Mike Hebenthal

Chairman Hite, Vice Chair Sykes, and members of the Senate Finance Primary and Secondary Education Subcommittee. Thank you for the opportunity to speak to you today regarding House Bill (HB) 49. I specifically would like to focus on the concept of the CAP and GUARANTEES. I propose to you that the focus on the cap and guarantee in HB49 is a moot point due to the fact that the Core Opportunity Aide amount is not based in reality. As a reminder, the Core Opportunity Aide amount was based years ago through residual funding, which was found to be unconstitutional by the Ohio Supreme Court. This amount as determined by the legislature is the amount needed to fund the minimal education opportunity for an Ohio student. From this base amount of $6000.00 per student, the state then determines what amount the local community should fund and how much the state should fund. In the case of my district, the state funds 54% and the local community is to pick up 46%. This amounts to $3,240.00 paid by the state and the local picks up $2,760.00. But I suggest to you that no public school in Ohio can educate a student for $6000.00. Our school is below average in cost per student and spends $8440.00 per student. So the state really pays 38% of the cost and the local taxpayer pays 62%. Our school has no frills academically or in extracurricular. As an example we have just passed a small bond issue to build a track. Our kids have always practiced for track in our school parking lot.

At some point we honestly need to determine what the cost to educate a child to minimal state requirements and mandates. I am not saying the state should then fund to this level and realize that the extra funding needed for this amount may be beyond the ability of the budget. But what I believe it will show is that there are schools that are spending at or below what this amount will prove to be. I also believe that many of these schools will be part of what is known as the guarantee. This concept of the cap and guarantee can only be discussed if the Core Opportunity Amount is based in reality. Anyone that is informed about the Ohio funding model knows that this number is not accurate. That is why I rise in opposition to HB 49 funding model that raised the cap by 0.5% adding funding to those schools that are capped and caused many of the schools on the guarantee to be cut. What his has done is move more funds to the schools that are spending more per student and cutting the schools that are spending much less per student. As an example I present this current data from schools in central Ohio. I have not listed the name of the districts because the discussion shouldn’t be about who is getting more and who is getting less but needs to focus on the facts of the funding levels.

                         HB 49 change in funding                 Tax Effort

                             over the biennium

A           +1.1 million                              .53

B                 + 5 million                                 .81

C   + 300,000                                   .34

D - 191,000                               1.1

E           -78,000                                       1.1

F              -165,000                                     2.2

Because the conversation does not recognize the inaccuracy of the Core Opportunity Aide then there is no discussion on equity in opportunity. This was the fundamental reason for the DeRolph lawsuit and the reality of educational opportunity in Ohio being based on zip code is no different today than it was in the 1990’s.

Government cannot force success nor create a successful person. What the government should do is create an environment of opportunity. If the state minimum standards and mandates are to be considered legitimate then the cost of providing them needs to be determined. If these mandates and requirements are not part of the necessary opportunity then they should be deleted from law. I suggest to you that the current Core Opportunity Amount does not reach this minimum level and there are schools whose taxpayers must pay a higher percentage of their income just to reach the minimum state requirements and other schools that pay a lower percentage of their income and have far more opportunity. That itself is a problem but now the schools paying higher taxes with lower expenditures per pupil are the ones that are going to receive a cut in funding due to HB49. Thank you for your time and I will be glad to answer any questions you may have.