

FY 26-27 State Biennial Budget

The next biennial budget will be introduced in early 2025. We must begin advocating for Ohio's public schools and the students they serve today. We must collectively stress the importance of prioritizing Ohio's public school students with our communities and the legislature. Below are the priorities to share with your legislators for the upcoming budget.

Complete the next two years of the six-year phase-in (FY26 phase-in at 83% and 100% phase-in during FY27)

• Failure to phase in the Fair School Funding Plan will result in a widening gap in educational equity across Ohio's public schools and an increase in the number of schools on the guarantee.

Update the base cost inputs

- School funding is a state and local partnership. Without updating the inputs, the formula will become unbalanced, resulting in an overreliance on property taxes and a higher local share.
- Property valuation and income will be updated automatically because of Ohio law. Updating the inputs is required to balance the formula and ensure public school students receive the necessary support.
- Updating the statewide average base costs is needed. This figure helps determine the amount of categorical funding to meet student needs.

Adopt a permanent formula for educational service centers (ESCs)

- ESCs are critical in providing essential services to districts and students statewide.
- Fund updated base funding and per pupil amounts reflective of actual operating costs using FY24 data for the inputs.
- The updated, tiered model ensures ESCs of all sizes have an adequate base funding level to operate their organizations and provide statutorily required services while recognizing the economies of scale for larger ESCs.
- <u>Proposed funding levels</u> will provide stability and predictability in delivering services that support state priorities.

Create a pupil transportation working group

• Form a pupil transportation working group to review the current system and recommend changes to better meet the needs of all Ohio students. The working group should be formed by the Ohio Department of Education and Workforce (ODEW) and include representatives from public school districts, career tech centers, educational services centers, community schools and chartered non-public schools.

Increase weights in the transportation formula for non-traditional riders

 Ohio is one of the only states requiring public school districts to transport non-traditional riders, per <u>Section 3327.01</u> of the Ohio Revised Code. Data collected by ODEW consistently shows that transporting community and private school riders costs more, resulting in funding weights for non-traditional riders in the formula. We request that those weights be increased more closely to reflect actual costs. This should result in better, more efficient service for students.



Remove the reductions to guarantees in FY 26 and FY 27

- HB 96 includes reductions in transitional aid guarantee, transportation guarantee and formula transition supplement for all districts on the guarantee. The budget proposes reducations in guarantees by 5% in FY 26 and a 10% in FY 27.
- Guarantees need to continue because the formula is not fully implemented and the funding amounts for categoricals have not been updated to reflect the needs of students who are economically disadvantaged, students with disabilities, English learners, etc.