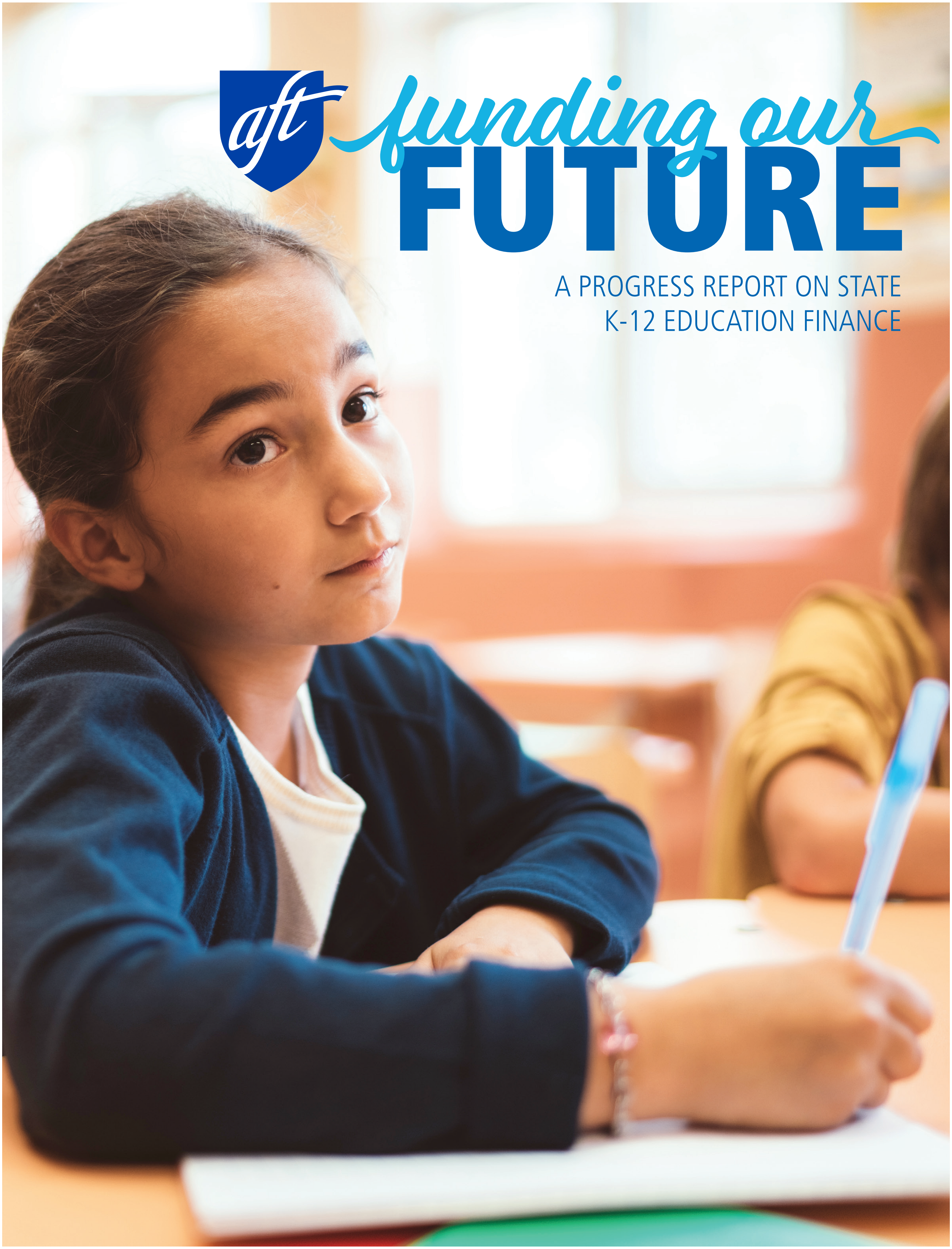
funding our FUTURE

A PROGRESS REPORT ON STATE K-12 EDUCATION FINANCE



Introduction

In 2018, the AFT released *A Decade of Neglect: Public Education Funding in the Aftermath of the Great Recession*, a report that provided a comprehensive look at education funding since the recession.[i] It relied on U.S. Census data to show that in 2016, 25 states were still spending less per pupil on education than before the recession, and that it would take nearly $19 billion to make up this gap. The release of the report was part of the launching of Fund Our Future, an AFT campaign to demand investment in our public schools and in the resources students need to succeed—particularly children of color, children with special needs, children who are vulnerable and children who live in poverty.

