

Ohio Senate Budget Fails to Restore Education Funding

Wealthy schools see best gains in budget plan

June 5, 2013

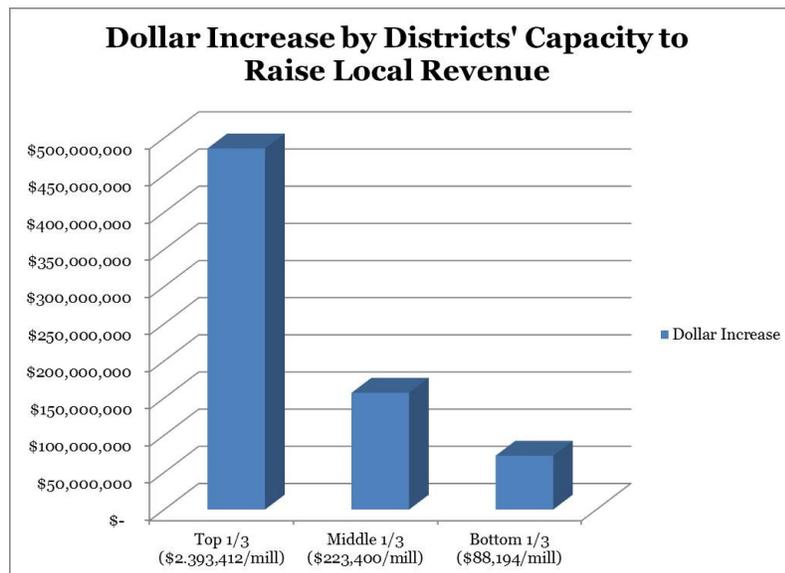
By German Lopez

The Ohio Senate's budget plan for fiscal years 2014 and 2015 would restore about \$717 million in education funding, but the gains wouldn't be enough to outweigh \$1.8 billion in education cuts from the 2012-2013 budget, which was approved by the Republican-controlled Ohio legislature and signed into law by Gov. John Kasich in 2011.

The bill would also favor the state's property-wealthiest districts, which can already raise more money for local schools by leveraging their massive local property values.

About 85 percent of the wealthiest school districts will get funding increases, while 40 percent of the poorest rural districts receive no increases, according to Stephen Dyer, a former Democratic state representative and an education policy fellow at [Innovation Ohio](#).

Dyer put the regressive breakdown in chart form in a [blog post](#):



The chart shows the bottom one-third of school districts only get about 15 percent of the increases, while the top one-third are getting a vast majority of the increases.

Still, Dyer [points out](#) that the budget is increasing funding for urban, high-poverty areas, while rural areas are generally getting the smallest increases.

The budget would also include \$250 million in one-time money for the Straight A Fund, which is supposed to entice innovation at schools around the state.

When the program was first proposed in Kasich's budget plan, the Kasich administration asked for \$300 million.

Even with the Straight A Fund, the funding increases wouldn't be enough to overcome \$1.8 billion in cuts in the last biennium budget, which is a [previous estimate](#) from progressive think tanks Policy Matters Ohio and Innovation Ohio that includes tax reimbursements for tangible personal property and public utility property, federal stimulus funds and state aid to schools.

Many school districts have coped with the cuts through local tax levies, which Innovation Ohio previously [compared to a \\$1.1 billion tax increase](#) across the state.

In 2012, Cincinnati Public Schools was one of the many school districts to successfully pass a levy after dealing with years of cuts from multiple levels of government ("[Battered But Not Broken](#)," issue of Oct. 3).

The changes proposed by the Ohio legislature are the latest in a chain of attempts to reform the state's school funding formula, which has a history of legal and political problems.

Between 1997 and 2002, the Ohio Supreme Court issued four decisions that found the state's school funding formula unconstitutional because it relied too much on property taxes and failed to provide "a thorough and efficient system of common schools."

But 16 years later, critics argue the system still relies too much on property taxes. According to them, the reliance on property taxes drives inequality because property-wealthy areas can more easily leverage their high property values to fund good schools, while property-poor areas are generally left behind.

Kasich attempted to address the issues with his own rework of the education funding formula, but the rework was dismissed by the Ohio House and Senate — a victory for critics who deemed Kasich's plan regressive ("[Smoke and Mirrors](#)," issue of Feb. 20).

The Ohio legislature and Kasich must approve a budget plan by June 30.

Original Article: <http://www.citybeat.com/cincinnati/blog-4722-ohio-senate-budget-f.html>