

## Your Question:

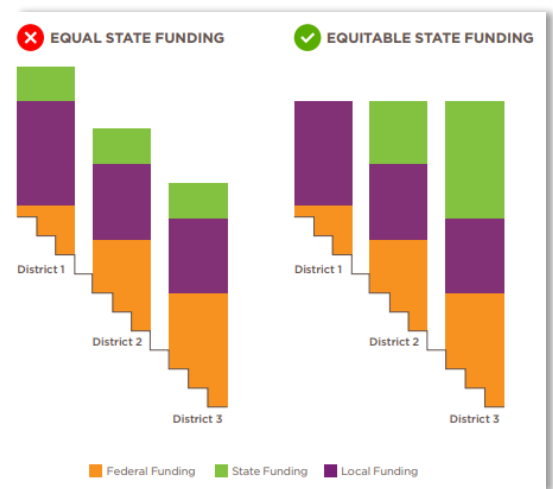
You asked for more information on school funding equity, particularly how other states have integrated equity into their funding systems.

## Our Response:

### School Funding Equity

Funding schools equitably means that students should be provided with resources that allow for their achievement to be equal across schools and districts. This is different from finance equalization programs where spending is equal regardless of the resource needs of individual students. Equity in school funding is commonly measured by the variation in per-pupil expenditures among school districts within a state. Measures of funding equity [vary across states](#), yet in many states wealthier districts have significantly higher per-pupil expenditures than do poorer ones.

The two main drivers of [inequitable educating funding](#) have to do with characteristics of school districts and the funding sources. Because property taxes make up a large portion of education funding in most states, property-poor districts are unable to generate as much per-pupil revenue as property-wealthy districts. In addition, property-poor districts are more likely to have higher populations of students who often require additional services that result in higher costs to achieve desirable outcomes. Examples of these student populations include students from low-income families, English language learners, homeless students, and students residing in rural and isolated communities. These funding disparities based on the characteristics of school districts and students lead to [disparities in education outcomes](#).



Spurred by [litigation and state supreme court decisions](#) concerning school funding equity, state policymakers continue to address funding inequities by creating student-centered funding models and by targeting state education funding to lower-wealth districts. Ultimately, addressing school funding equity means providing more resources for students and districts with greater needs. [Research](#) shows that additional funds can be used to provide student support services and help close opportunity gaps between students from underserved communities and students in wealthier communities.

## State Efforts to Create Equitable Funding

### How States Address Funding Systems

Findings from a [50 state survey of school finances](#) in 2016 show a trend towards weighted student funding (WSF) where additional resources are directed to students with additional learning needs. States have either incorporated weights into their primary school funding formula or have expanded their existing categorical programs. Student groups that typically receive additional funds include English language learners, students living in low-income families, and students with a disability. Yet, the weights vary dramatically from state to state and many states have commissioned equity and cost studies to help identify appropriate weights based on their formula.

Below are some examples of states that have recently made changes to their school funding structure with the goal of improving equity.

### State Examples

- **Massachusetts** passed the [Student Opportunity Act](#) in 2019 that increased state resources for school districts in the commonwealth by \$1.4 billion when phased-in and increased resources directed to districts with high concentrations of English language learners and students living in low-income families. The changes stem from findings of [the Foundation Budget Review Commission](#) in 2015.
- **Nevada** adopted the [Pupil Centered Funding Plan](#) in 2019 to expand weighted student funding in Nevada so that the “dollars follow the student” and established a [Commission on School Funding](#) to make recommendations to meet the adopted principals of the plan.
- **New Mexico** [boosted state investments](#) in their schools by \$450 million in the 2019 legislative session with new funds going for a teacher pay increase and supports for English language learners and students living in low-income families. This comes after a court ruling in 2018 ([Yazzie/Martinez v. State](#)) that found inadequate support for these student groups.

## Legislative Tracking

### School Funding Equity: Legislative Examples

Below are a few examples of introduced bills from the current session in states that increase funding for specified student populations and school districts in line with school funding equity:

#### Connecticut

[H.B. 5620](#) revises funding formula by increasing weight for English language learners and expands criteria to measure concentrations of poverty to encompass school districts with more than 60% of students from low-income households.

#### Minnesota

[S.F. 426](#) creates a new categorical state funding stream for districts with education revenue and low property wealth per-pupil relative to other districts.

#### Mississippi

[H.B. 261](#) increases the required amount funding for students determined to be “at-risk” under the state’s funding formula.

#### Oregon

[H.B. 3004](#) provides an additional weight for students who are homeless for purposes of calculating state education aid distribution under the funding formula.