One year later, there is new Census data that shows some progress was made on school funding in 2017. As we detail in this update, 21 states were still spending less on K-12 education in 2017 than they were prior to the recession, after accounting for inflation.[ii] It would cost these states almost $14.4 billion to bring their spending up to pre-recession levels.

It will take at least three more years for the Census to measure the impact of changes in education funding that have been enacted into law in the past two years. In that time, we have seen a wave of activism across the states demanding an end to austerity in education. That has led to real progress. Research by the Center on Budget and Policy Priorities indicates that the teacher walkouts in 2018 led to new investments. This year brought more changes, in part as the result of activism of AFT members and our community. For example:

- Efforts of teachers, parents and the community in New Mexico helped elect Gov. Michelle Lujan Grisham. That in turn led to a legislative session that made substantial new investments in K-12 education, including funding for at-risk students and teacher salaries.

- In Texas, again in part because of AFT member activism, many anti-public education incumbents were defeated during the 2018 elections, leading in 2019 to a budget with millions of dollars in new funding for schools.
- In the 2018 midterm elections, voters in 20 Florida school districts chose to raise their local property or sales taxes to help their schools. These voter-approved increases have improved salaries, helped pay for school safety measures required in the law passed after the Parkland shooting last year, and allowed districts to repair crumbling buildings and provide air conditioning.
- In Illinois, the election of Gov. J. B. Pritzker brings the opportunity to Illinois voters for a fair tax system—increasing taxes on the richest individuals in order to support education and other services—as a newly won initiative will be placed on the ballot in 2020.
- From Los Angeles to Charleston, W.Va., there are examples of educators walking out in order to demand the investment that their students need. This has led to real gains for those students.

The past year also brought more clarity on how even the states that spend the most money are failing to spend what's needed for all their students to achieve academic success. Progress is being made, but we need to do more than get back to the pre-recession levels of funding. New research shows that the vast majority of states spend less than what is necessary for students in higher-poverty districts to thrive. In states that rank the lowest for per-pupil spending, and for the states where elected leaders have cut spending since the recession, leaders have made a choice. They've prioritized lower taxes for the rich over investment in schools, or they've chosen to leave inequities built into state tax codes untouched. As we detail in this update, educators around the country are also making a choice. They've walked out of their classrooms and advocated at the ballot box to demand more investment in public schools, and a record number of parents and allies have stood with them—and they are winning.

A Decade of Neglect—One Year Later

In 2018, when we released *A Decade of Neglect: Public Education Funding in the Aftermath of the Great Recession,* we examined 2016 U.S. Census data on state spending to find that there were 25 states spending less on education than before the recession. Newly available data shows there has been slight improvement in the states on this metric. As of 2017, there were 21 states spending less than before the recession, after adjusting for inflation.

A Decade of Neglect included a comprehensive review of general revenue trends and tax policy changes in every state and the District of Columbia, since the recession. The report revealed that chronic disinvestment was largely the result of governors and state legislators pursuing austerity agendas that favored tax cuts for the rich at the expense of our nation's schools. Almost three-quarters of the states that were providing less funding for K-12 education in 2016 had reduced their tax effort between 2008 and 2015.[iii] That hasn't changed. In 2017, 16 of the 21 states that cut school spending were also generating less tax revenue relative to their state's economic capacity.

In 2018, in states that experienced some of the deepest spending cuts since the recession—Arizona, Kentucky, Oklahoma and West Virginia—teachers went on strike to protest disinvestment. While we don't yet have complete data on how state spending has improved in these states since those strikes, in every one but Kentucky, legislators responded by increasing state funding for schools.[iv] Again this year, we saw teachers in Los Angeles take to the streets to demand more for their students, and win class-size reduction, limits on testing and access to nurses, counselors and librarians.

