



Revenue and Budget

Testimony on House Bill 1 before the House Finance Subcommittee on Primary and Secondary Education

Wendy Patton

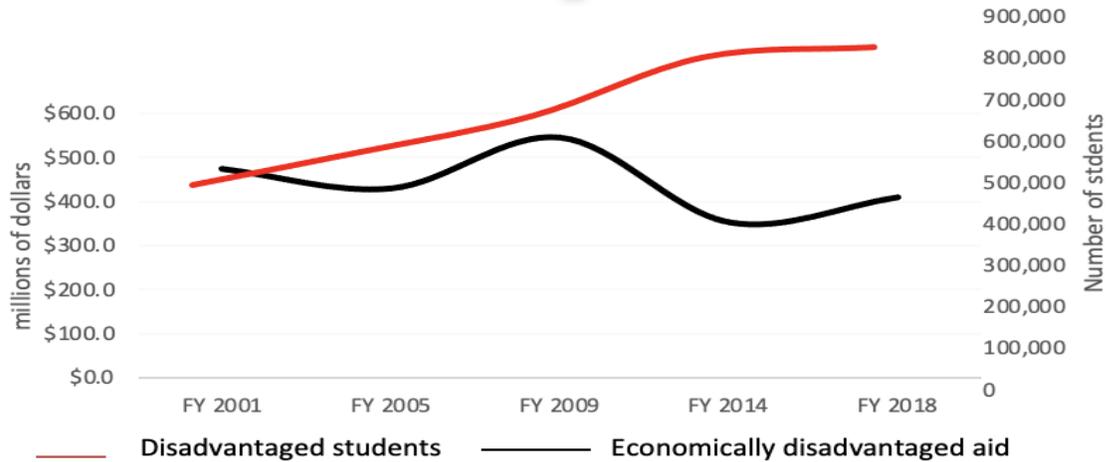
Good afternoon, Chair Richardson, ranking member Troy and members of the committee. I am Wendy Patton, a senior project director of Policy Matters Ohio, a non-partisan, not-for-profit research organization with a mission of creating a more prosperous, inclusive, equitable and sustainable Ohio. Thank you for the opportunity to testify in support of the Fair School Funding Plan of House Bill 1.

Every student, no matter where they live or what they look like, deserves a great public school to prepare them for a bright future. It is the responsibility of the state to ensure that. But Ohio's schools are forced to rely too heavily on local resources, which have been gutted in many districts by economic change and short-sighted state policy. Schools struggle in places where factories closed, people moved out and property values fell: they don't have enough teachers, lack computers and access to broadband, and may not offer art, gym, or extra-curricular activities (or parents have to pay to play). Because of structural racism and long-standing discrimination in housing, employment, health care and many other policies, many Black and brown Ohioans live in communities where local resources are low and schools are underfunded. It's time to fix this inequity.

Poverty [affects](#) students' ability to [learn](#). When the Ohio Supreme Court first ruled the state's school funding system was so unfair it was unconstitutional -- back in 1997 -- lawmakers began to boost funding to schools where many students were experiencing poverty. Unfortunately, state aid did [not keep up](#) with need.

State funds for economically distressed students fell over time
(adjusted for inflation)

Number of students struggling with poverty increased



Source: Policy Matters Ohio based on data from Fleeter, Howard, “ Analysis of FY17 Ohio School District Report Card Data and Related Issues,” Ohio Education Policy Institute, Presentation to the Task Force on Education and Poverty, September 28, 2017 (<https://bit.ly/3uyqaNV>)

Today the state doesn’t even base school funding on the cost of educating a student. As a result, funding is inadequate. School funding overall is [lower](#) than the national average , and the national average itself is mediocre. The “[Fair School Funding Plan](#)” is a needed step forward. District-level spreadsheets on the impact of House Bill 305, which proposed the Fair School Funding Plan and was passed last fall by the House, showed it would [boost](#) average state per-pupil aid from \$6,835 to \$8,459. The greatest increase goes to districts where poverty is high and the cost of educating students is the greatest.

