

Education Update

To: LWVO
From: Joan Platz
Education Update for October 5, 2009

1) 128th General Assembly: The Ohio House will hold session and committee hearings this week. The Senate will hold committee hearings this week, but has canceled sessions. The House Education Committee, chaired by Representative Williams, will also meet. (See #4 below for details.)

*Early voting for the November 3, 2009 General Election started on Tuesday, September 29, 2009. Voters can now request absentee ballots by mail, or cast a ballot in person at their county boards of elections. Absentee ballot requests must be received by local boards of elections by October 31, 2009. In-person absentee voting is permitted through the day before the election. For more information please visit the Secretary of State's website at <http://www.sos.state.oh.us/SOS/elections/voterInformation/absentee.aspx>.

2) Plan to Fill Budget Gap Announced: Governor Strickland announced on September 30, 2009 his administration's plan to fill a \$851 million budget gap created as a result of a recent Ohio Supreme Court decision regarding video lottery terminals (VLTs).

The Strickland administration's plan, which must be approved by the General Assembly, postpones a final 4.2 percent reduction in the personal income tax rates for 2009, freezing the tax rates at 2008 levels. A phased-in 21 percent reduction in the personal income tax rates (phased-in over five years) was included HB 66, which was approved in 2005. The last phased-in rate reduction took place in January 2009. If this final rate reduction is postponed, the tax rate reduction would amount to 16.8 percent compared to 2004 levels.

The administration's plan to delay the income tax reduction through June of 2011 could raise approximately \$844 million (\$418 million in FY10 and \$426 million in FY11). During a press conference held on September 30, 2009 to explain his decision the governor noted that other budget reductions may be needed to fully address the budget deficit. According to Governor Strickland, the VLT decision made by the Supreme Court on September 21, 2009 made it practically impossible to go forward with the VLT plan included in Am. Sub. HB1.

Other options proposed to reduce the FY10-11 state budget deficit, such as increasing the sales tax or making further cuts in the budgets of state agencies and departments, were dismissed in favor of the personal income tax option. The governor also stated that he will ask the Supreme Court for a declaratory judgment on the VLT provision.

The Supreme Court decision which led to this announcement was issued on September 21, 2009 in the case State ex rel. LetOhioVote.org v.

Brunner. The Court agreed with the plaintiff, LetOhioVote.org, that a provision included in Am. Sub. HB 1, the FY10-11 budget bill, regarding the installation of video lottery terminals (VLTs) at Ohio horse racing tracks by the Ohio Lottery Commission, is subject to referendum.

Governor Strickland and lawmakers included the provision for VLTs in the state budget bill, Am. Sub. HB 1, to raise revenue to fund Ohio's schools after reducing the state budget by more than \$2 billion. The VLTs would be operated by the Ohio Lottery Commission, and were expected to be installed at race tracks in May 2010.

Before the governor's plan was announced, State Superintendent of Public Instruction, Deborah Delisle, informed school districts through her weekly newsletter on September 28, 2009 that Governor Strickland had requested information about what the impact would be on the Ohio Department of Education and school districts, if the state's education budget needed to be cut by \$851 million as a result of the loss of revenue from the video lottery terminals.

The ODE reported two budget reduction scenarios which also account for the Federal stimulus funds for schools included in the state's biennial budget. The use of the federal stimulus funds complicates the budget reduction scenarios, because in order to use the federal funds Ohio had to agree to maintain a certain level of state support for school districts. The first scenario calls for the state to request a waiver from the federal stimulus requirements. If the federal government granted the waiver school districts could face reductions of more than 10.67 percent in FY11. If the waiver was not granted, the second scenario shows that school districts could lose 10.3 percent in FY10, and 15.74 percent in FY11.

The General Assembly must now take action on the governor's proposed tax plan, or adopt other options to close the \$851 million budget gap.