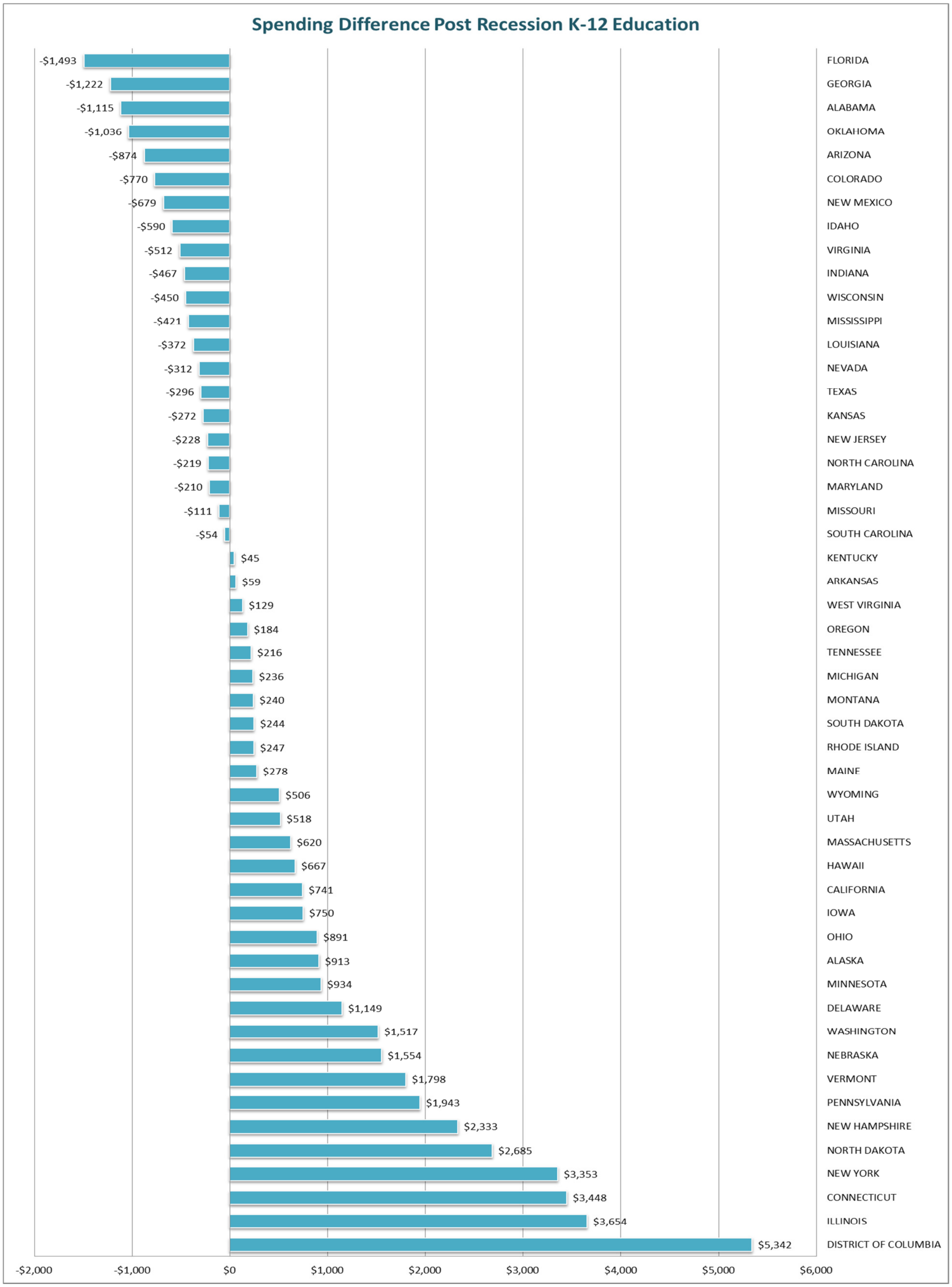
What Has Changed Since the Recession?

