



### Week of Feb. 6, 2023

#### Budget language released as testimony begins

Deliberations on the biennial budget bill are underway as various state agency officials testified this week before the House Finance Committee. Capped off by remarks from Director **Kimberly Murnieks** of the Office of Budget and Management (OBM), lawmakers got a closer look at Gov. **Mike DeWine**'s budget proposal from OBM's revenue projections for the upcoming biennium and the legislative language of the bill. Meanwhile, Interim Superintendent of Public Instruction **Stephanie Siddens** also testified on Thursday and provided insights into the administration's education proposal. Tony and Will are analyzing the bill text and will provide members a comprehensive update soon.

Testimony before the Finance Subcommittee on Primary and Secondary Education is expected to begin either the week of Feb. 20 or Feb. 27, with invited statewide organizations to testify first, followed by an open invitation for other groups and individuals, including school district superintendents.

Key budget details from committee testimony revealed the following:

- Ending cash balance for the current biennium is projected to be a record \$6 billion. This funding is in addition to the \$3.5 billion Rainy Day Fund and the legally required carryover balance, which is projected to be \$549 million.
- K-12 funding through the foundation formula is increased by \$159 million in FY 2024 and by an additional \$274 million, representing a \$592 million increase over the biennium. Simulations from OBM are forthcoming.
- The foundation formula and its components will be phased in at 50% for FY 2024 and 66.67% for FY 2025 and includes one guarantee – the formula transition supplement – to ensure no district receives less state aid than it received in FY 2021. No changes to the base cost or other inputs were made, and property valuation and income data are updated in accordance with current law.
- OBM projects state tax revenues will increase by 2.0% in FY 2024 (from FY 2023), and by 5.0% in FY 2025 (from FY 2024), compared to 2.0% in FY 2024 (from FY 2023) and 4.5% in FY 2025 (from FY 2024) from the estimates of the Legislative Service Commission.

[Click here to read Murnieks' OBM testimony](#), [click here to read Siddens' ODE testimony](#), and [click here to read the bill text](#).

#### Senate hears testimony on SB 1, vouchers and others

Senators this week heard testimony from proponents of the effort to restructure the Department of Education (ODE) and State Board of Education, Senate Bill (SB) 1. Among others, career-tech and traditional school district superintendents alike lent their support for the proposal, urging the panel to elevate career-technical education in Ohio and streamline the functions of ODE and State Board. A third hearing on SB 1 will take place Tuesday, Feb. 14 at 1:00 p.m., and testimony is open to all parties. Tony and Will attended a productive and positive meeting this week with Sen. **Andrew Brenner** and key staff, during which concerns were shared about access to agency staff, transparency for rulemaking, and qualifications for the deputy directors.

The committee also heard sponsor testimony from Sen. **Sandra O'Brien** on Senate Bill 11, which qualifies all students for the EdChoice voucher program, regardless of their income or residence. The hearing also saw sponsor testimony on SB 14, which allows veterans to be employed as teachers, and SB 17, which incorporates free market capitalism into the high school financial literacy standards and model curriculum. SB 17 will receive a second hearing next week, in addition to a first hearing for SB 29, which modifies student data privacy laws, and a first hearing for SB 49, which entitles school employees up to three days annually of religious expression leave and entitles students to be absent for up to three religious expression days annually.

### **Heard around the Statehouse**

“The real question, I think, among House members will be, do we want to move that actually sooner, to instead of being a six-year rollout, maybe a five- or four-year rollout.” - House Finance Committee Chair Rep. **Jay Edwards**, referring to the six-year phase in of the Cupp-Patterson Fair School Funding Plan.

“Would you feel comfortable if the Legislature decided to increase the phase-in ... is that something you would be supportive of and capable of if we were to do that?” - Rep. **Jamie Callender**, questioning Interim Superintendent of Public Instruction **Stephanie Siddens**, who responded that ODE would be happy to evaluate the impact of that change.