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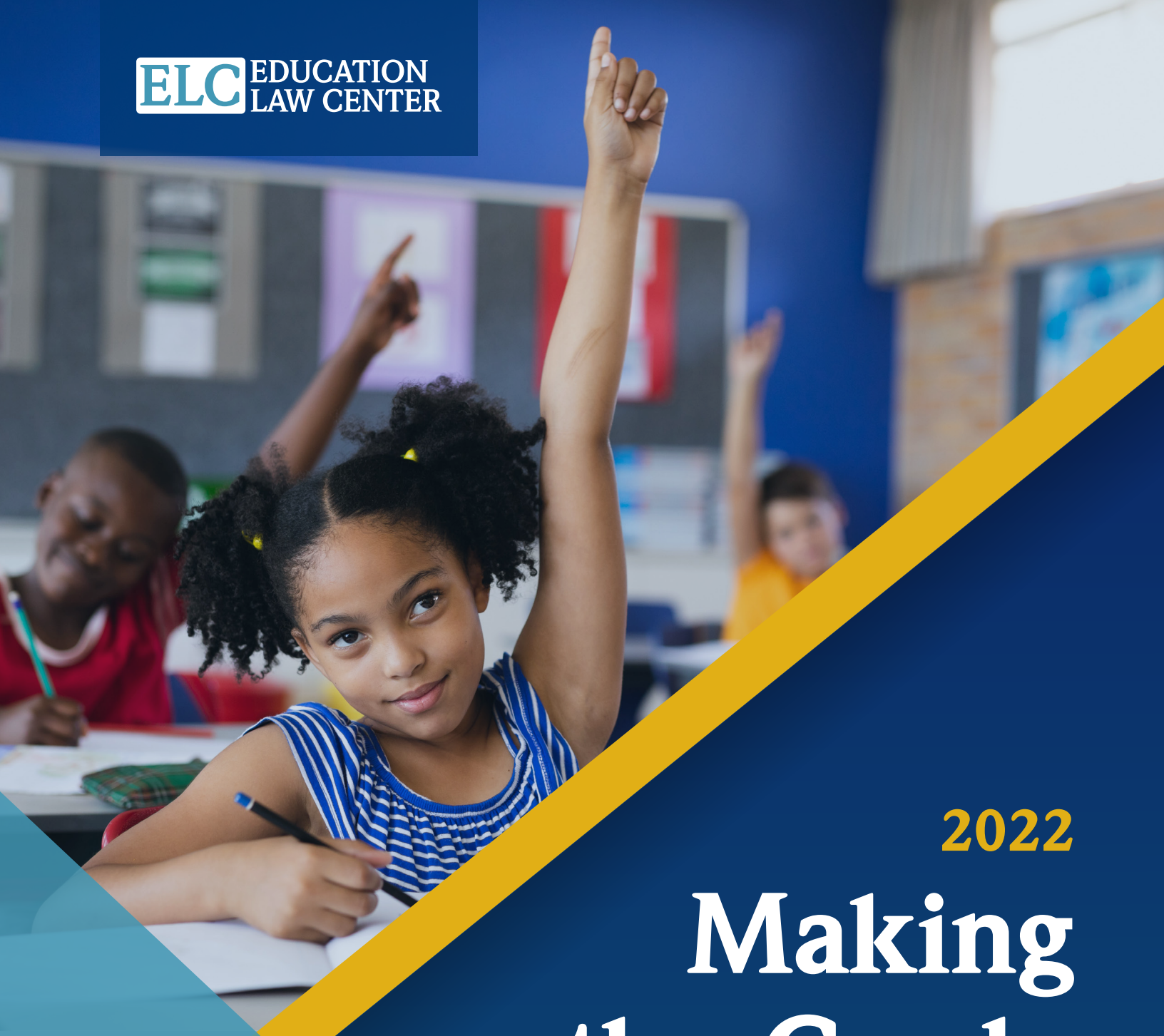

2022

Making the Grade

HOW FAIR IS SCHOOL FUNDING IN YOUR STATE?

About the Authors

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David G. Sciarra, Esq., is Executive Director of Education Law Center. A practicing civil rights lawyer since 1978, he directs ELC's advocacy program to enforce education rights for the nation's public school students. He serves as lead counsel to the plaintiff students in New Jersey's landmark *Abbott v. Burke* school finance litigation and writes and lectures on education law and policy.

About Education Law Center

Founded in 1973, Education Law Center (ELC) pursues education equity and justice to ensure that all students receive a high-quality public education effectively preparing them to participate as citizens in a democratic society and as valued contributors to a robust economy. It does so through litigation, research and policy analysis, advocacy, and strategic partnerships with education and civil rights organizations across the nation. ELC focuses on state policy and practices that affect the learning and well-being of every student, with special concern for impacts on students of color and those from low-income families.

About ELC's Fair School Funding Research

ELC conducts and publishes research to advance policy and advocacy for fair school funding in the states with support from the W.K. Kellogg Foundation and ETS. Visit ELC's *Making the Grade* website to access:

- an online, interactive version of this report
- downloadable state profiles
- a deeper dive into the methodology behind the rankings and numbers in this report

This research was supported by the **W.K. Kellogg Foundation.**

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School Funding in the Pandemic:

Will States Step Up When Federal Covid Relief Runs Out?

Making the Grade provides an annual overview of the condition of school finance in the states. The data in this edition gives a picture of states' investment in their public school systems in the 2019-20 school year, the historic moment when public education, and society at large, experienced the massive disruption brought on by a worldwide public health crisis.

In March 2020, the Covid-19 pandemic triggered an unprecedented shutdown of the nation's public schools. Most schools transitioned to virtual learning for the remainder of the 2019-20 school year, and some school buildings were still closed through the fall of 2020 and longer. In response, school districts across the country scrambled to devise ways to continue educating and supporting their students.

Researchers continue to analyze and debate the fiscal impact of the pandemic on the nation's public schools. This edition of *Making the Grade* demonstrates the failure of most states to have a system of school finance in place that would allow districts to effectively respond to the impact of the pandemic.

The pandemic exposed a stark reality to the nation: many schools, especially those in districts serving low-income communities, were not equipped to handle the task of continuing education in the midst of a public health crisis. The ability to effectively pivot to virtual instruction hinged on the availability of technology and high-speed internet access. Reopening schools safely depended on having modernized buildings with up-to-date HVAC systems and enough space to maintain social distancing guidelines. And when schools reopened, remediating learning delays and student trauma required access to adequate support staff and teachers while facing an acute shortage.[1]

In response to this crisis, Congress enacted multiple relief packages to address the impact of Covid on public schools. Much of these one-time allocations went directly to districts to spend on technology for remote learning and, later, building improvements and staff to bring students safely back into the classroom, make up for missed learning time, and provide social and emotional supports. Congress also allocated higher levels of relief to the nation's low-wealth, high-poverty districts.

> **"The pandemic has exposed deep problems in the content, structure, financing, and governance of schools: although known to education and other social science researchers for decades, the scourge of inequality has now become apparent to a wider public."**
>
> National Academy of Education

School districts are using federal Covid relief for a wide array of programs, services, and infrastructure needs – essential resources that should always be available. These resources include extended learning opportunities, greater social and emotional support, and other services needed by students year-in and year-out, not just during a pandemic.[2, 3]

Many districts are using federal relief to improve access to technology and make long overdue improvements to school buildings, including adequate heating and cooling.[4]

Covid relief is enabling many districts to address structural deficits caused by chronic state underfunding. But the question now is what will happen when districts spend down their federal pandemic relief? Inequitable state finance systems that caused the essential resource deficits laid bare by the pandemic will again come into focus. The temporary balm provided by Covid relief does not erase the pre-pandemic disparities in school funding documented in this report. Students in districts segregated by poverty and race will continue to be deprived of the same opportunities for school success as their peers in more affluent communities.

It is also likely that critical supports for low-income students paid for with federal dollars, such as extended learning opportunities, intensive tutoring, and greater access to mental health services, will fade away along with the masks and hand sanitizer.

Federal Covid relief has provided some temporary relief from the underlying inequities in how schools are funded across the country. But the core challenge in public school finance remains just below the surface of the influx of federal funds. Lawmakers in statehouses must enact school finance reforms based on the actual cost of delivering the academic standards that students are required to achieve. If we fail to meet that challenge, the lessons of Covid-19 will be lost and, in short order, students and schools will be right back where they were when the pandemic struck.

How Fair Is School Funding in Your State?

Making the Grade analyzes the condition of public school funding in all 50 states and the District of Columbia. Using the most recently available data from the 2019-20 school year, the report ranks and grades each state on three measures to answer the key question: how fair is school funding in your state?

The three fairness measures are:

- **Funding Level** – cost-adjusted, per-pupil revenue from state and local sources (Fig. 1a);
- **Funding Distribution** – the extent to which additional funds are distributed to school districts with high levels of student poverty (Fig. 2a);[5]
- **Funding Effort** – funding allocated to support PK-12 public education as a percentage of the state's economic activity (GDP) (Fig. 3a).

The state rankings and grades on these measures provide crucial data to inform advocates, policymakers, business and community leaders, teachers, parents, and students about the equity and adequacy of public school funding in their state. *Making the Grade* is designed to assist residents working to improve the level and distribution of funding for public school students.

What Is Fair School Funding?

We define fair school funding as the funding needed in each state to provide qualified teachers, support staff, programs, services, and other resources essential for all students to have a meaningful opportunity to achieve a state's academic standards and graduate from high school prepared for citizenship, postsecondary education, and the workforce. A fair funding system is the basic foundational building block for high-performing, effective, PK-12 public school systems. Fair funding has two basic components: a sufficient level of funding for all students and increased funding for high-poverty districts to address the additional cost of educating students in those districts. These two components are dependent on a third factor: the effort made by state lawmakers to raise sufficient revenue to support their public schools to meet state-established curriculum content and performance objectives.

Why the States?

Unlike other countries, the United States has no national education system. Instead, states, under their respective constitutions, have the obligation to support and maintain a system of free public schools for all resident children. The states, and not local school districts or the U.S. Congress, are the unit of government legally responsible for operating the nation's public schools and providing the funding necessary to support and maintain those schools.

All states fund their schools through a statewide method or formula enacted by the state legislature. These school funding formulas, or school finance systems, determine the amount of revenue school districts are permitted to raise from local property and other taxes and the amount of funding or aid the state is expected to contribute from state taxes. In annual or biannual state budgets, legislatures also determine the actual amount of funding districts will receive to operate their schools. Several states, including New Jersey, Pennsylvania, and Illinois, fail to provide in their budgets the amount of state aid required by the state's own funding formula, a condition called formula underfunding.

