

# STATES ARE RESTORING FUNDING FOR K-12 EDUCATION BUT PUBLIC SCHOOLS STILL HAVE SERIOUS NEEDS



Across the nation, states are restoring funding for K-12 public schools but progress has been slow and uneven. All states should be investing more in their schools to provide a brighter future for children and a stronger future economy.



## About us:

The **State Priorities Partnership** shapes state policies that reduce poverty, advance equity, and promote inclusive economies that pave the way for widespread prosperity. It is coordinated by the Center on Budget and Policy Priorities.

For more information, email [stateprioritiespartnership@cbpp.org](mailto:stateprioritiespartnership@cbpp.org).





## PROTESTS ARE GETTING RESULTS

Protests by teachers and others that swept the nation last year are getting results – but more must be done to put school funding back on track.

Protests helped lead to substantial increases in school funding in Arizona, North Carolina, Oklahoma, and West Virginia, four of the 12 states that cut school “formula” funding – the primary state revenue source for schools – most deeply between 2008-2017. *(The 12 states are, in alphabetical order: Alabama, Arizona, Idaho, Kansas, Kentucky, Michigan, Mississippi, North Carolina, Oklahoma, Texas, Utah, and West Virginia.)*

Despite last year’s improvements, formula funding remains well below 2008 levels in these four states. And three of them – Arizona, North Carolina, and Oklahoma – boosted school funding using unsustainable revenue sources, making progress short-lived unless they raise revenue in more sustainable ways.



## DEEP-CUTTING STATES ARE REVERSING COURSE BUT REMAIN FAR BEHIND

States that have deeply cut school formula funding are mostly reversing course, but they are still far behind pre-recession levels.

All but three of the 12 deepest-cutting states (Kentucky, Mississippi, and Texas) increased formula funding in 2018. But even after a year of increased funding in most states, all 12 provided less per-student formula funding in 2018 than in 2008, after adjusting for inflation, with several states – Texas, Oklahoma, Alabama, Kentucky, and Kansas – still grappling with cuts of more than 10 percent.



## STATES ARE SLOWLY RESTORING POST-RECESSION FUNDING CUTS

Just over half the states have increased total per-student funding since before the 2008 recession.

As of 2016, the latest year for which comprehensive data are available, 26 states were providing more total state and local funding per student than before the recession, after adjusting for inflation. (Since state and local revenues generally have continued to improve since 2016, the number of states whose school funding finally has recovered from the Great Recession has likely continued to grow. Roughly 30 states have recovered as of the current school year.)



## STATE FUNDING GAPS HAVE LEFT LOCAL GOVERNMENTS TO PICK UP THE SLACK

Overall, states have shifted school funding responsibilities somewhat from the state to localities since the recession, exacerbating education inequities.

Between 2008 and 2016, state funding declined by \$166 per student while local funding increased by \$161. Because school districts in wealthier neighborhoods with high property values can raise more revenue than lower-income districts where property values are low, shifting to local funding can mean that high-poverty schools (which need more funding) end up with less. Between 2008 and 2015, the number of states providing more support to high-poverty districts than low-poverty ones decreased by half – from 22 to 11 states.



## STATES CAN MAKE BETTER CHOICES AND IMPROVE THEIR FUTURES

Adequate school funding can improve student outcomes and strengthen state economies.

Steep funding cuts make it hard for states to improve teacher quality, reduce class sizes, extend learning time, and enact other reforms that can improve student outcomes. States that don’t provide adequate school funding weaken their futures and put them at risk of falling behind other states that are investing more in a better-educated future population.

States that take the opposite approach and raise new revenue to improve early education and other school programs, especially in low-income areas and communities of color, have likely boosted their economies’ long-term prospects.