

The education budget and Catholic schools

On June 30 -- the last day of the fiscal year - -Catholic schools and their students will find out whether any of the funds cut from state programs that benefit them will be restored in 2010-2011. **If** the state has a \$190 million surplus in General Revenue, and **if** there are unexpended, unencumbered funds in the state's education budget, then students in Catholic and other chartered nonpublic schools may receive as much as 29 million additional state dollars during 2010-2011.

These are the two conditions set down in HB 318, passed by the General Assembly last fall. The new money would be added to existing funds in Auxiliary Services and Administrative Cost Reimbursement -- the two line items that provide assistance to students in Catholic and other chartered nonpublic schools. HB 318 specifies that if these same conditions are met the following year, then another \$29 million will be allocated. The total would approximate the \$59 million cut from the two programs last July.

The conditional language in HB 318 is a good first step toward restoring funds for the 188.5 thousand students who receive their education in Ohio's Catholic and other chartered nonpublic schools. House and Senate leadership, as well as the Governor supported the language of HB 318 in a bi-partisan spirit.

The Conference is cautiously optimistic that actual dollars will be available. Several variables, including the ebb and flow of the economy, revenues from external sources and any possible legislative developments will ultimately determine whether there is "hard" money. Through the first nine months of FY 2010, tax receipts have performed very close to expectations, falling short of year-to date estimates by just \$59.3 million or 0.5%. Similar to last month, overall tax receipts in March came in slightly above estimate (\$16.0 million or 1.4%). If HB 318 does not result in additional money for Auxiliary Services and Administrative Cost Reimbursement, then the Conference will pursue with the Governor and legislative leadership other means to restore funding.

The past several 18 months have been a financial roller coaster. During most of the biennial budget negotiations last year, House and Senate agreed to increase funding for students in chartered nonpublic schools by \$1 million. Then in late June, House and Senate leadership and the Governor decided to cut this aid by \$59 million. At the same time, they decreased state funding for public school students by only 0.25 percent. The infusion of federal stimulus dollars resulted in an actual increase to public elementary and secondary school education. The stated budget treated public charter schools (i.e., "community schools") essentially the same as public schools.

When the House moved forward this fall with HB 318 -- The Education Funding Protection Act -- to offset an \$850 million shortfall in public education, Conference staff seized the opportunity to ask members of the General Assembly to craft a bill in the best interest of all K-12 students who rely on state aid. Through a sign-on letter initiative and phone call campaign, thousands of Catholic school parents wrote letters imploring state elected representatives and the governor to restore funding for their children. Conference staff communicated this same message to every member of the General Assembly, Gov. Strickland and his staff, the House Speaker, Senate President, majority and minority leaders of both chambers, and the chairs of the finance committees.

Strong advocacy for students in Catholic schools will need to continue as Ohio faces a possible multi-billion budgetary shortfall in the next biennium.