State and local revenues account for, on average, approximately 92% of total funding for public education. The federal government, primarily through programs targeted for low-income students and students with disabilities, contributes the remaining 8%.[6]

Why Does Fair School Funding Matter?

A fair, equitable, and adequate school funding formula is the basic building block of a well-resourced and academically successful school system for all students. A strong funding foundation is even more critical for low-income students, students of color, English learners, students with disabilities, and students facing homelessness, trauma, and other challenges. These students, and the schools that serve them, need additional staff, programs, and supports to put them on the same footing as their peers. Research on the needs of vulnerable student populations for extra academic and academically-related programs and services is compelling, as is growing evidence that increased investments in these students improves academic achievement and other outcomes.[7]

Table 1 Making the Grade 2022

State	Poverty Rate of School-Aged Children	Level Grade	Distribution Grade	Effort Grade
Alabama	19%	F	F	C
Alaska	11%	B	A	A
Arizona	16%	F	C	F
Arkansas	19%	F	C	C
California	14%	D	B	F
Colorado	10%	D	B	F
Connecticut	11%	A	F	A
D.C.	23%	A		
Delaware	14%	B	A	F
Florida	16%	F	D	F
Georgia	18%	D	C	C
Hawaii	9%	C		C
Idaho	10%	F	D	F
Illinois	13%	A	F	A
Indiana	13%	C	C	C
Iowa	11%	D	C	C
Kansas	12%	C	C	B
Kentucky	18%	D	D	C
Louisiana	23%	D	D	D
Maine	12%	A	F	A
Maryland	11%	C	B	B
Massachusetts	10%	B	C	F
Michigan	15%	C	D	B
Minnesota	9%	C	A	C
Mississippi	24%	F	C	C
Missouri	14%	D	F	F

State	Poverty Rate of School-Aged Children	Level Grade	Distribution Grade	Effort Grade
Montana	13%	C	C	C
Nebraska	9%	C	A	C
Nevada	15%	F	F	F
New Hampshire	7%	A	F	C
New Jersey	12%	A	D	A
New Mexico	20%	C	B	B
New York	16%	A	C	A
North Carolina	17%	F	C	F
North Dakota	9%	B	C	D
Ohio	15%	B	A	C
Oklahoma	17%	F	C	C
Oregon	11%	C	F	C
Pennsylvania	13%	A	F	A
Rhode Island	14%	B	F	B
South Carolina	17%	C	C	B
South Dakota	12%	D	A	F
Tennessee	17%	F	D	F
Texas	18%	F	D	C
Utah	7%	F	A	F
Vermont	9%	A		A
Virginia	11%	D	D	F
Washington	10%	C	D	F
West Virginia	19%	C	C	A
Wisconsin	11%	C	D	C
Wyoming	9%	A	A	A

Note: D.C. and Hawaii do not receive Distribution grades because they are single district systems, Vermont is excluded because of reporting inconsistencies. D.C. is excluded from Effort because its GDP is better compared to other cities, not other states.

Methodology

This report utilizes national data sets to analyze the condition of school funding in the states.

Data Sources

The U.S. Census Bureau's Annual Survey of School System Finances (2008-2020), the U.S. Census Bureau's Small Area Income and Poverty Estimates (2008-2020), and the U.S. Bureau of Economic Analysis' State Gross Domestic Product reports (2008-2020).

Funding Level

This is determined by dividing state and local revenue by student enrollment. Federal revenue is not included, except for Impact Aid and Native American education revenue, as they are intended to replace state and local funds. We also exclude revenue for capital outlay and debt service programs. These revenues tend to be uneven from year to year, and one-time or short-term investments may obscure more prevalent funding patterns. Finally, district-level payments to charter schools, private schools, and other school systems that are reported as expenditures are subtracted from the revenue total. These revenues are attributable to students typically not included in the enrollment count. The resulting per-pupil funding levels are adjusted for regional differences using the National Center for Education Statistics' Comparable Wage Index for teachers.

Funding Distribution

We utilize a modified version of the regression-based method developed by Bruce Baker and published in *Is School Funding Fair? A National Report Card (eds 1-7)* to model the pattern of funding relative to district poverty within each state. The analysis essentially asks, once differences in costs related to district size and geography are accounted for, do states provide more or less funding to districts as the poverty rate increases? Using district-level revenue data (as defined above for funding level), the model predicts funding in a high-poverty (30% Census poverty) relative to a low-poverty (5% Census poverty) district. States that provide higher per-pupil funding levels to high-poverty districts are progressive; states that provide less to high-poverty districts are regressive; and states where there is no meaningful difference are flat.

Funding Effort

Effort is measured as total state and local revenue (including capital outlay and debt service, excluding all federal funds) divided by the state's gross domestic product (GDP). GDP is the value of all goods and services produced by each state's economy and is used here to represent the state's economic capacity to raise funds for schools.

Grades

Grades are assigned using the typical curve. A standardized score is calculated as the state's difference from the mean or average, expressed in standard deviations. Grades are as follows: A = 2/3 standard deviation above the mean; B = between 1/3 and 2/3 standard deviations above the mean; C = between 1/3 standard deviation below and 1/3 standard deviation above the mean; D = between 1/3 and 2/3 standard deviations below the mean; F = 2/3 standard deviation below the mean.

For more information on the methodology used in this report, see the Technical Appendix.

The Fairness Measures

Funding Level

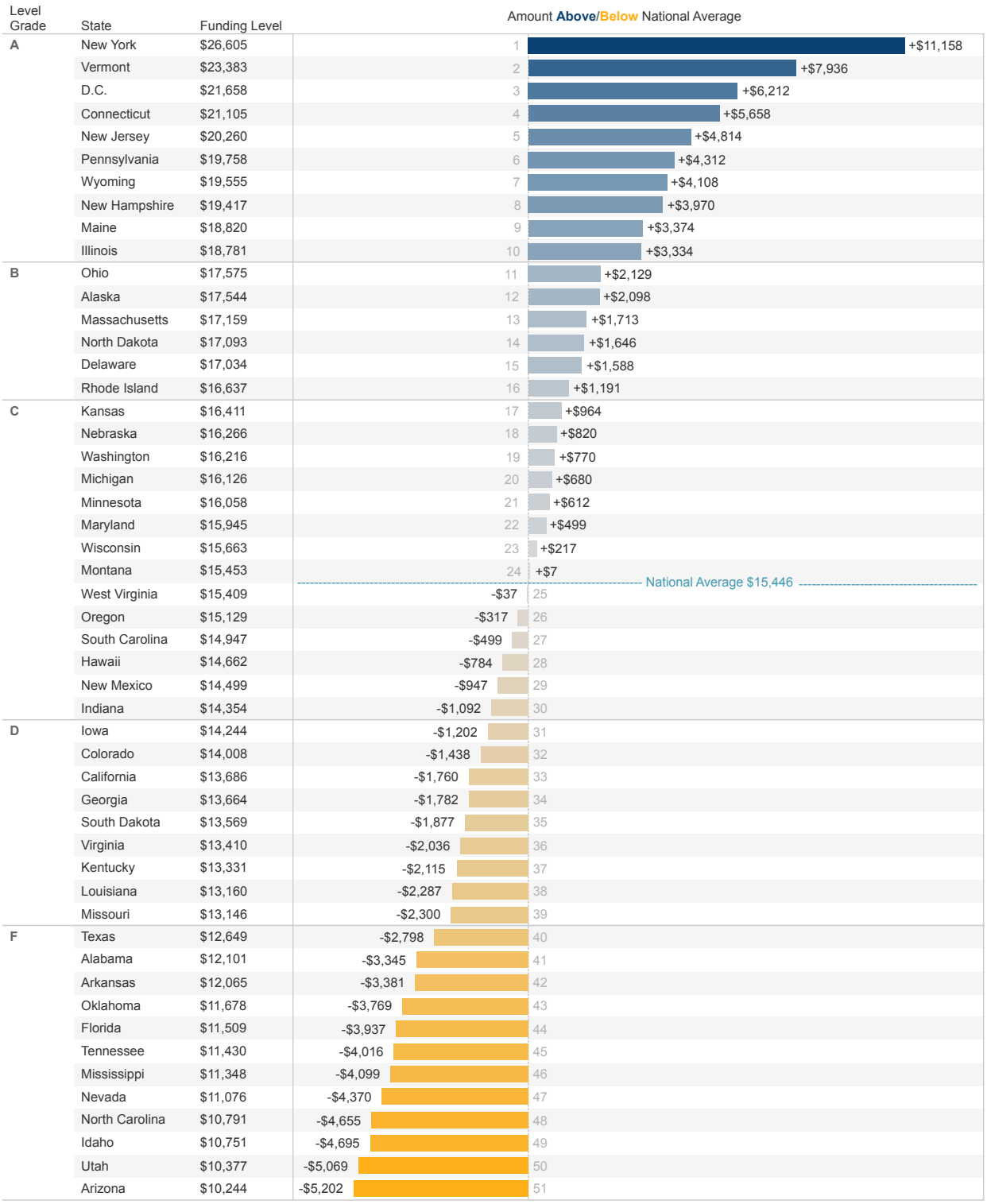
A state's funding level is measured by analyzing the combined state and local revenues provided through the state school finance formula, adjusted to account for regional variations in labor market costs.

A state's funding level grade is determined by ranking its position relative to other states; the grade does not measure whether a state meets any particular threshold of funding adequacy based on the actual cost of education resources necessary to achieve state or national academic standards.[8]

Figure 1a shows the extreme divergence in school funding levels across states, even after adjusting for regional cost differences, with the top states providing upwards of 50% more and the bottom states providing 30% less than the national average funding level of $15,446 per pupil. Figure 1b shows a clear geographic pattern, with states in the Northeast and Midwest generally having higher funding levels than those in the South and West.