Fair Schools Funding Plan

New resources will help make the system more fair

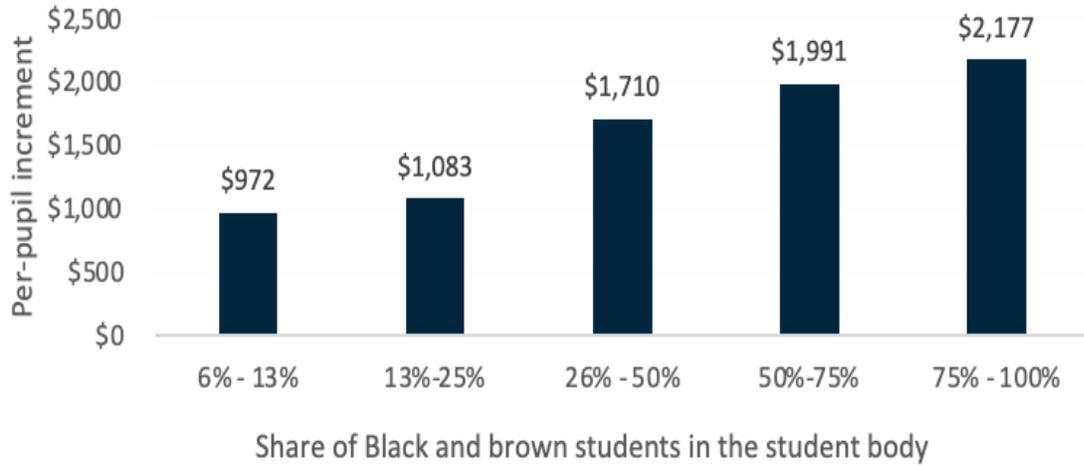
District typology	Typology description	Average per-pupil boost in state aid
1	Rural – High Student Poverty & Small Student Population	\$867
2	Rural – Average Student Poverty & Very Small Student Population	\$1,821
3	Small Town – Low Student Poverty & Small Student Population	\$750
4	Small Town – High Student Poverty & Average Student Population Size	\$1,333
5	Suburban – Low Student Poverty & Average Student Population Size	\$753
6	Suburban – Very Low Student Poverty & Large Student Population	\$505
7	Urban – High Student Poverty & Average Student Population	\$1,925
8	Urban – Very High Student Poverty & Very Large Student Population	\$1,795

Source: Policy Matters Ohio based on Legislative Service Commission data cited in Fleeter, Howard, Overview Of Hb 305 (Ohio Fair School Funding Plan,, Fall/Winter 2020 Newsletter

The Fair Schools Funding Plan proposed in HB 305 would have started to correct the structural racial discrimination in Ohio’s school funding policy. Schools that many Black and brown students attend would have received an average boost in per-pupil funding that can start to build a better future for those students (See figure below).

Fair Schools Funding Plan addresses structural racism

On average, schools with Black and brown student populations get a boost in per-pupil aid



Source: Policy Matters Ohio based on Source: Policy Matters Ohio based on "Traditional School District Per-Pupil Formula Aid Estimates, H.B. 305 Substitute Bill (L-0626-6), without Phase-ins, FY 2021," linked in "Revised K-12 Funding Bill Boosts Money For Poor Districts," Gongwer-Ohio, November 6, 2020. And data on demographics of school districts on the website of the Ohio Department of Education

We urge you to enact the Fair Schools Funding Plan and fund it in the budget bill. It can be financed by cutting unproductive, special interest tax loopholes, restoring tax rates on the wealthiest people and corporations that have gotten major tax cuts over the past two decades. Today, Ohio's schools face the daunting task of getting students caught up after a year of on-line instruction. Nowhere will catch-up be harder than in under resourced communities where many families lacked access to or could not afford broadband access and computers. Enacting and funding the Fair Schools Funding Plan is among the most important steps lawmakers can make to build a better, more resilient post-pandemic future for Ohioans.