

**As Introduced**

**127th General Assembly  
Regular Session  
2007-2008**

**H. B. No. 42**

**Representative Stewart, J.**

**Cosponsors: Representatives Combs, Carano, Collier, McGregor, R., Dodd,  
Fende, Hite**

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**A B I L L**

To enact sections 3302.033 and 3317.60 of the Revised Code to establish a bipartisan committee to recommend to the General Assembly a system that provides state funds to pay one hundred per cent of the actual cost of providing a thorough and efficient education to each public school student and to require the Department of Education to report certain school funding information to the parents and taxpayers of each school district.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 3302.033 and 3317.60 of the Revised Code be enacted to read as follows:

Sec. 3302.033. As a component of the funding and expenditure accountability report required under division (A) of section 3302.031 of the Revised Code, the department of education shall include the following information about the state's performance on public education funding:

(A) The current and five-year projected cost of a thorough and efficient education for every student and the added cost of

providing services for special education, career-technical 19  
education, gifted students, and economically disadvantaged 20  
students as determined by the committee established under section 21  
3317.60 of the Revised Code; 22

(B) By district and building, expenditures for operation and 23  
facilities construction and maintenance; 24

(C) The amount of operations funding disparity among school 25  
districts in the state using all of the following methods of 26  
measurement: 27

(1) Ratio of revenue of the highest-funded district to the 28  
revenue of the lowest-funded district; 29

(2) Federal range ratio; 30

(3) Gini coefficient; 31

(4) McLoone index. 32

At the time the information prescribed under this section is 33  
published, the department also shall report the items described in 34  
divisions (B) and (C) of this section to the committee established 35  
under section 3317.60 of the Revised Code. 36

**Sec. 3317.60.** (A) Within sixty days after the effective date 37  
of this section, the president of the senate and the speaker of 38  
the house of representatives shall appoint a joint bipartisan 39  
committee to study and determine the current and five-year 40  
projected cost of providing a thorough and efficient education to 41  
each public school student and to recommend legislative changes 42  
necessary to establish a system to provide state funding to each 43  
public school in the state in an amount equal to one hundred per 44  
cent of the actual cost as determined by the committee. The 45  
committee shall make its recommendations to the general assembly 46  
not later than eighteen months after the effective date of this 47  
section. 48

(B) The school funding system recommended by the committee shall provide for all of the following: 49  
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(1) State funding for one hundred per cent of the actual base cost of a thorough and efficient education for each student in a public school and one hundred per cent of the actual cost of all special education, career-technical education, gifted education, poverty-based assistance, and transportation costs attributable on a per pupil basis; 51  
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(2) Calculation of actual costs without the use of an inferential method; 57  
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(3) Recalculation of actual costs once every two years; 59

(4) Authority for a school district to levy additional taxes with the approval of the district's electors for funding of operating costs of providing services not paid for with state funds. The system shall specify the services for which state funding will and will not be provided. 60  
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(5) Guarantee to each school district that for the first ten years following the enactment of the new system the district will not receive in state funding an amount less than the district received under Chapter 3317. of the Revised Code, as it existed June 30, 2010. After the end of the ten-year period, the guarantee shall be phased out in annual increments of three percentage points on a district-by-district basis until the amount of state funding received by a district equals the amount calculated for the district under the system described in division (B)(1) of this section. The goal of the system shall be that by the end of the ten-year period, the disparity between the highest-funded school district and the lowest-funded school district in base-cost per pupil funding is not more than twenty percentage points. 65  
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(6) Uniform statewide accounting and auditing procedures for all school districts. 78  
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**Section 2.** Notwithstanding anything to the contrary in 80  
section 3302.033 of the Revised Code, until the committee 81  
established under section 3317.60 of the Revised Code has 82  
determined the actual cost of a thorough and efficient education 83  
for primary and secondary students, the Department of Education is 84  
not required to include in the report prescribed under section 85  
3302.033 of the Revised Code the information described in division 86  
(A) of that section. The Department shall include in that report 87  
all other information described in that section. 88