Figure 1a. Funding Level

Cost-Adjusted Per-Pupil Funding Level by State Relative to National Average (2020)

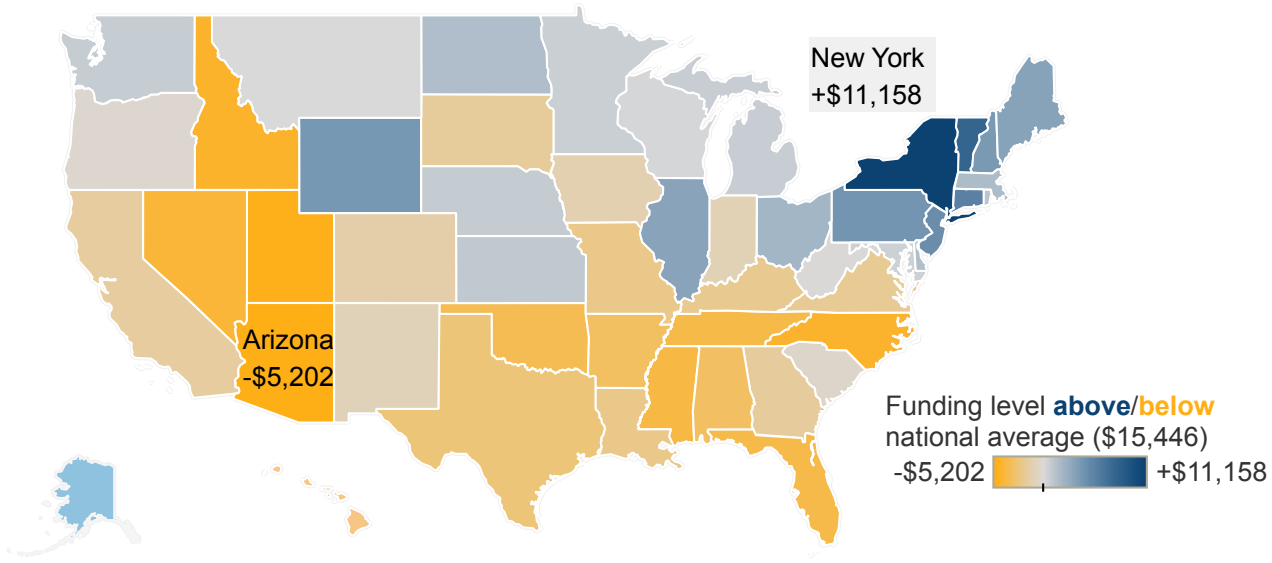


Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2020.

Notes: States are ranked from highest to lowest according to their cost-adjusted per pupil funding level, with the color of the horizontal bar indicating funding **above**/**below** the national average. For example, New York provides $11,158 per-pupil above the national average of $15,446, for total of $26,605. For more information on the methodology used in this report, see the Technical Appendix.

Figure 1b. Funding Disparities

Cost-Adjusted Per-Pupil Funding Level by State Relative to National Average (2020)



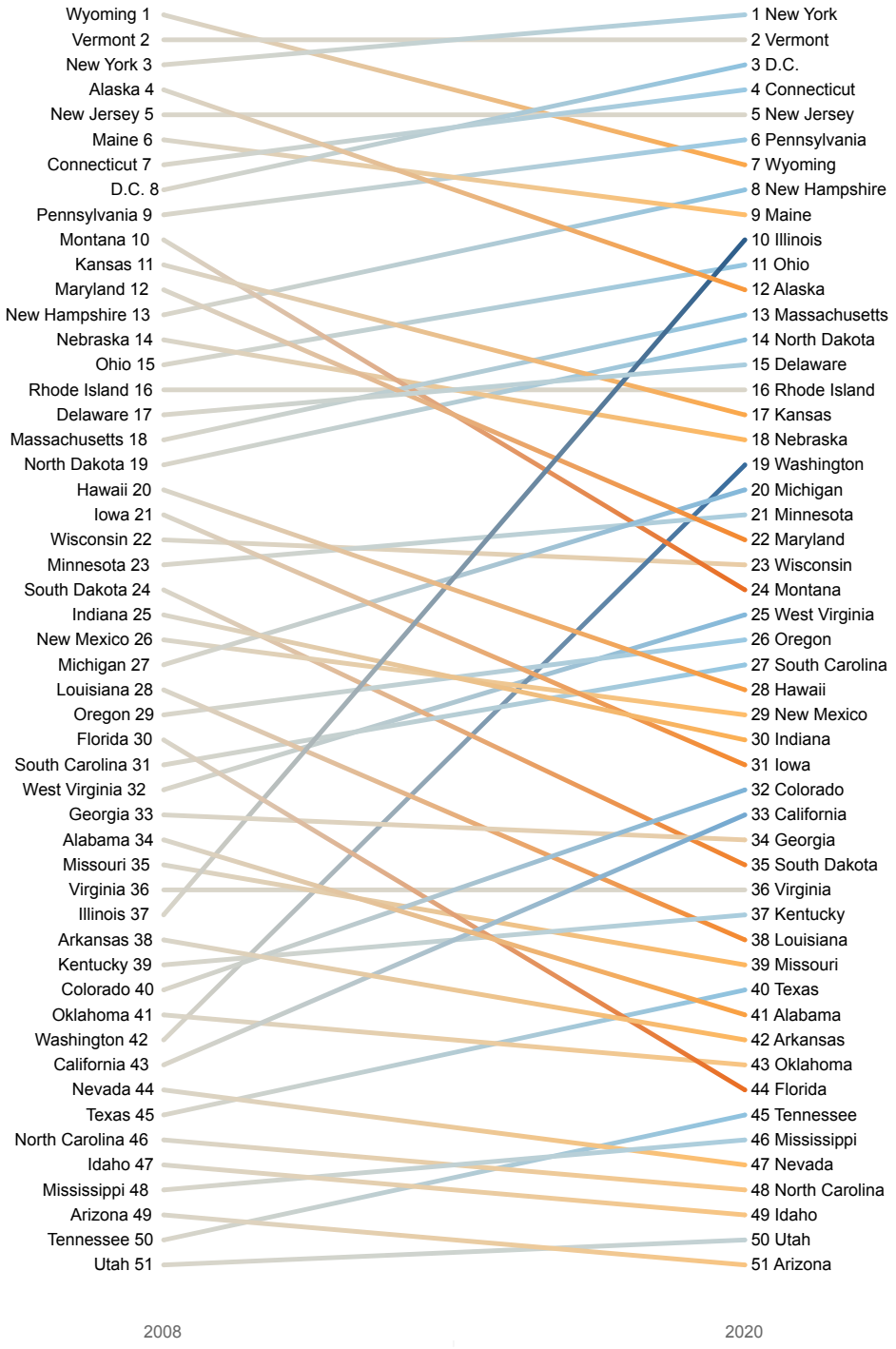
Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2020.

Notes: States are colored according to their distance **above**/**below** the national average ($15,446) using per-pupil funding levels adjusted for labor market differences. For more information on the methodology used in this report, see the Technical Appendix.

Funding Level Over Time

Figure 1c shows the change in each state's funding level rank between 2008 and 2020.[9] While the majority of states remain relatively stable, moving five or fewer rankings up or down, some states stand out. On the positive side, Illinois, Washington, and California all climbed double-digits in their rankings between 2008 and 2020. In Illinois, that meant moving from a D to an A rating, while Washington and California went from Fs to a C and D, respectively. On the opposite spectrum, six states fell in ranking by ten or more spots. The largest declines were in Montana (B to C) and Florida (C to F) which both fell by 14 spots.

Figure 1c. Change in Funding Level Rank, 2008-2020

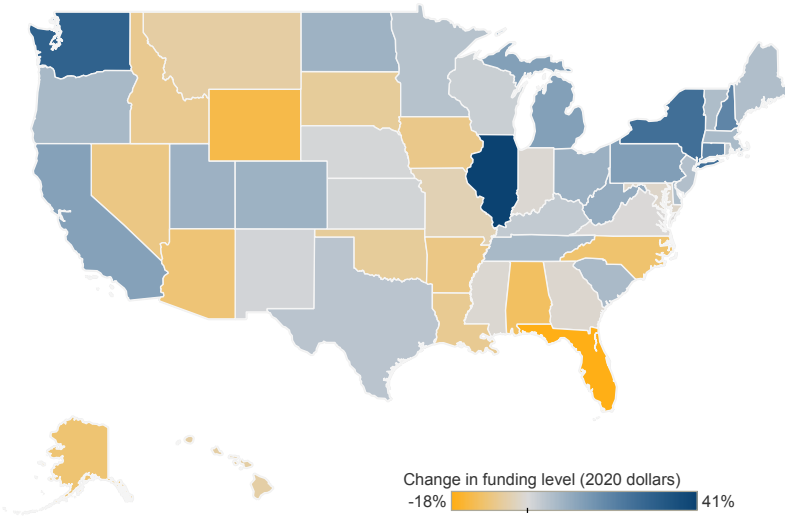


Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2008-2020.

Notes: Lines connect states according to their relative rank in 2008 and 2020. Lines are colored to indicate whether their relative funding level rank **increased**/**decreased** between 2008 and 2020. For more information on the methodology used in this report, see the Technical Appendix.

The change in relative rank illustrates whether states followed or bucked national trends in funding over this period, but the rankings can mask gains or losses in per-pupil funding within states. For example, when comparing inflation-adjusted funding levels between 2008 and 2020, we find that some states had large percentage gains in per-pupil funding levels, even if their rank did not significantly change (Fig. 1d). States such as New York, Connecticut, and Pennsylvania all saw well above average increases in per-pupil funding, but because they were already ranked relatively high, they did not see much movement relative to other states. On the other hand, states such as North Carolina, Arizona, and Nevada, already bottom-ranked, decreased funding when compared with 2008, after adjusting for inflation. For example, North Carolina's funding levels are down 10% from 2008, though its rank only fell from 46th to 48th overall. See Appendix Table A1 for funding level changes in all states.

Figure 1d. Change in Inflation-Adjusted Funding Level, 2008-2020



Top 10

	Funding Level		Rank	
	2008	2020	2008	2020
Illinois	$13,307	$18,781	37	10
Washington	$12,464	$16,216	42	19
New York	$21,099	$26,605	3	1
D.C.	$17,487	$21,658	8	3
Connecticut	$17,609	$21,105	7	4
New Hampshire	$16,209	$19,417	13	8
Pennsylvania	$17,411	$19,758	9	6
Michigan	$14,254	$16,126	27	20
California	$12,132	$13,686	43	33
West Virginia	$13,968	$15,409	32	25

Bottom 10

	Funding Level		Rank	
	2008	2020	2008	2020
Idaho	$11,623	$10,751	47	49
Iowa	$15,483	$14,244	21	31
Arkansas	$13,189	$12,065	38	42
Nevada	$12,122	$11,076	44	47
Arizona	$11,380	$10,244	49	51
Alaska	$19,554	$17,544	4	12
North Carolina	$12,078	$10,791	46	48
Alabama	$13,714	$12,101	34	41
Wyoming	$22,698	$19,555	1	7
Florida	$14,065	$11,509	30	44

Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2008–2020.

Notes: States are colored to indicate whether funding levels **increased** or **decreased** between 2008 and 2020. Funding levels are adjusted for inflation using the State and Local Government Implicit Price Deflator. Data for all states can be found in Appendix Table A1. For more information on the methodology used in this report, see the Technical Appendix.

Funding Distribution

The hallmark of a fair and equitable school finance system is that it delivers more funding to educate students in high-poverty districts.[10] This means states providing equal or less funding to high-poverty districts are shortchanging the students most in need of additional resources for academic success. A central feature of fair school funding is providing higher levels of funding to districts serving large concentrations of students from households with incomes below the federal poverty line.

