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House Finance Primary & Secondary Education Subcommittee
House Bill 1 Testimony
March 1, 2021

Chair Richardson, Ranking Member Troy, and members of the House Finance Primary & Secondary Education Subcommittee, thank you for the opportunity to provide testimony in support of House Bill (HB) 1, the Fair School Funding Plan. My name is Stan Bahorek, and I am the Treasurer/CFO for Columbus City Schools. I am here today to speak in support of this landmark legislation.

By way of background, Columbus City Schools is the State's largest school district, with nearly 46,000 students attending over 100 schools and programs. About eight percent of our students are identified as gifted and talented, and 18 percent of our students have exceptional needs. Additionally, around 17 percent of our students come from a family for which English is not the primary language, with over 90 different languages spoken throughout the District.

Since its inception in HB 153 of the 130th General Assembly, the current school funding model has operated on a series of varying caps and guarantees. The basis for its cost components appear to be based upon arbitrary dollar amounts or conversion of existing factors into dollar amounts. It is a confusing construct, and as subsequently amended, remains less a funding formula and more a resource allocation model. HB 166, the current biennial appropriations bill, retains this allocation model and freezes its components, caps, and guarantees at FY 2019 levels, further eroding its application as a viable formula.

After three years of stakeholder group meetings led by superintendents and treasurers at the behest of Reps. Cupp and Patterson, the Ohio Fair School Funding Plan was put forth. My colleagues from around the state offered recommendations that laid out a rational, transparent, and comprehensive system for funding schools based on the actual cost of providing an appropriate education for all students in Ohio while continuing to acknowledge and provide resources for the needs of specific student populations and honoring the state and local partnership. The bill before you today represents the culmination of this work.

Why should we support the Ohio Fair School Funding Plan? In looking forward, our position is that the funding mechanism offered through the Ohio Fair School Funding Plan is sound. Our rationale – our “why” – is as follows:

- The formula is more understandable than the current funding model. The formula's components are logical and evidence-based, with figures being derived from actual experience and costs.
- It is not overly prescriptive. While some components, such as career-technical education and disadvantaged pupil impact aide (which is designed to provide resources for those who are economically disadvantaged) do have limitations upon how the funding is spent, the formula generally provides maximum flexibility for local districts to meet the specific needs of their students, families, and communities.

- The Plan removes the deductions for community schools and scholarships (i.e., vouchers) from the formula and separately funds those items within the state budget. This should eliminate the penalty imposed on district's on "the cap" in the current formula. As I have stated in previous testimony, the current system of deductions is impractical. It does not make sense from an accounting standpoint to include students in the formula that we never see just to cap the calculated revenue and then deduct the voucher as an expense. It is a far better approach for the State to fund the program directly. It is simpler in terms of accounting, and it puts an end to the tension this issue has caused in many districts across the state.
- Unlike the current allocation model, which perpetuates the existence of "caps" and "guarantees" ad infinitum, the language included in HB 1 uses a phased-in approach, stating the intent of the General Assembly to achieve full formula funding for all school districts within six years.

The Columbus City Schools Board of Education has stated on more than one occasion its position that the State of Ohio must identify a funding system that meets the mandate of the Ohio Constitution. In fact, the Board adopted a resolution stating its unequivocal support for the Plan as then contained in Sub. HB 305, including its hope that you consider it in a most expeditious manner.

The perfect cannot be the enemy of the good. The current funding allocation model is unworkable and untenable. We believe that HB 1 will provide a basis for education funding in the near and long term, forming the foundation for determining the state's share in the funding partnership. It is for these reasons that we respectfully request your support and favorable passage of HB 1.