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POLICY BRIEF

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House would scrap FSFP, underfund schools by $2.75 billion

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The school funding proposal put forward by Speaker Huffman provides the vast majority of Ohio districts far less than the actual cost of educating kids, returning Ohio to the days of funding schools based on what politicians want instead of what our children need.

See how the House plan would hurt your district.

The House proposal abandons the Fair School Funding Plan (FSFP), a bipartisan approach to school funding based on how much districts must spend to adequately educate kids, including kids who have different or additional needs. The FSFP works because it is based on the actual cost of adequately educating kids, splitting that cost between the state and local communities by taking into consideration communities' ability to cover the costs through local taxation.

Under the proposal released yesterday, schools will receive just 10% of what they really need from the state, shortchanging Ohio's public schools by $2.75 billion in needed funding in just two years.

Seemingly in response to pressure from parents and educators across the state, Speaker Huffman and allies have crafted a plan that allows them to declare that there are no cuts to public education, while their plan eviscerates a quarter century of progress toward predictable and adequate school funding.

The House plan combines the governor's inadequate proposal with its own budget math that appears to work backward, starting not with the cost of educating students — or the legislature's constitutional duty to adequately fund public schools — but with House leadership's notion of acceptable state spending to calculate a district's "temporary foundation funding." It includes four elements:

1) Eliminating "supplemental targeted assistance" from districts' FY 2025 funding totals. Supplemental targeted assistance is funding provided under the FSFP to districts with low wealth and high shares of students attending schools outside of their home district. This supplement primarily helps equalize school funding in poor urban districts.[1] The House scraps this crucial support when calculating a district's funding.

[1] LSC Members Brief, "Targeted Assistance," Jan. 26, 2023.

2) Reducing by half any increases districts would receive under Gov. DeWine's already inadequate proposal.

3) Guaranteeing that no district receives less in FY 2026 and FY 2027 than it received in FY 2025.

4) Including an enrollment growth supplement and an additional per-pupil base funding supplement.

The Fair School Funding Plan provides consistency, predictability, and stability to Ohio's school districts. The House plan discards these strengths and continues a pattern of budgetary chaos caused by politically driven funding choices. Some school districts have tried to mitigate the instability by holding funds in reserve when possible. The House plan includes additional property tax provisions that will punish students in districts with carry-over funding that exceeds 25% of their annual spending, regardless of the cause or reason.

Ohio has the money to meet student needs. The same budget proposal that ends the Fair School Funding Plan also provides a $600 million bond package to help the billionaire owners of the Cleveland Browns move their stadium. It is estimated that the state will spend about $1 billion to pay back the bonds.[2]

There is no surer investment in the state's future economic prosperity than investing in the schools that educate nearly 90% of Ohio's kids. The House proposal takes Ohio in the wrong direction.

[2] See Karen Kasler, "Ohio House GOP budget includes $600m in bonds for Browns' new stadium and development," April 1, 2025.