Figure 2a depicts funding distribution in each state as measured by the funding allocated to high-poverty districts relative to low-poverty districts. States allocating more per-pupil funds to high-poverty districts have a "progressive" distribution system, resulting in a higher grade on the funding distribution measure. States that do the opposite have a "regressive" distribution system and earn a lower grade. States with similar funding levels in high- and low-poverty districts have "flat" distribution systems, clustered in the C grade range.

As with funding level, states are highly divergent in terms of the progressivity of their funding distribution. Three states – Utah, Wyoming, and Alaska – provide more than 50% more funding to high-poverty districts, while New Hampshire and Nevada provide 27% less.

Only 19 states have even modestly progressive school funding systems with at least 5% more funding, on average, in high-poverty districts. School funding is flat (+/-5%) in 12 states, meaning there is no appreciable increase in funding to address the need for additional resources in high-poverty districts. The remaining 17 states have regressive funding systems, i.e., they provide less funding to their poorest districts (Fig. 2b).

Figure 2a. Funding Distribution

Difference (%) in Per-Pupil Funding in High-Poverty Districts Relative to Low-Poverty Districts, by State (2020)

Distribution Grade	State	Low-Poverty Districts	High-Poverty Districts		Funding Distribution: Advantage (+) / Disadvantage (-) in High Poverty Districts
A	Utah	$10,005	$19,225	PROGRESSIVE	92% (1)
	Wyoming	$17,318	$28,625		65% (2)
	Alaska	$14,715	$23,069		57% (3)
	Minnesota	$14,680	$20,409		39% (4)
	South Dakota	$11,481	$15,422		34% (5)
	Nebraska	$14,129	$18,802		33% (6)
	Delaware	$15,681	$20,054		28% (7)
	Ohio	$14,694	$17,796		21% (8)
B	California	$12,609	$15,109		20% (9)
	Maryland	$15,969	$18,738		17% (10)
	Colorado	$13,653	$15,912		17% (11)
	New Mexico	$13,107	$14,786		13% (12)
C	New York	$26,170	$28,199		8% (13)
	North Dakota	$15,207	$16,302		7% (14)
	Oklahoma	$10,683	$11,373		6% (15)
	Georgia	$13,243	$14,038		6% (16)
	Iowa	$13,494	$14,258		6% (17)
	Indiana	$13,725	$14,444		5% (18)
	North Carolina	$10,567	$11,101		5% (19)
	Arkansas	$11,097	$11,605	FLAT	5% (20)
	Arizona	$9,822	$10,267		5% (21)
	Montana	$12,950	$13,469		4% (22)
	Mississippi	$10,683	$11,089		4% (23)
	West Virginia	$14,548	$14,915		3% (24)
	Kansas	$14,931	$15,219		2% (25)
	South Carolina	$14,732	$14,902		1% (26)
	Massachusetts	$16,885	$16,521		-2% (27)
D	Idaho	$10,348	$10,036		-3% (28)
	Wisconsin	$15,423	$14,912		-3% (29)
	Tennessee	$11,562	$11,095		-4% (30)
	Virginia	$13,791	$13,117		-5% (31)
	Washington	$16,430	$15,551		-5% (32)
	New Jersey	$20,037	$18,955		-5% (33)
	Louisiana	$13,678	$12,815		-6% (34)
	Florida	$11,993	$11,153		-7% (35)
	Michigan	$14,714	$13,523	REGRESSIVE	-8% (36)
	Texas	$12,933	$11,869		-8% (37)
	Kentucky	$13,682	$12,363		-10% (38)
F	Alabama	$12,919	$11,090		-14% (39)
	Maine	$17,898	$15,290		-15% (40)
	Oregon	$14,588	$12,279		-16% (41)
	Illinois	$19,106	$15,972		-16% (42)
	Rhode Island	$18,012	$14,411		-20% (43)
	Missouri	$13,128	$10,441		-20% (44)
	Pennsylvania	$19,499	$15,312		-21% (45)
	Connecticut	$21,687	$16,541		-24% (46)
	New Hampshire	$19,121	$13,923		-27% (47)
	Nevada	$12,898	$9,382		-27% (48)

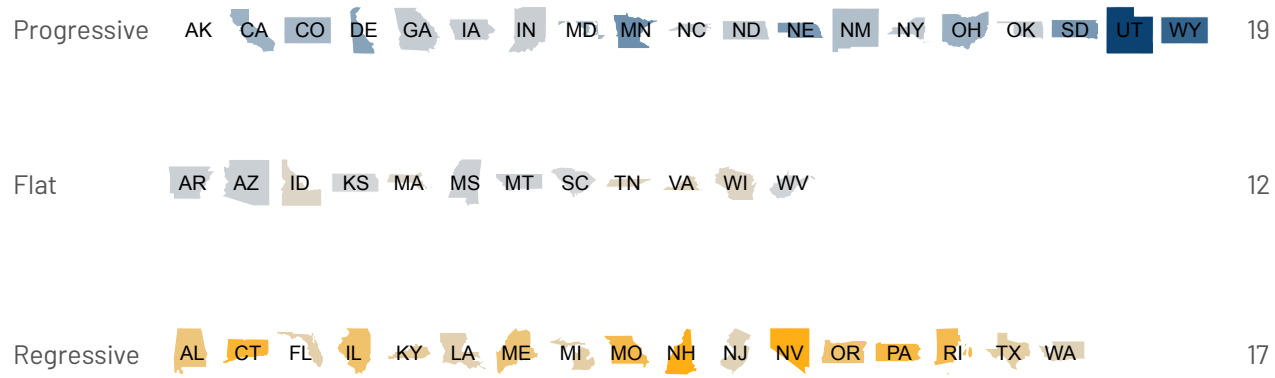
Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2020; U.S. Census Small Area Income and Poverty Estimates, 2020.

Notes: States are ranked from most **progressive** to most **regressive** using our Funding Distribution measure. For example, Utah has a progressive funding distribution so that, on average, its high poverty districts (30% Census poverty) receive 92% more per pupil funding than its low poverty districts (5% Census poverty).

Hawaii and D.C. are excluded because they are single district systems. Vermont is excluded because of reporting inconsistencies. For more information on the methodology used in this report, see the Technical Appendix.

Figure 2b. Funding Distribution Summary

Tally of Progressive, Flat, and Regressive States (2020)



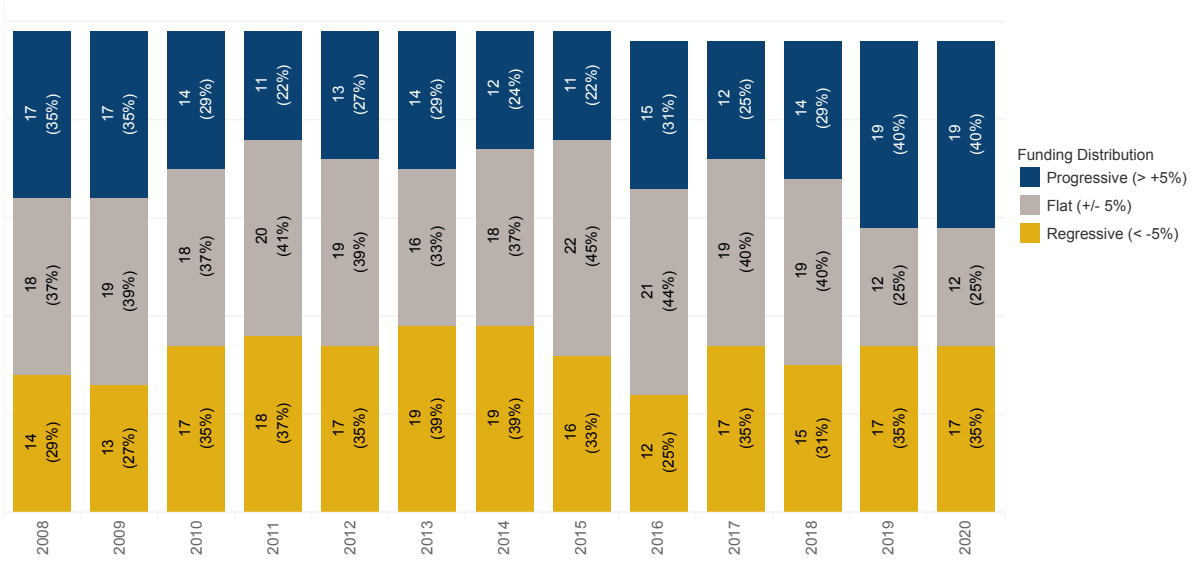
Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2020; U.S. Census Small Area Income and Poverty Estimates, 2020.

Funding Distribution Over Time

The number of progressive, flat, and regressive states fluctuates slightly from year to year. Typically, about one-quarter to one-third of states are classified as progressive, though that increased slightly in 2019 and 2020 (Fig. 2c). Within these national trends, there has been some significant movement, both positive and negative, among individual states.

Figure 2c. Funding Distribution Summary

Tally of Progressive, Flat, and Regressive States (2008-2020)



Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2008-2020; U.S. Census Small Area Income and Poverty Estimates, 2008-2020.

Notes: Excludes Hawaii and the D.C. in all years, excludes Vermont after 2015.

Figure 2d shows the ten states with the most improved funding distribution between 2008 and 2020:

- Four progressive states became substantially more progressive: Wyoming, Utah, Nebraska, and South Dakota.
- Three flat states became at least mildly progressive: Colorado, Maryland, and New Mexico.
- Three regressive states became mildly progressive: New York, North Dakota, and North Carolina.

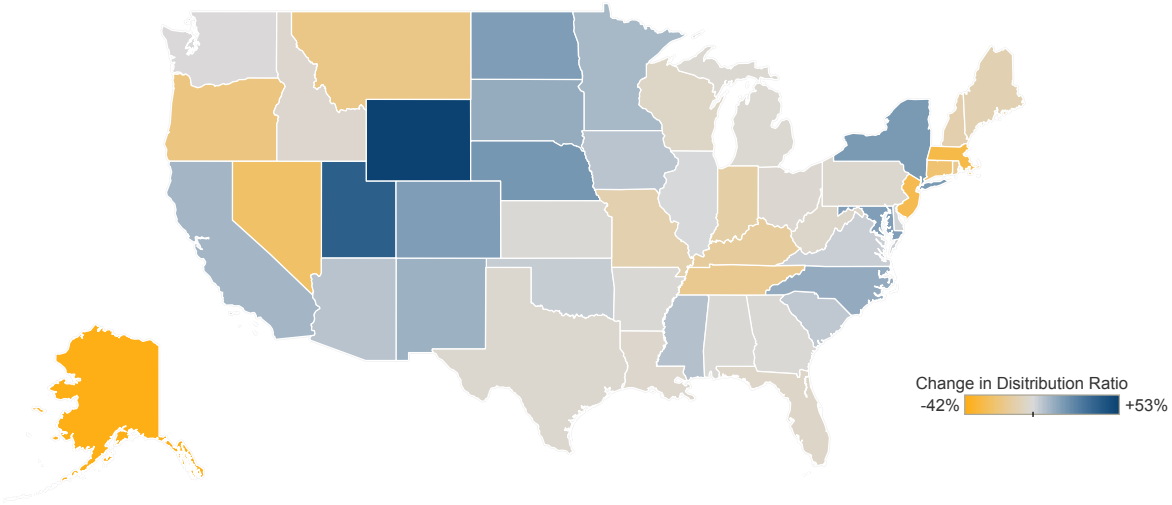
Among the ten states with the least improved funding distribution between 2008 and 2020:

- Four progressive states became flat: Massachusetts, New Jersey, Montana, and Tennessee.
- Five flat states became regressive: Nevada, Connecticut, Oregon, Rhode Island, and Kentucky.
- Alaska became less progressive.

