POLICY BRIEF

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The Fair School Funding Plan in Ohio

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The Fair School Funding Plan (FSFP) is a bipartisan approach to school funding based on how much districts must spend to educate every child, including those who need different or additional support. The FSFP works because it is based on the **actual cost** of educating kids, sharing that cost between the state and local communities by considering communities' ability to cover the costs through local taxes. Ohio is four years in to the six-year plan. It's our best chance at achieving constitutional school funding that meets the needs of every student.

The FSFP would provide an additional $3 billion to schools in Ohio over the next two years, when the formula is calculated using updated costs, updated local property and income tax information, and more accurate weights that more closely correspond to the costs of special education and English language services schools must provide.[1]

House budget proposal

The school funding plan passed by the House would provide only $280 million in additional funding over the biennium. This is necessary funding, but it's a fraction of what schools need to reach adequate levels of state support.

The House plan is built on what the legislature wants to spend on public education, not what students need. Under the House plan, each district would receive an additional **$50 per student** over the biennium, regardless of need. Districts that saw enrollment grow by certain metrics would receive an additional flat per-pupil supplement. In districts where the governor's budget proposal increased funding, the House proposal will cut that amount in half.[2] In short, this plan returns the state to unpredictable, residual budgeting practices where legislators determine the amount they want to spend on schools and then work backwards to arrive at a per-pupil formula that totals to that amount.

In addition to shortchanging Ohio public schools by $2.75 billion over the biennium,[3] the House plan also sacrifices cost-based budgeting and the predictability provided by the FSFP. The House plan further destabilizes local capacity with a proposed 30% cap on school reserves. This cap would force 481 of 611 Ohio school districts **to spend down $4.25 billion in reserves or provide a one-time tax refund to property owners.** This arbitrary cap on cash reserves is harmful to public schools, ineffective as property tax

[1] Policy Matters analysis of non-public LSC data.
[2] Ohio Legislature, 136th General Assembly, H.B. 96 Sub-Bill. See Comparison Document, p. 171-4.
[3] See Policy Matters' report, "House would scrap FSFP, underfund schools by $2.75 billion," April 2, 2025.

relief, and must be removed.[4] Effective, responsible property tax reform must be targeted to those who actually need it while protecting local entities that need the revenue to operate. The ideal solution is a property tax circuit breaker, already introduced in the Senate.[5]

Prioritize public schools

In Ohio, there are 3051 public schools attended by 1,469,611 students. They need elected leaders on their side.

Vouchers use public dollars to pay private school tuition. Private schools can reject students with disabilities or behavior issues, or if they don't do well academically. They don't operate transparently like public schools do and aren't held accountable like public schools.

In Ohio, there are 590 private voucher schools attended by 129,336 voucher students.

In this time of great economic uncertainty, Ohio leaders should craft a budget that delivers for the majority rather than catering to special interests. Instead, the Ohio House is proposing additional public spending on vouchers: **$432 million on private school tuition** over the next two years, including a new voucher for unregulated religious schools.[6] In the 2023-24 school year, Ohio gave out nearly 69,000 new EdChoice Expansion vouchers, while private school enrollment grew by just 3,700 students.[7] This means approximately 65,000 vouchers went to families already sending their children to private schools.

That same year, EdChoice Expansion recipients as a group were wealthier than in previous years: Only 17% of 2023-24 recipients qualified as low-income, compared to 67% the previous year.[8]

Allowing vouchers to extract more public dollars from the state budget increases school district dependence on local tax levies. This means everyday Ohioans have to make up the difference or live with increasingly underfunded public schools.

Get the details for every Ohio legislative district.

Contact your state legislators and tell them to protect public education for all Ohio kids.

[4] See Policy Matters' report, "Cap on reserve funding fails as tax relief and disrupts school district budgets," May 2025.
[5] Senate Bill 22, 136th General Assembly. January 22, 2025.
[6] For more, see Policy Matters Ohio's report, "Even more public money for private schools," from April 28, 2025.
[7] Ohio Department of Education and Workforce (ODEW) Enrollment Data.
[8] ODEW, Nonpublic Data Portal, Scholarship Paid Participants (State), retrieved February 2025