



THE BUCKEYE INSTITUTE

A Budget to Put Students First

Interested Party Testimony
Ohio House Education Committee
Ohio House Bill 96

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As Prepared for Delivery

Chair Fowler Arthur, Vice Chair Odioso, Ranking Member Robinson, and members of the Committee thank you for the opportunity to testify regarding Ohio’s biennial budget—**Ohio House Bill 96**.

My name is Greg R. Lawson. I am a research fellow at **The Buckeye Institute**, an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

As The Buckeye Institute has long maintained, putting **Students First** means funding students rather than systems. This budget proposal does that—and, with a few revisions, it can do it even better.

The biennial budget helps fund Ohio’s K-12 public schools. Education funding formulas remain hopelessly complex and I will not belabor their intricacies, but public district school enrollment is broadly **declining** across the state as families decide to enroll their students elsewhere, and the General Assembly should appropriate funds accordingly. Ohio already **spends more** on public schools since the **DeRolph** court decision and has spent **more than \$12 billion** on facilities alone. Regrettably, the state’s **less-than-stellar scores** on the most recent Nation’s Report Card suggest that these significant funds may not be so well spent.

Governor DeWine therefore has wisely pushed to **phase-out guarantees** in the so-called fair funding system that needlessly over-fund public school districts with declining enrollment. Maintaining the broken status quo would continue funding empty desks and classrooms rather than sending state resources to the schools that students actually attend. Although the proposed budget resists a dramatic spike in spending, it does increase overall state education funding—and news headlines decrying the phase-out as a funding “cut” are misleading at best.

The General Assembly should modify Ohio’s school funding formula to ensure that decisions made by local school districts do not automatically increase state funding and, to the extent that the General Assembly considers additional spending, it should be for improving popular school choice options that put student and family preferences first. The proposed budget rightly increases the per-student allocation for charter school capital costs, for example, from \$1,000 to \$1,500, because charter schools do not benefit from local property taxes and already receive less per-student funding than district schools. But the General Assembly should also allow recipients of all scholarships, including EdChoice, to receive the **Disadvantaged Pupil Impact Aid** (DPIA) meant to help lower-income and disadvantaged students. Some scholarship recipients do not receive the DPIA funds available to public district and public charter school students. Extending the DPIA to non-public school scholarship recipients will help the non-public schools reach and educate more lower-income students.

House Bill 96 improves how public district schools treat their underused buildings. Districts underuse some of their buildings and new annual reports to the Department of Education and Workforce with updated enrollment data will help determine whether certain buildings are “unused facilities” that should be **repurposed** or sold to public charter schools with growing

enrollment. Districts should not retain underused buildings and the budget rightly modifies how to sell such buildings to high-performing charter schools.

The proposed budget also wisely adds a college, career, workforce, and military readiness (CCWMR) component to the state report cards. As The Buckeye Institute has **recommended**, more transparency is critical for families to make informed decisions about their child's education. Reverting to a letter-grade rating system would be even better, but adding the CCWMR component for parents to consider takes a transparent step in the right direction.

Finally, the General Assembly should closely monitor and expand the pilot school transportation program authorized in the **previous budget**. This pilot program enables two educational service centers to provide transportation for students enrolled in participating charter and private schools in order to reduce the transportation burden on school districts. Unfortunately, some school districts, including right here in Columbus, have resisted this piloted effort, resulting in **legal action** by the state attorney general.

Thank you for your time and attention. I am happy to answer any questions the Committee might have.



About The Buckeye Institute

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