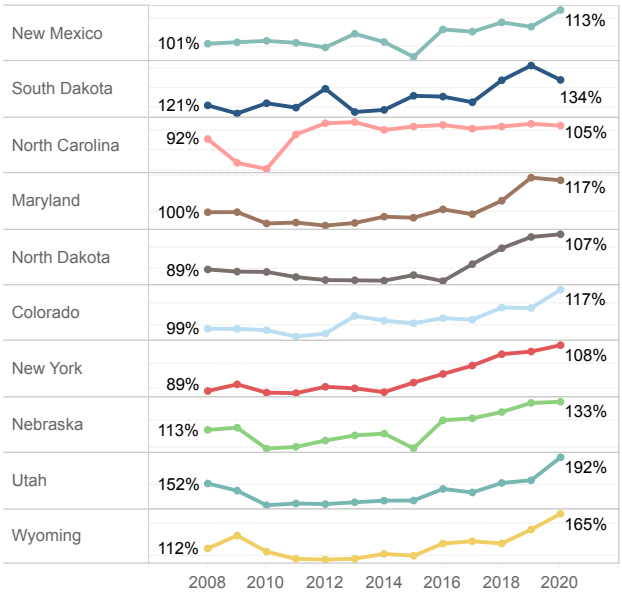
See Appendix Table 2 for funding distribution changes in all states.

Figure 2d. Funding Distribution Change

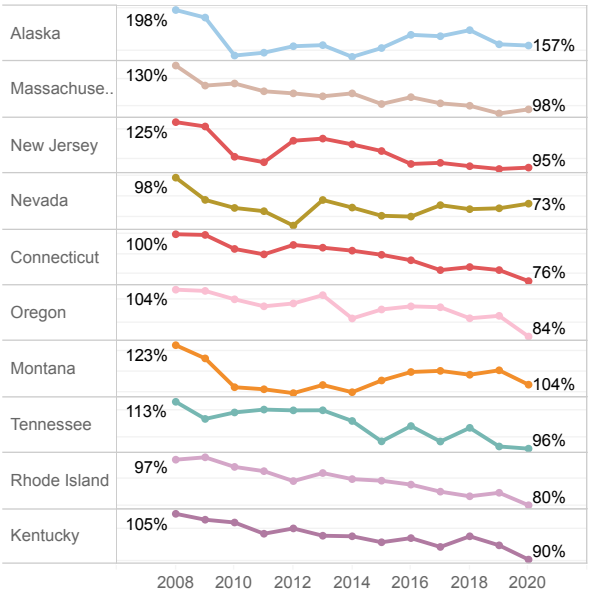
Change in Funding Ratio Between High and Low-Poverty Districts, 2008-2020



Top 10



Bottom 10



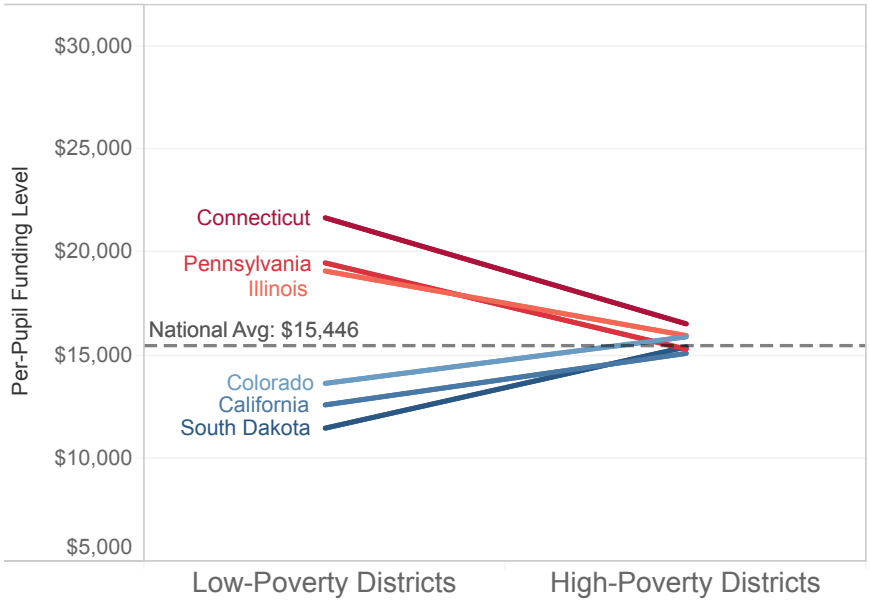
Source: ELC analysis of U.S. Census Annual of School System Finances, 2008-2020; U.S. Census Small Area Income and Poverty Estimates, 2008-2020.

Notes: Map shows whether states' funding ratio (per-pupil revenues in high-poverty districts v. low-poverty districts) **increased** or **decreased** between 2008 and 2020. Hawaii and D.C. are excluded because they are single district systems, Vermont is excluded because of data discrepancies. For detailed data in all states, see Appendix Table A2. For more information on the methodology used in this report, see the Technical Appendix.

Fairness Profiles

The fairness of a state's school funding system is contingent on both adequate funding levels and a progressive distribution of funds. Some seemingly well-resourced states, such as Illinois, Connecticut, and Pennsylvania, do a poor job of targeting those funds where they are most needed, leaving large disparities in average funding levels of the highest and lowest poverty districts. Likewise, some states with a progressive distribution, such as South Dakota, California, and Colorado, have low overall funding levels that leave even their highest poverty districts with funding that just barely reaches the national average (Fig. 2e). Interactive state fairness profiles are available online.

Figure 2e. Fairness Profiles



Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2020; U.S. Census Small Area Income and Poverty Estimates, 2020.

Always Dig Deeper

The funding distribution measure uses district-level data to determine a state's overall pattern of school funding. It is important to recognize that this measure may not capture the variations in a complex system. There will inevitably be districts (e.g., poorly funded, high-poverty districts in an otherwise progressive state) that do not match the statewide pattern presented here. View the report online to see district-level data for all states.

There is no substitute for a more detailed analysis of the conditions that influence the distribution of funding in each state. Such an analysis is beyond the scope of this report, but the findings presented here can serve as a starting point for deeper research and discussion of the need for finance reform. Visit ELC's Resource Equity in the States project for examples of state-specific work.

Funding Effort

Figure 3a ranks states on effort as measured by the percentage of the state's economic activity, or gross domestic product (GDP), allocated to support the PK-12 school system.[11] It is important to consider a state's effort index in the broader context of their overall economic wealth. Consider New Hampshire and Mississippi: both states receive a C with slightly above average effort, but they have vastly different per capita GDPs. Though they are making a similar effort to fund schools, New Hampshire is doing so in the context of an average size economy, where per capita GDP is at the national average, while Mississippi is doing so in a small economy, where per capita GDP is 39% below the national average. With the same effort, New Hampshire receives an A for funding level, and Mississippi receives an F. Figure 3a also juxtaposes a state's relative effort compared to the national average with its per capita GDP to contextualize how the effort index interacts with the state's relative wealth to produce high or low funding levels.

It is also important to recognize that the effort index reflects both state and local funding as a percentage of GDP at the state level. A high effort index does not mean funding is distributed equitably across districts within the state. In fact, many of the highest effort states receive an A on funding level and an F on funding distribution (Illinois, Pennsylvania, Connecticut, and Maine). In these states, the high funding levels, driven by local property taxes, are disproportionately concentrated in the state's lowest poverty districts, while the highest poverty districts are left with less.

Figure 3a. Funding Effort

PK-12 Education Revenue as a Percentage of State Wealth (GDP) (2020)

Effort Grade	State	Per-capita GDP Relative to National ($55,834)	Effort Index	Effort **Above**/**Below** the National Average	
A	Vermont	-$10,597	6.15%	1	+2.55%
	New Jersey	+$1,853	5.22%	2	+1.62%
	Wyoming	+$6,994	4.66%	3	+1.06%
	Alaska	+$13,394	4.42%	4	+0.82%
	Illinois	+$1,606	4.34%	5	+0.74%
	West Virginia	-$16,475	4.32%	6	+0.72%
	Pennsylvania	-$3,411	4.31%	7	+0.71%
	Connecticut	+$9,504	4.31%	8	+0.71%
	New York	+$15,241	4.29%	9	+0.69%
	Maine	-$11,877	4.25%	10	+0.65%
B	South Carolina	-$15,248	4.06%	11	+0.45%
	Rhode Island	-$8,840	3.99%	12	+0.39%
	Kansas	-$1,898	3.97%	13	+0.37%
	New Mexico	-$12,154	3.95%	14	+0.35%
	Michigan	-$11,290	3.93%	15	+0.33%
	Maryland	+$1,254	3.89%	16	+0.29%
C	Hawaii	-$7,546	3.78%	17	+0.18%
	Arkansas	-$16,903	3.77%	18	+0.17%
	New Hampshire	-$728	3.77%	19	+0.17%
	Mississippi	-$21,836	3.77%	20	+0.17%
	Iowa	-$2,220	3.66%	21	+0.06%
	Wisconsin	-$6,090	3.64%	22	+0.04%
	Ohio	-$5,443	3.61%	23	+0.00%
	Kentucky	-$14,005	3.60%	+0.00%	24
	Minnesota	+$1,723	3.51%	-0.09%	25
	Oregon	-$4,970	3.51%	-0.09%	26
	Georgia	-$5,710	3.48%	-0.12%	27
	Texas	+$3,978	3.48%	-0.12%	28
	Montana	-$12,793	3.47%	-0.13%	29
	Oklahoma	-$7,251	3.39%	-0.21%	30
	Nebraska	+$4,398	3.38%	-0.22%	31
	Indiana	-$7,603	3.37%	-0.23%	32
	Alabama	-$16,055	3.37%	-0.23%	33
D	Louisiana	-$8,874	3.36%	-0.24%	34
	North Dakota	+$13,044	3.28%	-0.32%	35
F	Massachusetts	+$15,369	3.12%	-0.48%	36
	Washington	+$13,977	3.11%	-0.49%	37
	Virginia	-$354	3.11%	-0.49%	38
	Colorado	+$5,253	3.11%	-0.50%	39
	Delaware	+$6,957	3.10%	-0.50%	40
	Missouri	-$9,891	3.06%	-0.55%	41
	Idaho	-$15,166	2.99%	-0.61%	42
	California	+$11,691	2.98%	-0.62%	43
	Nevada	-$8,792	2.81%	-0.79%	44
	Utah	-$2,522	2.80%	-0.80%	45
	South Dakota	-$2,399	2.69%	-0.91%	46
	Tennessee	-$9,093	2.64%	-0.96%	47
	Florida	-$11,784	2.63%	-0.97%	48
	Arizona	-$10,253	2.35%	-1.26%	49
	North Carolina	-$7,383	2.32%	-1.28%	50