The fact that 21 states were spending less in 2017 than they were before the recession, after adjusting for inflation, represents an improvement over 2016. The four states that were previously spending less than pre-recession levels but improved on this metric were South Dakota, Tennessee, Oregon and Kentucky.

Of these four states, Oregon and South Dakota have made the strongest effort to match taxes with state economic capacity. Faced with revenue shortfalls in the wake of the recession, the Oregon Legislature proposed corporate and personal income tax increases in 2009, which voters approved the following year. These new taxes generated hundreds of millions of dollars in revenue to fund education in Oregon. More recently, in 2016, in order to address South Dakota's low teacher pay, the Legislature enacted an education funding package that revised the state education funding formula and included a half-cent increase in the state's sales tax.

Most of the states that were doing the worst job of funding education in 2017 also reduced their tax effort in the years following the recession. Eight of the 10 worst states for per-pupil funding in 2017 reduced their overall tax effort. While Texas was not generating less tax revenue relative to its state's economic capacity compared to the pre-recession period, it ranked 46th among the states and the District of Columbia for its tax effort. As we will note, in 2019, legislators took a first step to address this austerity.

State	Per Pupil Spending	Reduced Tax Effort after Recession	Rank of Tax Effort
UTAH	$7,609	Yes	42
IDAHO	$7,935	Yes	27
OKLAHOMA	$8,416	Yes	40
ARIZONA	$8,483	Yes	31
MISSISSIPPI	$9,297	No	8
NORTH CAROLINA	$9,616	Yes	34
FLORIDA	$9,620	Yes	47
TENNESSEE	$9,735	Yes	49
NEVADA	$9,879	Yes	32
TEXAS	$9,938	No	46



Spending Difference Post Recession K-12 Education
FLORIDA -$1,493
GEORGIA -$1,222
ALABAMA -$1,115
OKLAHOMA -$1,036
ARIZONA -$874
COLORADO -$770
NEW MEXICO -$679
IDAHO -$590
VIRGINIA -$512
INDIANA -$467
WISCONSIN -$450
MISSISSIPPI -$421
LOUISIANA -$372
NEVADA -$312
TEXAS -$296
KANSAS -$272
NEW JERSEY -$228
NORTH CAROLINA -$219
MARYLAND -$210
MISSOURI -$111
SOUTH CAROLINA -$54
KENTUCKY $45
ARKANSAS $59
WEST VIRGINIA $129
OREGON $184
TENNESSEE $216
MICHIGAN $236
MONTANA $240
SOUTH DAKOTA $244
RHODE ISLAND $247
MAINE $278
WYOMING $506
UTAH $518
MASSACHUSETTS $620
HAWAII $667
CALIFORNIA $741
IOWA $750
OHIO $891
ALASKA $913
MINNESOTA $934
DELAWARE $1,149
WASHINGTON $1,517
NEBRASKA $1,554
VERMONT $1,798
PENNSYLVANIA $1,943
NEW HAMPSHIRE $2,333
NORTH DAKOTA $2,685
NEW YORK $3,353
CONNECTICUT $3,448
ILLINOIS $3,654
DISTRICT OF COLUMBIA $5,342
-$2,000
-$1,000
$0
$1,000
$2,000
$3,000
$4,000
$5,000
$6,000

What's Changed Between 2016 and 2017?

States	2015-16	2016-2017
ALASKA	$18,911	$18,908
ARKANSAS	$10,634	$10,565
FLORIDA	$9,634	$9,620
LOUISIANA	$11,921	$11,871
MISSISSIPPI	$9,398	$9,297
MONTANA	$12,256	$12,130
OKLAHOMA	$8,745	$8,416
WYOMING	$17,757	$17,529

Between 2016 and 2017, state per-pupil spending in Alaska, Arkansas, Florida, Louisiana, Mississippi, Montana, Oklahoma and Wyoming did not keep up with inflation. Each of these states, with the exception of Arkansas and Mississippi, also reduced their tax effort between 2008 and 2016.

