

## The Hidden Message Behind Ohio School Funding Plans

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It's been a week since the Ohio House revealed its version of the state budget, and along with it a revised school funding formula.

In that time, several education insiders and reporters have tried to estimate how much the House plans to spend on education compared with how much Governor John Kasich's plan would.

But that's easier said than done.

The governor's plan and the House's version [work differently](#), which is why over the past week at least four different estimates have been floating around:

- House Finance and Appropriations Chair Rep. Ron Amstutz [told StateImpact Ohio](#) the House version would give schools about \$50 million less over two years than the Governor's plan;
- An analysis by the [Akron Beacon Journal](#) came up with the House spending \$82.2 million less;
- Economist Howard Fleeter with the Education Tax Policy Institute says the number is closer to \$114 million; and
- Steven Dyer, a former state lawmaker and current education policy adviser to Innovation Ohio [says he thinks](#) it's more like \$200 million less.

But any differences in total funding are “really not even the issue,” says Fleeter. He says what matters is that while the House plan gives districts less now, it has the potential to give them more in the future.

Fleeter says the difference between the plans boils down to this:

- The House plan basically says districts deserve more money. The House plan wouldn't actually give districts all the money they deserve now—but it leaves the door open to do so in the future.

- The Kasich plan says the opposite: Most districts are getting more than they deserve now, based on student enrollment. The Kasich plan gives those districts money anyway—but leaves the door open to eliminate that “extra” funding in the future.

Fleeter says in the grand scheme of things a \$100 million difference isn’t a big deal. That difference in funding breaks down to about \$7 per pupil.

“Spending is *about* the same,” Fleeter says about the two proposals. “But the House is trying to spend it more equally.”

Fleeter’s basic argument comes down to guarantees and caps.

### **FIRST, THE GUARANTEES**

Guarantees are rules that ensure districts get level funding regardless of drops in student population.

The governor’s plan had 398 districts on guarantees. Fleeter says the message that sends is that 398 districts are getting paid to educate students who no longer attend districts schools.

The House’s version has less than half as many districts on guarantees.

### **NOW, THE CAPS**

A cap limits the funding increase a district can get from the state.

Under the House plan, 364 districts are capped. Fleeter says the message there is that 364 districts aren’t getting as much money as they should be. But they might get that money one day, eventually, if that cap is raised.

Under Kasich’s plan, 63 districts were capped.

“The structure of what the House has done is more promising than the structure of what the governor has done,” Fleeter says, because “the prospects look better.”

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