



**House Finance Committee  
Substitute House Bill 305 Testimony  
Buckeye Association of School Administrators  
Ohio Association of School Business Officials  
November 17, 2020**

Co-chairmen Oelslager and Callender, Vice Chairman Scherer, Ranking Member Cera, and members of the House Finance Committee, thank you for the opportunity to provide testimony in support of Substitute House Bill (Sub. HB) 305, the Fair School Funding Plan. My name is Katie Johnson with the Ohio Association of School Business Officials. Joining me today for this testimony and in answering your questions is Kevin Miller with the Buckeye Association of School Administrators.

Our organizations represent public school district superintendents, treasurers/CFOs, business managers and other school business officials from around the state.

On behalf of our members, we want to take this opportunity to express our appreciation for this bipartisan effort to research, analyze, and ultimately recommend a new funding formula for Ohio's public schools, known as the Fair School Funding Plan. You have already heard testimony from the team of practitioner—the Work group members who participated in the development of the Fair School Funding Plan. This group of practitioners from urban, suburban, and rural school districts represent the diverse needs and unique challenges that face our 600+ school districts. We are proud of their dedication and hard work over the past three years in developing and refining the Fair School Funding Plan.

The current biennial budget froze the foundation funding for Ohio schools at 2019 fiscal year levels. These funding levels have subsequently been cut due to the economic impact of the Coronavirus pandemic. Prior to this freeze, 503 of the 610 school districts were either “capped” or on the “guarantee” under the old model, which means that over 80% of the districts in Ohio were not operating on a formula. Thus, the current school funding system in Ohio lacks a rational basis for determining both the cost of educating students and how the funding of education is shared between the state and local taxpayers.

The Fair School Funding Plan provides a rational, transparent approach to both issues—the cost of educating students and how this cost is shared between the state and local taxpayers. As you heard from the Work Group members, this methodology determines the basic education costs for

a student in Ohio. The recommended methodology for determining base costs takes into account the circumstances in each district, creating per pupil dollar amounts that represent the revenue needed for districts to provide quality educational programming for their students. Ohio has not utilized a cost methodology for the past eight years, and the Work Group's recommendations are welcomed by the education community.

The Fair School Funding Plan provides a method of sharing of the base cost between the state and local taxpayers that is based on a fair, defensible measure of capacity to generate funds locally. In addition, the Fair School Funding Plan identifies a framework for providing additional resources to meet needs beyond those of a basic education. Categorical aid addressed the areas of safety and the social, emotional, and mental health of our students. Categorical aid also recognizes the additional challenges school districts face, driven by students living in poverty, students with special needs, those with limited English proficiency, and those who are academically gifted.

The Fair School Funding Plan provides a template for school funding in Ohio. Since the release of the first simulations, the Work Group has worked tirelessly to listen to concerns and make further improvements to the Fair School Funding Plan. You have heard about these improvements from the Work Group in their testimony before this Committee. The creation of the Commission, as provided for in Sub. H.B. 305, allows for such adjustments and refinement to be made as necessary in the future.

As the Committee heard today, over 450 school district leaders from across the state have already signed-on to testimony in support of the Fair School Funding Plan. These endorsements were provided following regional meetings held on Friday, November 13<sup>th</sup>. If this many school district leaders signed-on during this limited window, imagine what will happen within one week.

As the Committee considers Sub. H.B. 305, we strongly urge you to support the Fair School Funding Plan. Adopt Sub. H.B. 305 in its entirety and pass it this General Assembly so that the template is in place for the upcoming biennial budget cycle. The Work Group has spent the last three years educating the members of this General Assembly and refining the formula. We believe the Fair School Funding Plan, developed with the help of practitioners in the field, is a rational, transparent, and fair plan that provides the resources to meet the needs of Ohio's students.

Thank you for the opportunity to offer testimony on Substitute House Bill 305. We would be happy to answer any questions you might have at this time.