New York was still ranked No. 1 for per-pupil spending, and Utah still ranked last. There were small movements in per-pupil spending rankings between 2016 and 2017. For example:

- Illinois moved from 14th to 12th.
- Michigan moved from 21st to 24th.
- California moved from 23rd to 21st.
- West Virginia moved from 27th to 26th.
- Louisiana moved from 29th to 30th.

A number of states took action during 2016 that has helped to boost revenues to fund education. In California, voters approved a ballot initiative to extend tax increases that were first approved in 2012, including a 13.3 percent tax on incomes over $1 million, with the revenue going to fund education and healthcare. Pennsylvania lawmakers approved a comprehensive tax package in 2016, increasing state revenue by $633 million.[v] On the other hand, five states—Georgia, Indiana, Mississippi, New Mexico and Wisconsin—made tax changes that reduced revenue by more than 1 percent.[vi]

Rank - States & Per Pupil Spending

2016-17			2015-16	
1	$24,476	NEW YORK	$24,155	1
2	$23,292	DISTRICT OF COLUMBIA	$20,692	2
3	$20,481	CONNECTICUT	$20,475	3
4	$20,056	NEW JERSEY	$19,874	4
5	$19,387	VERMONT	$19,303	5
6	$18,908	ALASKA	$18,911	6
7	$17,529	WYOMING	$17,757	7
8	$17,169	MASSACHUSETTS	$16,840	8
9	$16,900	RHODE ISLAND	$16,775	9
10	$16,746	PENNSYLVANIA	$16,651	10
11	$16,624	NEW HAMPSHIRE	$16,567	11
12	$16,257	ILLINOIS	$15,314	14
13	$16,220	DELAWARE	$15,890	12
14	$15,739	MARYLAND	$15,342	13
15	$15,181	HAWAII	$14,848	15
16	$14,585	NORTH DAKOTA	$14,443	16
17	$14,511	MAINE	$14,340	17
18	$13,406	MINNESOTA	$13,373	18
19	$13,404	OHIO	$13,070	20
20	$13,333	NEBRASKA	$13,283	19
21	$12,872	CALIFORNIA	$12,415	23
22	$12,709	WASHINGTON	$12,457	22
23	$12,686	WISCONSIN	$12,372	24
24	$12,621	MICHIGAN	$12,601	21
25	$12,599	VIRGINIA	$12,347	25
26	$12,247	WEST VIRGINIA	$12,194	27
27	$12,149	IOWA	$12,042	28
28	$12,130	MONTANA	$12,256	26
29	$11,940	OREGON	$11,709	30
30	$11,871	LOUISIANA	$11,921	29
31	$11,618	KANSAS	$10,757	33
32	$11,225	SOUTH CAROLINA	$11,069	32
33	$11,224	MISSOURI	$11,138	31
34	$10,817	GEORGIA	$10,551	37
35	$10,729	KENTUCKY	$10,652	34
36	$10,648	INDIANA	$10,644	35
37	$10,565	ARKANSAS	$10,634	36
38	$10,536	SOUTH DAKOTA	$9,910	41
39	$10,474	NEW MEXICO	$10,468	38
40	$10,397	COLORADO	$10,341	39
41	$10,081	ALABAMA	$9,975	40
42	$9,938	TEXAS	$9,737	42
43	$9,879	NEVADA	$9,677	43
44	$9,735	TENNESSEE	$9,515	45
45	$9,620	FLORIDA	$9,634	44
46	$9,616	NORTH CAROLINA	$9,495	46
47	$9,297	MISSISSIPPI	$9,398	47
48	$8,483	ARIZONA	$8,222	49
49	$8,416	OKLAHOMA	$8,745	48
50	$7,935	IDAHO	$7,730	50
51	$7,609	UTAH	$7,509	51

Even Top-Ranked States Can Do Better

While these rankings demonstrate that some states are doing better, for states like New York, California and Illinois, doing "better" doesn't mean that funding is good enough. In a report released this year by the Albert Shanker Institute, *The Adequacy and Fairness of State School Finance Systems*, Bruce Baker, Matthew Di Carlo and Mark Weber show how some of the highest-ranking states are failing to spend what's needed for all of their students to achieve academic success.[vii] For example:

- California, which ranks 21st compared to other states and the District of Columbia for per-pupil spending, ranks among the bottom 10 states for fiscal effort.
- While New York spends more money per pupil than any other state, that spending is only 86 percent of what the report indicates is required for students in the highest-poverty districts to achieve national average test scores.

