



**Ohio School Boards  
Association**

The Ohio School Boards Association (OSBA) appreciates the opportunity to review the 2014 *Local Impact Statement Report* on bills enacted in 2013 as prepared by the Legislative Service Commission (LSC) for members of the Ohio General Assembly and the general public. The document provides the reader with a concise summary and analysis of the fiscal impact of specific bills on public school districts and other local government agencies. The report provides a valuable understanding of the cost and programmatic implications of the selected bills.

The 2014 *Local Impact Statement Report* indicates that four bills enacted during 2013 required local impact statements. Three of the four bills have a potentially negative fiscal impact on certain local school districts. These bills are Sub. House Bill (HB) 167, Am. Senate Bill (SB) 28, and Am. Senate Bill (SB) 112.

The Ohio School Boards Association is very active throughout the legislative process and did register concerns with Sub. HB 167. While supportive of the general purposes of Sub. HB 167, we were concerned about the long-term implications of certain aspects of the bill in terms of governance as well as fiscal and administrative burden on the Columbus City Schools. Because the bill was developed in concert with the school district board of education, we chose not to oppose the bill.

At the same time, the OSBA Legislative Platform opposes legislation that weakens local control. We believe that certain elements of HB 167 do weaken local control — specifically, the required appointment of an independent external auditor, the diversion of locally generated tax revenues to charter/community schools and permitting the mayor to sponsor new charter/community schools.

OSBA did submit written, interested party testimony. We noted our concerns with impositions placed on the local board, through a requirement that the district employ and fund an auditor operation that would be monitored by external parties. The legislation does not provide any ability for the board of education to exercise any limitations on the cost of operations or staffing of the new office. While we understood the rationale for the office, we continue to have concerns with legislation that mandates how a board of education employs and directs staff. The legislation gives the Columbus

Board of Education only one of five votes in selecting the auditor, but the entire responsibility for funding the operations of the office. We believe that the board of education should have a majority vote in selecting this office. We also registered our concern with the directive to the board of education to place an operating levy on the ballot in a specified time frame, to support not only the schools within the district, but also to support charter/community schools, a number of which are performing unsuccessfully. In our view, any levy designed to support charter/community schools should stand on its own and not be comingled with support for the district-operated schools.

Finally, we expressed concern with the extension of authority to the mayor to serve as a sponsor of additional charter/community schools and allowing the mayor and city to receive sponsorship funds from the school district.

Our expressed concerns were also shared by the general public, in view of the fact that the levy went down to a resounding defeat. There were other factors involved to be sure, but the public rejected being told by “experts” and legislators when to put a levy on the ballot and what provisions to include in the programs to be funded by the levy. More time to engage the community to more fully understand the need and rationale for the levy would have been helpful.

While this bill was limited to the Columbus City School District, we have long-term concerns that similar directives re: governance, staffing and programs could be extended to other districts down the road. Ohio has a long and proud tradition of local control and we believe that Sub. HB 167 runs counter to that foundation.

The City of Columbus and the Columbus City School District, like any other school district, faces unique challenges and opportunities. The Columbus Plan may be the best path for Columbus. However, It should not be regarded as the best or only path for educational improvement in other districts across the state and not as a strategy for all.

The second bill, Am. SB 28 contains provisions that will substantially reduce the revenues accruing to those 147 Ohio school districts that levy a school district income tax. LSC estimates suggest losses of up to \$2.3 million through 2015. While this is a relatively small sum in the overall scheme of school funding, this is a likely to disproportionately impact a small number of districts, thereby resulting in a more significant impact on those districts. OSBA believes that changes to tax policy such as those outlined in Am. SB 28 should be viewed in a larger context, namely how such changes affect the tax-sharing balance between and among taxpayer classes.

The bill to extend the time for enterprise zone agreements, Am. SB 112, has no definitive estimate of fiscal impact, except that loss of revenues are possible in the communities included in the enterprise zone. For this reason we hope that local officials will involve school officials in these discussions.

OSBA finds the fiscal impact statements to be useful and continues to support legislation requiring the General Assembly to consider the local impact of all bills prior to being enacted. This would include the biennial budget, capital appropriations bill, mid-biennium budget reviews, and any budget corrections bill which are now exempted from such local impact statements.

Once again, OSBA wishes to express appreciation to the Legislative Service Commission for its hard work and diligence on this important task. We look forward to working with you now and in the future.