National Average 3.6%

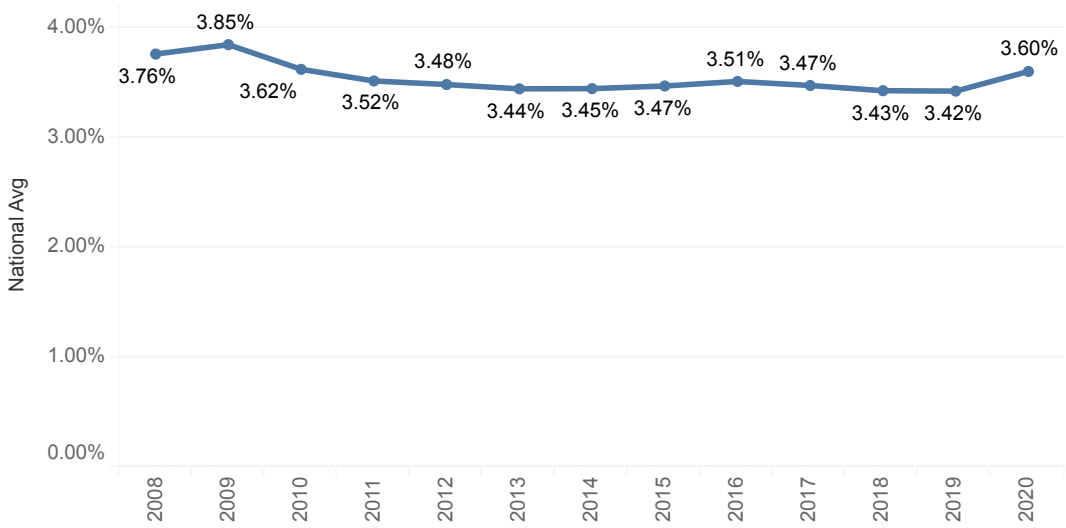
Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2019; U.S. Bureau of Economic Analysis' State Gross Domestic Product reports, 2019.

Notes: States are ranked by funding effort, with the color of the horizontal bar indicating whether the state's effort was **above** or **below** the national average. For example, Vermont's PK-12 state and local revenue was 5.94% of the state's total GDP, or 2.5% above the national average of 3.6%. For context, the state's relative wealth (per capita GDP **above**/**below** the national average) is presented as an indicator of the state's fiscal capacity. For more information on the methodology used in this report, see the Technical Appendix.

Effort Index Over Time

Due to state disinvestment in education after the 2008 Great Recession, the national average effort index hovered around 3.4-3.5% from 2011 to 2019, down from 3.76% in 2008 (Fig. 3b). Even as the economy rebounded, most states did not increase PK-12 education spending in proportion to gains in GDP, keeping the effort index low.[12] The effort index increased to 3.60% in 2020, though this is due to diverging trends in the initial phase of the pandemic, where education spending, which usually lags behind overall economic trends, increased at the same time as GDP fell.

Figure 3b. National Average Effort Index, 2008-2020

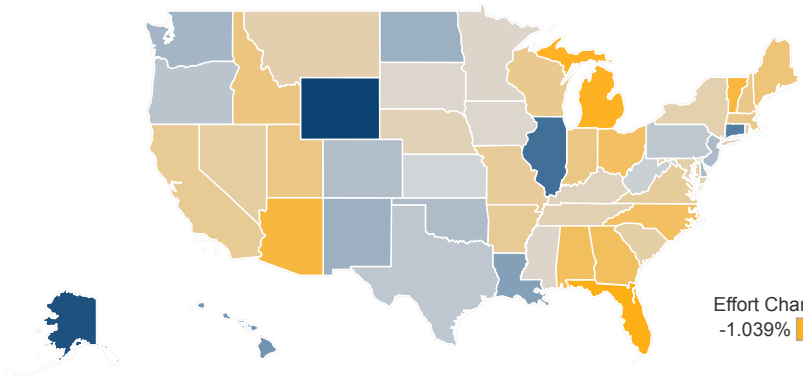


Source: U.S. Bureau of Economic Analysis' State Gross Domestic Product reports, 2008-2020.

Notes: National average excludes data for D.C. For more information on the methodology used in this report, see the Technical Appendix.

In states that saw the largest increase in the effort index, education funding outpaced growth in GDP. States with the greatest losses saw the opposite – education funding increased at a slower pace than GDP. Notably, several states with the highest gains in effort had above average increases in education funding even though their overall economy grew at a slower pace than the national average. Illinois, Hawaii, and Delaware prioritized school funding, even through a slow economic recovery. On the other hand, some states with the largest declines in effort had below average increases in education funding, despite average or above average growth in GDP (Idaho, North Carolina, Georgia, Arizona, and Florida). These states disinvested in education even while experiencing a healthy economic recovery (Fig. 3c). See Appendix Table A3 for funding effort changes in all states.

Figure 3c. Change in Effort Index, 2008-2020



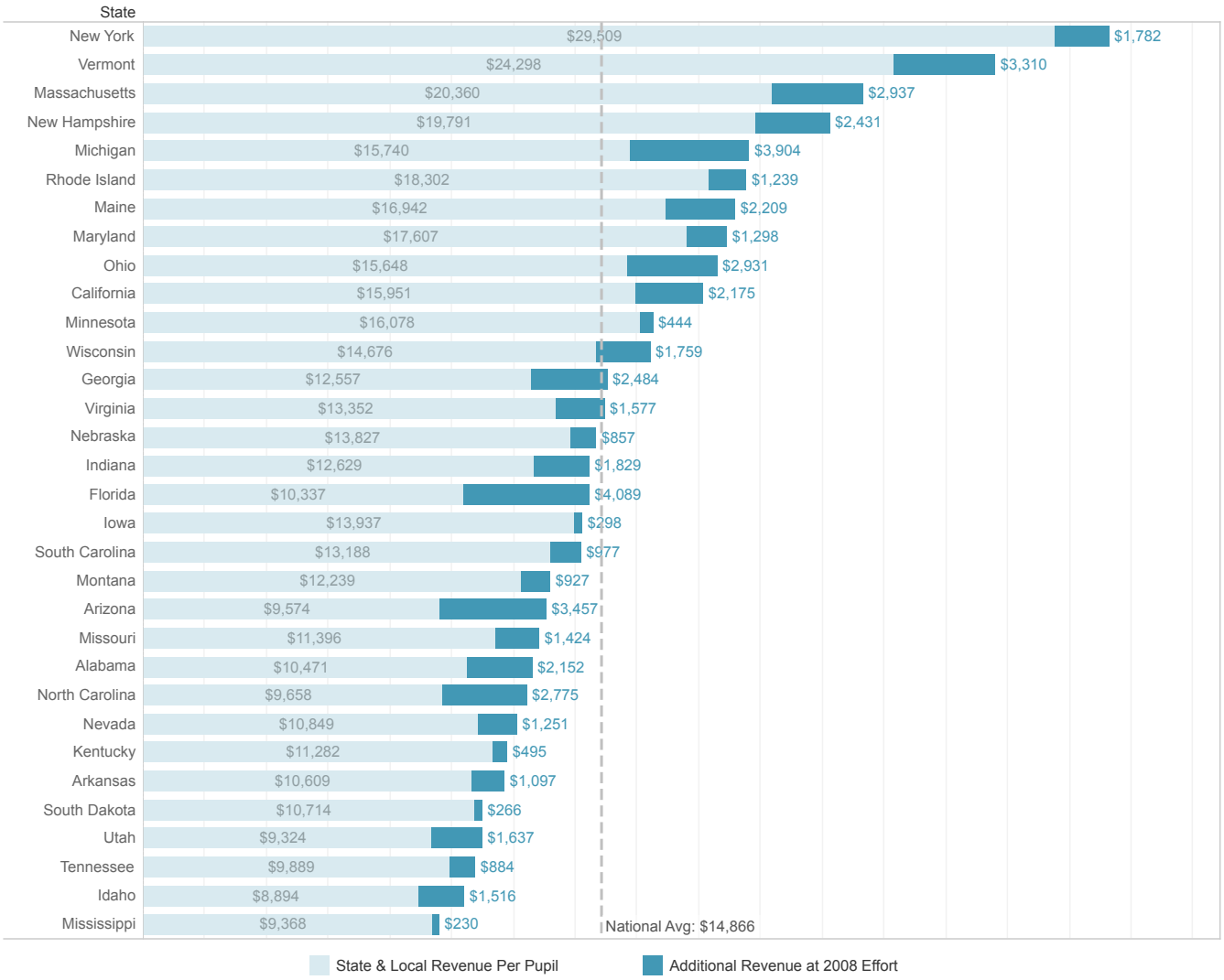
		% Change GDP	% Change PK-12 Revenue	Change in Effort Index
Top 10	Wyoming	-15%	13%	+1.13%
	Alaska	-8%	18%	+0.97%
	Illinois	33%	59%	+0.72%
	Connecticut	15%	33%	+0.60%
	Hawaii	23%	40%	+0.44%
	Louisiana	8%	21%	+0.36%
	North Dakota	72%	86%	+0.25%
	New Mexico	18%	26%	+0.25%
	Washington	72%	85%	+0.21%
	Delaware	38%	48%	+0.20%
Bottom 10	Idaho	55%	32%	-0.51%
	Maine	42%	25%	-0.55%
	North Carolina	45%	13%	-0.67%
	Ohio	38%	16%	-0.68%
	Georgia	51%	26%	-0.69%
	Alabama	34%	11%	-0.69%
	Vermont	32%	17%	-0.84%
	Arizona	47%	8%	-0.85%
	Michigan	35%	8%	-0.98%
	Florida	49%	7%	-1.04%

Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2008-2020; U.S. Bureau of Economic Analysis' State Gross Domestic Product reports, 2008-2020.