Only Delaware, Nebraska, New Hampshire, Vermont and Wyoming end up providing enough resources on average to their highest-poverty districts to meet the standards in the report's model. It's noteworthy that these states contain fewer than 154,000 of the 12.8 million people under the age of 18 who live in poverty in the United States. That's in part because they are small states, but also because they are relatively affluent. On average, 17.5 percent of people under the age of 18 in the United States live in poverty. In these five states where high-poverty schools are receiving adequate resources, that percentage ranges from just 6.8 percent in New Hampshire to 16.5 percent in Nebraska.[viii]

Inequality and Investment Matter

The Shanker report underscores how the broader issue of disinvestment, when coupled with an inequitable system, will end up harming the most vulnerable among us. That's because investment matters. Smaller class sizes, early childhood programs and more-competitive teacher compensation, for example, are all positively associated with student outcomes.[ix] These investments typically provide the greatest benefits for poor students and students of color.[x] Also, investments in such research-based academic interventions not only improve student outcomes, they pay for themselves in the long run. That's particularly true for class-size reduction, providing teachers with better pay, delivering social and educational supports focused on high school dropout prevention, and offering early childhood education for all.[xi]

It should come as no surprise that a decade of disinvestment has had an impact on students. Cuts in school spending made since the Great Recession have led to reduced student math and English achievement, and this has been most severe for school districts serving more low-income and minority students, especially in districts that saw large reductions in their numbers of teachers.[xii] Disinvestment has not only lowered student achievement, it has also reduced graduation rates.[xiii]

There are those who would argue that schooling should be able to undo the impacts of poverty and systemic inequality. Anti-tax conservatives at times cynically exploited this theory to defend disinvestment, arguing that because schools weren't accomplishing this goal that "money doesn't matter." The pendulum is starting to swing, with a growing realization that we have to address poverty and inequality more broadly. That means we need progressive economic policies, minimum wages and progressive taxes, and we also need to invest in schools so all children can thrive. Money matters.

Progressive Tax Options to Fund Our Schools

Since the Great Recession, state funding for public education has fallen short of what's needed to build a high-quality public education system. This decade of disinvestment has been driven by tax laws that favor the rich, who systematically pay less as a share of their income in taxes than the rest of us. For the states that rank the lowest for per-pupil spending, and for the states where elected leaders have cut spending since the recession, state leaders have made a choice. They've prioritized tax cuts for the rich over investment in schools, or they've chosen to leave inequities built into state tax codes untouched.

By asking the richest of us to pay their fair share, we can start to undo the damage of the recession and build the schools and communities we need. State lawmakers should pursue progressive revenue reform to raise the funds needed to adequately invest in our nation's schools and demand the most from the few who've seen their incomes and their wealth grow over the last decade, while the rest of America has fallen behind.

What follows are five options states should pursue to tackle growing inequality and provide much-needed revenue to fund education.

Five Options for Raising Progressive State Revenue to Fund Schools:

1. Tax Incomes of Over $1 Million

As the Institute on Taxation and Economic Policy has documented, the vast majority of state and local tax systems are inequitable, requiring a much greater share of income from low- and middle-income families than from the rich. In the 10 states with the most regressive tax structures—Washington, Texas, Florida, South Dakota, Nevada, Tennessee, Pennsylvania, Illinois, Oklahoma and Wyoming—the lowest-income 20 percent pay up to six times as much of their income in taxes as the wealthy.[xiv] And of the 10 states with the most regressive tax systems, six rank among the 14 states with the lowest per-pupil funding. Higher tax rates on high incomes can raise significant revenue to fund schools, while also fixing upside-down tax codes. Altogether, lawmakers in every state and the District of Columbia could raise more than $28.9 billion for education with a 4 percent surtax applied to income over $1 million.[xv]