For more information about Governor Strickland's plan to stabilize the state budget please visit <http://www.governor.ohio.gov/News/PressReleases/2009/September2009/News93009/tabid/1262/Default.aspx>

3) Update on Federal issues: The U.S. Senate continues to work on its version of the FY10 Labor, Health Human Services and Education Appropriations Bill - Sub. HR 3293. The U.S. House approved HR 3293 on July 24, 2009. The appropriations measure was to go into effect on October 1, 2009, (beginning of the fiscal year), but since Congress did not approve the bill on time, Congress adopted and the President signed into law HR 2918, which includes a continuous resolution in Part B to keep government programs and agencies operating through the end of October 31, 2009, including the Departments of Education. Once the Senate approves its version of HR 3293, a conference committee will be appointed to work-out the differences between the House and Senate bills.

4) Hearings this Week

*The House Education Committee, chaired by Representative Williams, will meet on October 6, 2009 at 2:00 PM in hearing room 017. The committee will consider the following bills:

-HB161 (Koziura) Undergraduate: Requires state universities to guarantee that a full-time undergraduate student with a declared major field of study can complete coursework for the program of study in a specified time period.

-HB268 (Driehaus) Increase Auxiliary Service Payments: Temporarily reduce the per pupil base-cost payments to community schools in academic watch or emergency, and use the aggregate of those reductions to make supplemental payments for Auxiliary Services for chartered school students.

-HB253 (Debose) Education Leadership Character Ethics: Regarding leadership character ethics in public schools and public institutions of higher education.

*The House Elections and Ethics Committee, chaired by Representative Stewart, will meet on October 7, 2009 at 10:00 AM in hearing room 122. The committee will hear testimony on HB260 (Stewart) Election Laws.

*The House Health Committee, chaired by Representative Boyd, will meet on October 7, 2009 at 1:30 PM in hearing room 116. The Committee will hear testimony on several bills, including the following:

-HB60 (Pillich) School Nutritional Standards, which establishes nutritional standards for food and beverages sold in vending machines in public schools.

-HB229 (Stewart), Comprehensive Cleaning System for Schools, which requires the Ohio Department of Health to establish a pilot program to test the effectiveness of the "OS1" comprehensive cleaning system in public schools.

-SB69 (Cates) On campus student vaccinations, which requires that students living on-campus housing at institutions of higher education be vaccinated for meningococcal meningitis and hepatitis B, or obtain a waiver.

5) Study on Students Entering Magnet and Charter Schools Released:

Policy Matters Ohio released on October 1, 2009 a study called "Ready to Learn: Ohio Assessment Shows Charters, Magnets Get Head Start" by Piet van Lier. This study examines the scores on the 2008 Kindergarten Readiness Assessment-Literacy (KRA-L) and finds that Kindergartners entering charter and magnet schools in Ohio's urban school districts performed significantly better than did students in district neighborhood or "default" schools.

The KRA-L assesses oral language, rhyming, letter identification, and alliteration for students entering Kindergarten, and is used to individualize instruction for students in Kindergarten. The study shows that charter schools located in seven urban districts averaged nearly 8 percent higher on the KRA-L than did district schools, and more than 10 percent higher when district magnet schools were not included in the district average. Magnet schools scored more than 18 percent higher than default schools.

The report also includes an analysis of district-level differences among school types for several urban districts. Magnet schools in Cincinnati, Cleveland, Columbus, and Toledo posted higher average scores for entering students than

charter schools, and charter schools posted higher averages than default schools. In Dayton charter schools scored slightly higher than district magnets.

An analysis of KRA-L scores compared to scores on the Ohio Achievement Test (OAT) scores in 3rd-grade reading and math shows that schools that do better on the KRA-L also post higher OAT scores.

According to the report, "Higher KRA-L scores at charter and magnet schools suggest that children are coming to these schools better equipped in terms of early literacy, one of several areas that contribute to school readiness. These findings align with research showing that, on the whole, parents who enroll their children in schools that require a decision beyond automatic enrollment in a neighborhood school are more engaged with their children's education. Research has shown that such parental involvement is a key factor in a child's school success."