Notes: The map is colored to show whether states' effort index **increased** or **decreased** between 2008 and 2020. Bar chart shows the percentage point change in effort index between 2008 and 2020. Change in GDP and State and Local Revenue data columns are colored to indicate change that is **above** or **below** the national average trend. Data for all states can be found in Appendix Table A3. For more information on the methodology used in this report, see the Technical Appendix.

To illustrate the impact of states' declining effort to fund their public school systems, Figure 3d shows the difference in per-pupil funding if states had maintained their pre-Recession level of effort.[13] Thirty-two states would have generated more funding for their schools if they had maintained their fiscal effort from 2008. Thirteen states would have increased funding levels by more than $2,000 per-pupil over current levels, including five states with funding well below the national average (Georgia, Florida, Arizona, Alabama, and North Carolina). In total, reduced state effort on education funding resulted in a loss of $752 billion in state and local funding between 2009 and 2020[14] (Fig 3e).

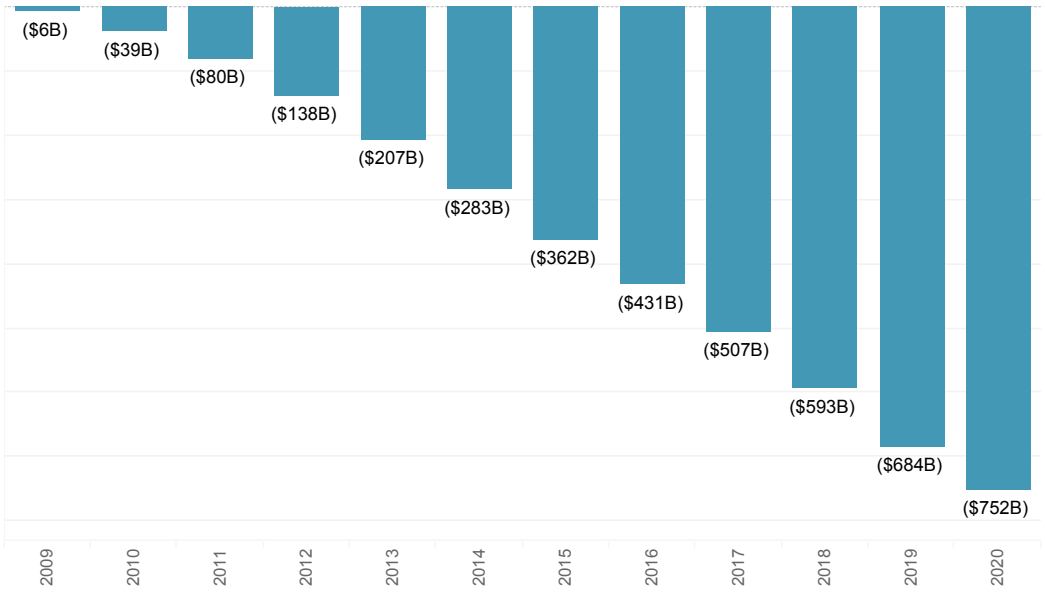
Figure 3d. Potential Revenue from Maintaining 2008 Effort



Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2008-2020; U.S. Bureau of Economic Analysis' State Gross Domestic Product reports, 2008-2020.

Notes: **Light blue** bars represent total state and local revenue per pupil in 2020, **turquoise** section shows additional revenue that would have been raised in 2020 if the state maintained its effort from 2008. Because these figures 1) do not adjust for regional differences, 2) include capital funds, and 3) excluded all federal funds, they do not match the per-pupil funding levels presented earlier.

Figure 3e. Lost PK-12 Education Revenue from Dropping Below 2008 Effort



Source: ELC analysis of U.S. Census Annual Survey of School System Finances, 2008-2020; U.S. Bureau of Economic Analysis' State Gross Domestic Product reports, 2008-2020.

Notes: Graph shows the running total of potential education revenue (state and local) lost in states whose effort index dropped below 2008 levels between 2009 and 2020.

Avoiding Another Fiscal Cliff

During the Great Recession, states used federal stimulus dollars to prop up their education budgets. When those federal funds ran out, states were left with large budget holes. In many cases, states resorted to massive state aid cuts that disproportionately affected high-poverty districts. Many states took years to return to pre-Recession levels of investment, and some still have not.[15]

The risk is similar with the infusion of federal Covid relief in schools. States and school districts are using federal funds to invest in staff, programs, and services they otherwise could not afford. In addition, Congress required that these funds supplement – rather than supplant – existing levels of state and local revenues. Since expected declines in state tax revenues as a result of the pandemic did not materialize, some states are using surpluses to invest in schools and other social programs, while others are using those revenues to cut taxes.[16] Nevertheless, when the federal funds are depleted, districts will either need additional revenue to continue increased levels of student support, or they will be forced to cut essential staff, programs and services for students.

The progressive distribution of federal pandemic relief means that high-poverty districts receiving higher levels of federal aid have the most to lose. Some high-poverty districts across the country are using federal funds to provide extensive academic supports to help students catch up, though others are forced to prioritize remediation of longstanding deficiencies in school facilities or are otherwise constrained in spending due to teacher and support staff shortages. There is compelling evidence that academic and social-emotional interventions should be sustained for the long haul, both because students have returned to school with significant issues and so that schools can finally close persistent achievement gaps by race and poverty.[17] Similarly, the pandemic has taught us that schools should not be forced to choose between academic supports and safe and modern facilities.[18]

The lesson is clear: advocacy is needed to press state lawmakers to ensure students – who, through one-time Covid relief funding are finally getting access to some of the resources they need and are entitled to – continue to receive those supports. States can maximize the return on the pandemic relief by increasing their own investments to enable districts to sustain and continue the progress now underway.

The 2022 Midterms: Momentum for Reform?

State lawmakers are legally obligated to maintain and support – i.e., **fund** – their public school systems. This means that school finance reform can only be achieved through political campaigns focused on legislators and governors in statehouses across the country. We know from our research on successful school funding reforms that these state-based campaigns must utilize multiple strategies, from research to grassroots organizing, communications, and, where feasible, litigation.[19]

> **"All of the money that supports education is public money, local money no less than state money. It is authorized and controlled, in terms of source, amount, distribution, and use, by the State."**
>
> *Abbott v. Burke*, 119 N.J. 287 (June 1990)

There is growing evidence that the fight to preserve and strengthen public education is gaining steam in the states – where it matters most. Recent results from the 2022 midterm elections offer some striking examples of how grassroots advocacy and sustained political campaigns can secure meaningful wins to improve funding, resources, and opportunity for the nation's public school students.

In Massachusetts, voters approved a ballot measure, the Fair Share Amendment, that creates a surcharge on incomes over $1 million. This "millionaire's tax" is expected to generate over $2 billion a year, and the revenue raised is earmarked for education and transportation.[20] The Fair Share for Massachusetts campaign secured this win through research, advocacy and statewide organizing that focused on building more equitable schools and communities.[21]

In New Mexico, voters overwhelmingly approved a ballot measure to guarantee the right to early childhood education in the state's constitution. The amendment obligates an additional 1.25%, on top of the existing 5%, to be withdrawn annually from the Land Grant Permanent Fund, a trust fund that will provide approximately $150 million for early childhood education and another $100 million for K-12. This victory was the culmination of more than a decade of advocacy grounded in research on the educational and social-emotional benefits of early education and, more recently, a political campaign to elect more "champions of equity" in the state legislature.[22]

According to the Education Commission of the States, the 2022 elections included a total of seven education-related ballot measures.[23] Five of the seven were related to PK-12 funding, and all five passed. In addition to the measures mentioned above, California voted to increase arts and music education funding by $1 billion annually; Colorado voted for universal free school meals; and New Mexico voted in favor of authorizing bonds for school facilities projects.

In other states, the elections have shifted political power in the direction that will likely yield increased state investment in public education.

In Michigan, Democrats now hold majorities in both the House and the Senate, paving the way for the governor's progressive education agenda in her second term.[24] Maryland, Massachusetts, and Pennsylvania elected governors who pledged to support and expand school finance reforms that have stalled under previous administrations. Kansas re-elected a staunchly pro-public school governor who has championed the cause of school funding reform in that state.

Public education remains the "ultimate states right" in the United States. This means that school finance reform will be won or lost politically in the statehouse, not with local school boards or in Congress. The recipe for political success is clear: a combination of research, grassroots organizing, and communications all working together toward a common goal. With this combination of tools, it is possible to secure from state lawmakers the reforms necessary to provide every student in every school with the educational opportunities they deserve and are constitutionally entitled to.

Appendix

Table A1. Funding Level Change, 2008-2020

	Funding Level			Rank		
State	2008	2020	2008-2020	2008	2020	2008-2020
Alabama	$13,714	$12,101	-12%	34	41	-7
Alaska	$19,554	$17,544	-10%	4	12	-8
Arizona	$11,380	$10,244	-10%	49	51	-2
Arkansas	$13,189	$12,065	-9%	38	42	-4
California	$12,132	$13,686	13%	43	33	+10
Colorado	$12,875	$14,008	9%	40	32	+8
Connecticut	$17,609	$21,105	20%	7	4	+3
D.C.	$17,487	$21,658	24%	8	3	+5
Delaware	$16,065	$17,034	6%	17	15	+2
Florida	$14,065	$11,509	-18%	30	44	-14
Georgia	$13,831	$13,664	-1%	33	34	-1
Hawaii	$15,503	$14,662	-5%	20	28	-8
Idaho	$11,623	$10,751	-8%	47	49	-2
Illinois	$13,307	$18,781	41%	37	10	+27
Indiana	$14,464	$14,354	-1%	25	30	-5
Iowa	$15,483	$14,244	-8%	21	31	-10
Kansas	$16,228	$16,411	1%	11	17	-6
Kentucky	$12,908	$13,331	3%	39	37	+2
Louisiana	$14,198	$13,160	-7%	28	38	-10
Maine	$17,776	$18,820	6%	6	9	-3
Maryland	$16,224	$15,945	-2%	12	22	-10
Massachusetts	$16,036	$17,159	7%	18	13	+5
Michigan	$14,254	$16,126	13%	27	20	+7
Minnesota	$15,284	$16,058	5%	23	21	+2

