

SCHOOL DISTRICT BUDGETS: FEDERAL/STATE/LOCAL REVENUES

Federal education revenues have historically represented a small portion of overall K-12 education spending (9-10 percent). Though the emergency declaration of the COVID pandemic has ended, federal dollars continue to represent an above average share of education funding. In the 2020-21 school year, federal dollars represented just over 11 (11.3) percent of a school district's operating budget.

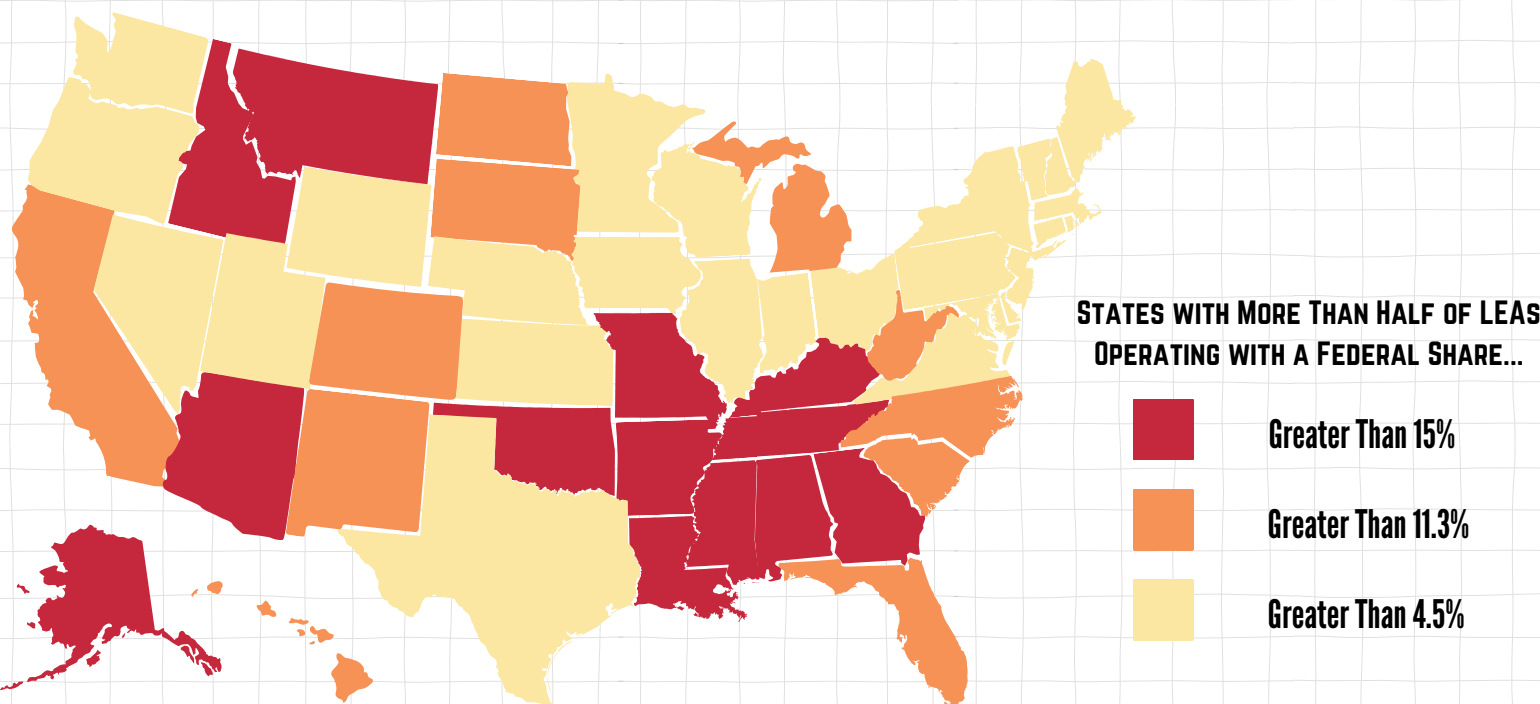
The dataset, as prepared by **ProximityOne** and analyzed by AASA, is a powerful tool for both understanding and illustrating the disproportionate role that federal dollars play in public school budgets. The data analysis in this report makes clear how the deep education cuts in the FY24 LHHS appropriations bill passed by the House appropriations LHHS subcommittee will disproportionately impact schools in some of our neediest communities. The blunt cuts to schools not only challenge the success of key federal education programs—including the Elementary and Secondary Education Act's Title I and Title II program—but also undermine the success of our nation's schools and the students they serve.