"In practical terms, more involved parents are more likely to have the time to be able to visit a school, sign a "contract" requiring a certain level of involvement with the school or the child's education, or have the resources to pay the application fee charged by some charters."

Policy Matters Ohio is a nonprofit, nonpartisan research institute dedicated to researching an economy that works for Ohio. Policy Matters seeks to broaden debate about economic and education policy by doing research on issues that matter to working people and their families.

To read the full report please visit

<http://www.policymattersohio.org/pdf/ReadyToLearnPR2009.pdf>

6) New Report on Closing the Achievement Gap: The Center on Education Policy (CEP), Jack Jennings president, released on October 1, 2009 the third in a series of reports on the progress being made in closing the achievement gap among subgroups of students.

The report is called "State Test Score Trends Through 2007-08, Part 3: Are Achievement Gaps Closing and Is Achievement Rising for All?"

The report examines testing data from all 50 states and reports the achievement trends and gap trends of subgroups of students based on ethnicity and income between 2002 through 2008. CEP's study analyzes state test data in three different ways, and reports the following:

- Student achievement gaps have narrowed across all grade levels and subjects for minority and low-income students.
- Significant gaps persist in many states.
- Gains made by various racial/ethnic subgroups have outpaced gains by white or non-low-income students in most states.
- Across subgroups and states, there was more progress in closing gaps at the elementary and middle school levels than at the high school level.
- Most often gaps narrowed because the achievement of lower-performing subgroups went up rather than because the achievement of higher-performing subgroups went down.

- Narrowing the gaps in average test scores among students has been more difficult, but the gaps in average test scores narrowed more often than they widened.
- All subgroups made more gains than declines in grade 4 at all three achievement levels (basic, proficient, and advanced).
- State test results broken out by subgroup were more positive in math than in reading at all achievement levels.
- Between one-fourth and one-third of the states with data saw declines in the percentage of student in various subgroups reaching the advanced level in reading.
- Progress in closing gaps in both reading and math was particularly noteworthy for Latino and African American students.
- African American students still had the largest average gaps in percentages of students scoring proficient than any other subgroup.
- The Asian subgroup generally outperformed all other subgroups, including white students, in all subject and grade level combinations except high school reading.

The report notes that gaps are still widening in 23 percent of cases, which means that test scores for lower-scoring subgroups must increase at a faster rate in order to close gaps—a main goal of the No Child Left Behind Act.

The report is part 3 of CEP's 2009 series, State Test Score Trends Through 2007-08. Parts 1 and 2 of the series, "Is the Emphasis on Proficiency Shortchanging Higher- and Lower-Achieving Students?" and "Is There a Plateau Effect in Test Scores?," are available online along with individual profiles showing subgroup trends for each of the 50 states.

For more information please visit

http://www.cep-dc.org/index.cfm?fuseaction=document_ext.showDocumentByID&nodeID=1&DocumentID=292

The following are the results for Ohio: (Please note: The report includes information about the data and test characteristics which place limitations on the results of the study for Ohio. These limitations should be considered in any analysis.)

"Overall, Ohio students made gains at the basic and proficient achievement levels; results were somewhat more mixed at the advanced level."

"*The percentage of students performing at or above the basic level in reading increased slightly at the elementary and middle school grades analyzed and grew at a moderate-to-large rate at the high school level. In math, there was a moderate-to-large decline in the percentage basic at the elementary grade analyzed, but moderate-to-large gains at the middle and high school levels."

"*In reading, the percentage of students scoring at the proficient level and above increased at a moderate-to-large rate at the elementary and high school grades analyzed and at a slight rate at the middle school grade. In math, the percentage proficient decreased at a moderate-to-large rate at the elementary grade analyzed but rose at a moderate-to-large rate at the middle and high school grades."

"*There were slight declines in the percentage of students reaching the advanced level in reading at the elementary and high school grades analyzed, but a moderate-to-large gain at the middle school grade. In math, the percentage advanced decreased at a moderate-to-large rate at the elementary grade analyzed but went up at a moderate-to-large rate at the middle and high school grades."

