version of the bill with regard to school breakfast. We understand the importance of offering breakfast to students, especially those that may not have the opportunity to have breakfast at home. The changes that were included in the bill will allow districts more flexibility and opportunity to provide breakfast in a way that meets the needs of their students.

Funding Parity in FY 2022

The Senate version of the budget bill includes language that provides for minimum per pupil funding for districts, equal to the funding the state provides to nonpublic schools through auxiliary services and administrative cost reimbursement funds, currently in the amount of roughly \$1300 (per pupil). The provision would not take effect until FY 2022. There are public school districts receiving as little as \$556 per pupil in state aid. We support the Senate's minimum per pupil amount that matches the amount provide to nonpublic schools.

Thank you for taking the time to review our requests. We would be happy to make ourselves available for questions at any time.