	Funding Level			Rank		
State	2008	2020	2008-2020	2008	2020	2008-2020
Mississippi	$11,439	$11,348	-1%	48	46	+2
Missouri	$13,676	$13,146	-4%	35	39	-4
Montana	$16,366	$15,453	-6%	10	24	-14
Nebraska	$16,144	$16,266	1%	14	18	-4
Nevada	$12,122	$11,076	-9%	44	47	-3
New Hampshire	$16,209	$19,417	20%	13	8	+5
New Jersey	$19,173	$20,260	6%	5	5	+0
New Mexico	$14,341	$14,499	1%	26	29	-3
New York	$21,099	$26,605	26%	3	1	+2
North Carolina	$12,078	$10,791	-11%	46	48	-2
North Dakota	$15,715	$17,093	9%	19	14	+5
Ohio	$16,097	$17,575	9%	15	11	+4
Oklahoma	$12,493	$11,678	-7%	41	43	-2
Oregon	$14,117	$15,129	7%	29	26	+3
Pennsylvania	$17,411	$19,758	13%	9	6	+3
Rhode Island	$16,079	$16,637	3%	16	16	+0
South Carolina	$13,997	$14,947	7%	31	27	+4
South Dakota	$14,517	$13,569	-7%	24	35	-11
Tennessee	$10,664	$11,430	7%	50	45	+5
Texas	$12,105	$12,649	4%	45	40	+5
Utah	$9,526	$10,377	9%	51	50	+1
Vermont	$22,008	$23,383	6%	2	2	+0
Virginia	$13,431	$13,410	0%	36	36	+0
Washington	$12,464	$16,216	30%	42	19	+23
West Virginia	$13,968	$15,409	10%	32	25	+7
Wisconsin	$15,319	$15,663	2%	22	23	-1
Wyoming	$22,698	$19,555	-14%	1	7	-6

Table A2. Funding Distribution Change, 2008-2020

	Grade		Rank			Ratio		
State	2008	2020	2008	2020	Change	2008	2020	Change
Alabama	F	F	46	39	+7	87%	86%	-1%
Alaska	A	A	1	3	-2	198%	157%	-41%
Arizona	D	C	29	21	+8	98%	105%	+7%
Arkansas	C	C	17	20	-3	105%	105%	+0%
California	C	B	14	9	+5	110%	120%	+10%
Colorado	D	B	28	11	+17	99%	117%	+18%
Connecticut	C	F	24	46	-22	100%	76%	-24%
Delaware	A	A	5	7	-2	126%	128%	+2%
Florida	D	D	31	35	-4	97%	93%	-4%
Georgia	C	C	15	16	-1	107%	106%	-1%
Idaho	C	D	27	28	-1	100%	97%	-3%
Illinois	F	F	48	42	+6	83%	84%	+1%
Indiana	B	C	10	18	-8	117%	105%	-12%
Iowa	C	C	25	17	+8	100%	106%	+6%
Kansas	C	C	20	25	-5	103%	102%	-1%
Kentucky	C	D	18	38	-20	105%	90%	-15%
Louisiana	D	D	34	34	+0	97%	94%	-3%
Maine	D	F	37	40	-3	95%	85%	-10%
Maryland	C	B	26	10	+16	100%	117%	+17%
Massachusetts	A	C	3	27	-24	130%	98%	-32%
Michigan	D	D	39	36	+3	94%	92%	-2%
Minnesota	A	A	4	4	+0	130%	139%	+9%
Mississippi	D	C	33	23	+10	97%	104%	+7%
Missouri	F	F	42	44	-2	90%	80%	-10%
Montana	A	C	8	22	-14	123%	104%	-19%
Nebraska	B	A	12	6	+6	113%	133%	+20%
Nevada	D	F	30	48	-18	98%	73%	-25%
New Hampshire	F	F	47	47	+0	83%	73%	-10%
New Jersey	A	D	6	33	-27	125%	95%	-30%
New Mexico	C	B	23	12	+11	101%	113%	+12%
New York	F	C	44	13	+31	89%	108%	+19%

	Grade		Rank			Ratio		
State	2008	2020	2008	2020	Change	2008	2020	Change
North Carolina	F	C	41	19	+22	92%	105%	+13%
North Dakota	F	C	43	14	+29	89%	107%	+18%
Ohio	A	A	7	8	-1	123%	121%	-2%
Oklahoma	C	C	21	15	+6	103%	106%	+3%
Oregon	C	F	19	41	-22	104%	84%	-20%
Pennsylvania	F	F	49	45	+4	81%	79%	-2%
Rhode Island	D	F	32	43	-11	97%	80%	-17%
South Carolina	D	C	35	26	+9	96%	101%	+5%
South Dakota	A	A	9	5	+4	121%	134%	+13%
Tennessee	B	D	11	30	-19	113%	96%	-17%
Texas	D	D	38	37	+1	94%	92%	-2%
Utah	A	A	2	1	+1	152%	192%	+40%
Vermont	F		45		+45	88%		-88%
Virginia	F	D	40	31	+9	92%	95%	+3%
Washington	D	D	36	32	+4	95%	95%	+0%
West Virginia	C	C	16	24	-8	106%	103%	-3%
Wisconsin	C	D	22	29	-7	102%	97%	-5%
Wyoming	B	A	13	2	+11	112%	165%	+53%

Table A3. Funding Effort Change, 2008-2020

	Grade		Effort Index			Rank		
State	2008	2020	2008	2020	Change	2008	2020	Change
Alabama	B	C	4.06%	3.37%	-0.69%	16	33	-17
Alaska	D	A	3.44%	4.42%	+0.98%	33	4	+29
Arizona	F	F	3.19%	2.35%	-0.84%	41	49	-8
Arkansas	B	C	4.16%	3.77%	-0.39%	14	18	-4
California	D	F	3.39%	2.98%	-0.41%	35	43	-8
Colorado	F	F	2.94%	3.11%	+0.17%	46	39	+7
Connecticut	C	A	3.71%	4.31%	+0.60%	23	8	+15
Delaware	F	F	2.90%	3.10%	+0.20%	47	40	+7
Florida	C	F	3.67%	2.63%	-1.04%	25	48	-23
Georgia	B	C	4.17%	3.48%	-0.69%	13	27	-14
Hawaii	D	C	3.34%	3.78%	+0.44%	38	17	+21
Idaho	D	F	3.50%	2.99%	-0.51%	31	42	-11
Illinois	C	A	3.63%	4.34%	+0.71%	26	5	+21
Indiana	C	C	3.86%	3.37%	-0.49%	19	32	-13
Iowa	C	C	3.74%	3.66%	-0.08%	21	21	+0
Kansas	C	B	3.94%	3.97%	+0.03%	17	13	+4
Kentucky	C	C	3.76%	3.60%	-0.16%	20	24	-4
Louisiana	F	D	3.00%	3.36%	+0.36%	44	34	+10
Maine	A	A	4.80%	4.25%	-0.55%	4	10	-6
Maryland	B	B	4.18%	3.89%	-0.29%	12	16	-4
Massachusetts	C	F	3.57%	3.12%	-0.45%	29	36	-7
Michigan	A	B	4.91%	3.93%	-0.98%	3	15	-12
Minnesota	C	C	3.61%	3.51%	-0.10%	27	25	+2
Mississippi	C	C	3.86%	3.77%	-0.09%	18	20	-2
Missouri	D	F	3.44%	3.06%	-0.38%	34	41	-7
Montana	C	C	3.74%	3.47%	-0.27%	22	29	-7
Nebraska	C	C	3.59%	3.38%	-0.21%	28	31	-3
Nevada	F	F	3.14%	2.81%	-0.33%	42	44	-2
New Hampshire	B	C	4.23%	3.77%	-0.46%	10	19	-9
New Jersey	A	A	5.04%	5.22%	+0.18%	2	2	+0
New Mexico	C	B	3.70%	3.95%	+0.25%	24	14	+10

	Grade		Rank			Ratio		
State	2008	2020	2008	2020	Change	2008	2020	Change
New York	A	A	4.55%	4.29%	-0.26%	5	9	-4
North Carolina	F	F	2.99%	2.32%	-0.67%	45	50	-5
North Dakota	F	D	3.02%	3.28%	+0.26%	43	35	+8
Ohio	A	C	4.28%	3.61%	-0.67%	7	23	-16
Oklahoma	F	C	3.22%	3.39%	+0.17%	40	30	+10
Oregon	D	C	3.39%	3.51%	+0.12%	36	26	+10
Pennsylvania	B	A	4.21%	4.31%	+0.10%	11	7	+4
Rhode Island	A	B	4.26%	3.99%	-0.27%	8	12	-4
South Carolina	A	B	4.36%	4.06%	-0.30%	6	11	-5
South Dakota	F	F	2.75%	2.69%	-0.06%	50	46	+4
Tennessee	F	F	2.88%	2.64%	-0.24%	49	47	+2
Texas	D	C	3.37%	3.48%	+0.11%	37	28	+9
Utah	D	F	3.29%	2.80%	-0.49%	39	45	-6
Vermont	A	A	6.99%	6.15%	-0.84%	1	1	+0
Virginia	D	F	3.48%	3.11%	-0.37%	32	38	-6
Washington	F	F	2.90%	3.11%	+0.21%	48	37	+11
West Virginia	A	A	4.26%	4.32%	+0.06%	9	6	+3
Wisconsin	B	C	4.08%	3.64%	-0.44%	15	22	-7
Wyoming	C	A	3.53%	4.66%	+1.13%	30	3	+27

Endnotes

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5 This measure does not include figures for Hawaii and the District of Columbia which operate as single district systems. Vermont is also excluded because of reporting inconsistencies. See the Technical Appendix for more information, https://edlawcenter.org/assets/MTG%202020/TechnicalAppendix22.pdf

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8 The United States has no established "opportunity to learn" standards that define the resources needed to ensure students have the opportunity to achieve common outcomes. It is, therefore, not feasible to determine the cost of those resources and funding levels across states.

9 We chose 2008 as a base year for comparison to avoid any fluctuations in school funding levels dependent on 2008's Great Recession. Because wider economic disruptions tend to affect school budgets on a lag, 2008 provides a picture of school funding before the economic downturn affected school budgets.

10 Poverty is measured using the Census definition due to reporting inconsistencies for the National School Lunch Program, the more commonly used metric of school poverty. Census poverty is a more severe measure than either free lunch (130% of Census poverty) or reduced lunch (185%) eligibility. We define high-poverty districts as having a 30% Census poverty rate among school-aged children and low-poverty districts having a 5% poverty rate. For more detail, see the Technical Appendix.

11 Gross domestic product (GDP) is the value of all goods and services produced by each state's economy. In this report is serves as a measure of each state's capacity to raise revenue to fund schools.

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13 Because the effort measure uses all state and local funds, including capital, in the calculation of the index, that is the basis for the per-pupil funding presented here. Funding is also not adjusted for regional differences as the comparison is focused on within state differences in funding. As such, these per-pupil funding levels do not match the adjusted levels used in the funding level comparisons.

14 We follow the same analysis as used in the $600 Billion Lost report, but get slightly different results due to updated GDP and state and local revenue data.

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