7) News from the ODE: This is just a reminder for those seeking information about the new Evidence-Based Model and the changes in the school funding system for Ohio's schools included in Am. Sub. HB 1, the FY10-11 budget bill.

The ODE has created a web site for information about Ohio's Education Reform Plan at

<http://www.ode.state.oh.us/GD/Templates/Pages/ODE/ODEDetail.aspx?page=523>

This web site includes the following documents:

*September 28, 2009 analysis of education funding under the assumption that revenue from Video Lottery Terminals is not available for FY10 and FY11. Two scenarios are available: (1) without a waiver from the USD OE - reduction in both FY10 and FY11 and (2) with a waiver from the USD OE - reduction in FY11 only.

*District Responsibilities Table - ODE compiled this table of new and/or updated requirements that school districts and other local education agencies will be responsible for implementing, with assistance from ODE. Released August 20, 2009

*ODE Responsibilities Table - ODE compiled this table of new and/or updated requirements that ODE will be responsible for implementing. Released September 17, 2009

*Jarod's Law Memo from ODH - The Ohio Department of Health (ODH) developed this memo to explain how the repeal of Jarod's Law will affect school districts. Memo dated September 17, 2009

*Summary of Education Provisions in HB 1 - ODE has prepared this summary, which outlines the education components included in the final version of HB 1.

*OSBA Treasurer Clinic Presentation (PowerPoint) - Overview of HB 1 by Kim Murnieks, Executive Director, Center for School Options and Finance, Fall 2009

Evidence Based Funding Model Information

*PASS Form Draft - HB 1 calls for the creation of the PATHway to Student Success (PASS) form, this new instrument shows funding information for the components of the Evidence Based Funding Model (EBM). The new law requires the PASS form "be available to the public in a format understandable to the average citizen." This proposed form is being made available for review. Comments may be emailed to Barbara.Mattei-Smith@ode.state.oh.us.

*Ohio Department of Education Simulations - ODE has prepared funding simulations for FY2010 and FY2011 based on the Evidence Based Funding Model included in HB 1. Released August 20, 2009

*Evidence Based Funding Model (EBM) Outline - This table explains the different components of the EBM and how they are used to calculate district funding. Released August 20, 2009

*State Aid for Schools FY 2010 and 2011 - This spreadsheet shows the estimated state aide for each school district for fiscal years 2010 and 2011, based on the Conference Committee proposal. The chart shows funding levels before and after federal stimulus dollars are included. Please note that ODE did not prepare this report. Released July 13, 2009

*Frequently Asked Questions

-Gifted Funding Q & A - This fact sheet explains the impacts House Bill 1 has on the funding for gifted services and expenditure requirements over FY2010 and FY2011. Released September 21, 2009

-Instructional Fee Waiver Q & A - This fact sheet explains the provision in House Bill 1 that states students eligible for free lunch cannot be charged instructional fees. Released August 17, 2009

8) Bills Introduced:

SB175 (Cates) School Facilities Director: Transfers appointment of the executive director of the Ohio School Facilities Commission from the Commission to the Governor with the advice and consent of the Senate.

SB 177 (Cates and Seitz) SB177 Tax Law Changes: Partially decouples Ohio law from recent tax law changes, and amends the version of section 5747.01 of the Revised Code that is scheduled to take effect January 1, 2010, continues the provisions of this act on and after that effective date, and increases appropriations in line items for auxiliary services and nonpublic administrative cost reimbursements in the FY10-11 state budget for education by \$70 million. These line items include funds for nonpublic schools.

HB290 (Bubp) Junior ROTC: Includes Junior ROTC as a permitted elective within the Ohio Core curriculum, and permits schools to excuse Junior ROTC students from high school physical education.

SB180 (Husted) Education: Allows new internet or computer based community schools to open under certain conditions; requires the use of student performance data in evaluating teachers and principals for licensure; and allows Teach for American program participants to qualify for a teaching license in Ohio.

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