

OEA
OHIO EDUCATION ASSOCIATION

May 8, 2007

The Honorable Bill Harris, Senate President
Ohio Senate
Senate Office Building
Columbus, Ohio 43215-4276

Dear Senator Harris,

As the Senate begins deliberations on the House version of Substitute HB 119, we are writing to express our views so that you might take them into account throughout the budget process. Our organizations represent public school board members, superintendents, teachers, education service professionals and school business officials from the districts throughout Ohio. We will testify in the Senate Finance Committee on May 29, but wanted to share our thoughts and concerns early in the process.

We commend Governor Strickland's commitment to making education a priority. The Executive Budget placed a high priority on education despite serious fiscal constraints. We also applaud the House for retaining key elements of the governor's education plan such as investments in early childhood education, improvements in programs like Poverty Based Assistance, the removal of the second ADM count for school districts, and important implementation language recommended by the School Employees Health Care Board.

However, there are a number of issues in HB 119 that must be addressed in the Senate. The following are key concerns:

1. HB 119 proposes to reduce the number of districts that receive Parity Aid, eliminate the system of multiple guarantees (basic aid; poverty based assistance; reappraisal and transitional) and completely eliminate the Cost of Doing Business Factor (CODBF). This means that a large number of districts will be flat-lined in State funding over the next two years.

With the elimination of the CODBF, we urge you to consider an alternate method for accounting for the differences in costs for districts across the state. The Education Tax Policy Institute (ETPI) has developed a new "cost adjustment" factor that takes into account wages, housing costs, remoteness of the school district, and concentrations of poverty. We believe it more fairly recognizes the needs of all districts. A copy of the ETPI report is enclosed.

We request the reinstatement of the multiple guarantees and Parity Aid funding to all the school districts that have qualified in the past. We also support the restoration of the 9.5 mill calculation for Parity Aid. We believe these items are very important for school districts' fiscal stability and should be retained until such time our school funding formula is reformed.

Additionally, our organizations support weighted funding to meet the needs of Limited English Proficiency (LEP) students, 100% funding for Special Education weights and increased funding for Education Service Centers (ESCs have not received an increase in state funding for over 10 years).

Our organizations believe that the school funding formula still needs to be reformed. We urge you to use this budget to begin the transition to a better system. The current school funding structure is not sufficient to provide a stable base for school districts to succeed. The current version of Substitute HB 119 still leaves districts struggling. Essentially, 311 districts in FY 2008 and 243 in FY 2009 will be flat funded.

2. We are opposed to the inclusion of Representative Peterson's proposed special education voucher program in the substitute bill. This program would serve to drain resources from the public schools and weaken the due process rights afforded to parents and students. The current system allows for school districts to utilize outside providers if the district cannot meet the needs of a particular student. This gives districts oversight to be sure the services are provided appropriately.

We believe that privatization in the name of choice, jeopardizes the good of the whole. By diverting dollars for a few, the ability of public school districts to meet federal and state standards is compromised and students' educational experiences will suffer.

3. STEM -- We are concerned with the proposed \$20 million in the House version of HB 119 for so-called STEM Academies. While we think the STEM components are important and would work well within the current public school structure, we oppose the creation of a new system of education to implement the STEM objectives. These dollars could be meaningful investments to improve traditional public schools in the area of STEM.

4. Another area of concern with the substitute version of HB 119 is the issue of community schools and vouchers for education. We urge the Senate to reinstate the Governor's provisions regarding community schools and the elimination of the EdChoice voucher program.

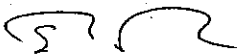
We acknowledge the accountability provisions that the substitute version contains in an effort to address some concerns with community school performance. However, we believe the Governor's proposal best addresses this issue.

Enclosed is a list of talking points that we urge you to consider. They explain more fully the concerns we have about the current version of Substitute HB 119.

In conclusion, we believe that Ohio must continue to move toward funding an improved school system. The state's investment in education not only helps school districts meet the needs of students, it also provides the basis for a strong economy. For the sake of our students and our future, we must fund schools adequately to better compete.

We appreciate the opportunity to express our views on this important legislation. Feel free to contact us if you have questions about our position on Substitute HB 119.

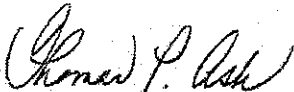
Sincerely,



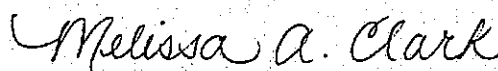
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Barbara Shaner
Ohio Association of School Business Officials



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C: Senate Finance Committee; Senator Jeff Jacobson