



## House Finance Subcommittee on Primary and Secondary Education HB 33 Testimony

**Hudson City School District, Summit  
Phillip D Butto IV, Treasurer/CFO**

**March 22, 2023**

Chair Richardson, Ranking Member Isaacsohn, and members of the House Finance Subcommittee on Primary and Secondary Education, thank you for the opportunity to present testimony today on House Bill (HB) 33.

My name is Phillip D. Butto IV and I serve as the Treasurer/CFO for the Hudson City School District in Summit County. The Hudson City School District is a high wealth suburban district comprising 45 square miles in Summit County and is located between Akron and Cleveland. Serving approximately 4,500 students Pre-K-12 Hudson consistently ranks at the top of those Ohio school districts with very high academic achievement.

The Fair School Funding Plan is a bipartisan solution to school funding that draws upon the expertise of practitioners, as well as other invested parties from within the field of education and our communities. This formula is about *each child* and meeting their needs. The formula is also about our communities, because when our schools thrive, our communities thrive and Ohio thrives.

The Fair School Funding Plan provides an objective, rational, and transparent solution to school funding. Created in collaboration with school district leaders and practitioners, it is an objective formula that is research-based, with every dollar allocated based on an identifiable component necessary in a student's education to prepare that student for success.

However, for the formula to work, it needs to be fully implemented. We are 1/3 of the way there and I am here today to ask on behalf of my students, my district and the community I serve that you move forward with the next steps toward fully implementing the formula enacted in the last biennial budget.

We need the predictability this formula provides. Funding in Ohio has been consistently inconsistent. This unpredictability often unduly shifts the burden of funding our schools to the local taxpayer. With the current phase-in, my district is receiving 1/3 of the state's share of the base cost for my district's students. That means that the local taxpayers are expected to pay the remainder of the state share. By continuing the phase-in of the formula, schools in Ohio will have the much-needed stability and predictability to provide more accurate

and realistic five-year forecasts and giving the ability to implement educational programming for our students based on this accurate long term plan.

Further, while all our communities have struggled with challenges exacerbated by the pandemic, it is our children in poverty who have struggled the most. Approximately, one out of two children, or half of Ohio's student population, is considered to be economically disadvantaged. That is why we ask that this general assembly prioritize funding a study on disadvantaged pupil impact aid (DPIA).

Hudson City Schools supports the Fair School Funding Plan because it clearly outlines an approach for funding the cost of educating Ohio's children.

Historically, Hudson has always been funded on a Guarantee. We recognize that due to the district's high property and income wealth, and given the nature of both the historic Ohio School Funding formulas and the current Fair School Funding Plan, Hudson will likely continue to be funded on a guarantee. We know this primarily means the formula will not generate an annual increase in base cost funding.

However, with the advent of the Fair School Funding plan, our district does receive two financial benefits that it did not receive before:

- 1 First the district receives annual increases in Transportation Funding to supplement the cost of transporting, our regular education students, special education students, and students who are privately educated within district boundaries.
2. Second, because the Fair School Funding formula is designed to be nimble and flexible over time, a fully phased-in formula theoretically could result in an increase in funding in the years to come. While this is not likely anytime soon, the mere possibility tells us that the formula is working as intended.

In order for the Fair School Funding plan formula to work properly, I respectfully ask that the General Assembly amend HB 33 to include inputs reflecting FY 2022 costs. This will allow the formula to keep pace with inflation. In addition, as mentioned, we ask that the legislature close the loop on this incredible bipartisan effort and fully phase in the formula. Finally, I humbly ask the legislature to consider the implementation of a Bi-Partisan Pre-k-12 Fair School Funding Advisory Panel. This panel will monitor the functionality and practicality of formula elements, as well as analyze and make recommendations to the General Assembly in an effort to allow the formula to be organically flexible over time.

Chair Richardson and members of the committee, thank you for your time and attention. I would be happy to answer any questions you may have regarding my testimony.

Respectfully and Humbly Submitted,



Phillip D Butto IV  
Treasurer/CFO