Using the ProximityOne dataset as a starting point to explore which states and school districts have above average (including significantly higher) shares of operating education budgets comprised of federal revenues, the data below makes a compelling case for Congress to avoid the deep proposed cuts. The full impact of the cuts will vary by district and state, as the fiscal willingness and capacity to pay for education also varies by state. The more reliant a district is in on federal funding the more significantly they will feel proposed cuts.

Public schools play a critical role in educating the future workforce, and the current approaches to federal spending fail to recognize and protect the important investment of public education. It is imperative that Congress works to avoid blunt cuts and advance a bipartisan budget that protects investment in education through a blended combination of revenue increases, nuanced spending cuts and mandatory program reform.

Table I on Page 2 reports the average share of federal, state and local revenues in LEA operating budgets for all 50 states.

Table II on Page 2 highlights those states that have significant numbers of LEAs that are highly reliant on federal revenues.



SCHOOL DISTRICT BUDGETS: FEDERAL/STATE/LOCAL REVENUES

TABLE I

Education Revenues (Federal, State, and Local) (FY20)											
State	Fed %	State %	Local %	State	Fed %	State %	Local %	State	Fed %	State %	Local %
Nat'l	11.3	46.1	42.6	KY	18.5	56.2	25.3	ND	17.4	45.1	37.5
AL	16.4	56.2	27.4	LA	17.4	39.1	43.5	OH	8.6	37.8	53.7
AK	21.8	62.9	15.3	ME	10.7	30.5	58.4	OK	16.7	44.6	38.7
AZ	19.5	35.2	44.8	MD	8.7	46.6	44.7	OR	9.7	59.6	30.7
AR	17.6	69.0	13.3	MA	5.7	39.8	54.6	PA	8.3	39.0	52.7
CA	12.4	47.9	39.6	MI	12.3	51.0	36.8	RI	8.1	30.3	61.5
CO	13.4	44.0	42.6	MN	11.2	59.6	29.2	SC	13.8	46.8	39.4
CT	4.8	30.8	64.4	MS	21.2	47.2	31.6	SD	17.8	27.5	54.6
DE	8.1	63.0	28.9	MO	16.6	42.9	40.5	TN	16.1	52.8	31.1
FL	15.1	44.4	40.5	MT	19.3	39.9	40.8	TX	11.9	42.4	45.7
GA	16.0	47.5	36.4	NE	8.6	21.8	69.6	UT	10.0	48.8	41.2
HI	11.4	88.0	0.6	NV	10.0	55.4	34.6	VT	7.6	81.3	11.1
ID	18.1	62.6	19.3	NH	5.9	30.5	63.7	VA	11.0	48.6	40.4
IL	7.4	45.4	47.2	NJ	4.2	34.0	61.8	WA	9.4	71.6	19.0
IN	9.2	55.5	35.3	NM	13.4	71.3	15.3	WV	15.2	51.5	33.3
IA	10.6	44.7	44.7	NY	4.9	44.4	50.8	WI	8.0	48.6	43.3
KS	8.7	61.6	29.7	NC	14.3	63.5	22.2	WY	12.4	51.8	35.8

TABLE II

States w/ More Than Half of LEAs Operating w/ Federal Share Greater than 11.3%		
AL	HI	NC
AK	ID	ND
AR	KY	NM
AZ	LA	OK
CA	MI	SC
CO	MO	SD
FL	MS	TN
GA	MT	WV

States w/ More Than Half of LEAs Operating w/ Federal Share Greater Than 15%	
AK	LA
AL	MO
AR	MS
AZ	MT
GA	OK
ID	TN
KY	