2. Tax Inheritances

The estate tax is a tax on very large inheritances. By taxing the heirs of the wealthiest Americans, it goes a long way to making state tax codes more progressive. Before 2001, every state taxed the estates of their richest residents. A hallmark of the Bush tax cuts that year was the elimination of a provision of federal tax law that encouraged states to do this. Now, only 17 states and the District of Columbia levy an estate or inheritance tax.[xvi] Restoring taxes on very large inheritances in the states with no estate tax, with a $1 million exemption, would generate more than $6.1 billion in revenue annually to fund our schools.[xvii]

3. Close Offshore Tax Loopholes

Every year, corporations use complicated tax avoidance schemes to shift U.S. earnings to subsidiaries in offshore tax havens—countries with minimal or no taxes—in order to reduce their state income tax liability, costing states millions in lost tax revenue. Before enactment of the Tax Cuts and Jobs Act, it was estimated that corporations were shifting $300 billion in profits out of the United States each year. [xviii] While the TCJA included provisions to reduce overseas profit shifting, the Trump-GOP tax law also created new incentives for American corporations to shift profits, production and jobs offshore by taxing foreign profits at about half the regular rate. Twenty-seven states and the District of Columbia have attempted to address this corporate tax avoidance by enacting combined reporting laws. While an important step in preventing domestic corporate tax avoidance would be for every state to adopt a combined reporting law, there is more that every state could do to address offshore tax haven abuse. For example, states can require worldwide combined reporting, and they can implement the Tax Haven List approach, a reform that requires companies to include their U.S. profits held in offshore tax havens when calculating taxes.[xix] If every state adopted all of these corporate tax haven reforms, they could reclaim more than $17 billion in annual revenue.[xx]

4. Reign in Corporate Tax Incentives

Every year, state and local governments grant companies billions of dollars in tax breaks. While these tax breaks are promoted as essential for job creation and economic development, there is rarely any accountability to ensure that companies deliver on their promises. And, the recipients of these tax breaks, companies like Boeing, General Motors, Intel, Alcoa and Foxconn Technology Group, are more than able to pay their fair share, as they are among the richest corporations in the world.[xxi] Thanks to a new accounting rule, public school districts are now reporting how much revenue they lose to these corporate tax breaks. While there are many districts that haven't complied with the new requirement, an analysis of the financial reports of more than 41 percent of the nation's school districts reveals that districts in 28 states lost at least $1.8 billion in revenue over the last fiscal year as a result of corporate tax subsidies.[xxii] States should evaluate the effectiveness of these costly tax breaks and eliminate those that aren't working in order to reclaim some of the $1.8 billion in incentives that come at the expense of investments in education.

5. **Enact a Progressive Property Tax**

Lawmakers in New York, Connecticut and Washington, D.C., are taking action to make their property tax more progressive and to raise new revenue to fund schools. Recently, D.C. Councilmember David Grosso introduced the Residential Real Property Taxes Equitable Alignment Act, which would create two additional marginal rates for high-value properties, taxing $1.25 for every $100 of value over $1.5 million, and $1.50 for every $100 in value over $5 million. Residential property is currently taxed at 85 cents per $100 of value.[xxiii]

In New York this year, advocates called for a tax on properties worth more than $5 million that are not primary residences. Essentially, this is a tax on the second or third homes of the richest of us. The tax is justified, particularly in urban areas, because these residences are unused spaces, driving up the price of housing for others. And because they are not in use, they don't necessarily contribute to the economy.[xxiv] The end result was that the Legislature increased an existing real estate transfer tax so that in New York City, rates rise with home values, up to 4.15 percent on home purchases of $25 million.[xxv] Similarly, lawmakers in Connecticut increased the real estate conveyance tax to 2.25 percent for properties worth more than $2.5 million.[xxvi]

Estimated State Revenue Raised				
State	4% Surtax on Incomes over $1M[1]	Estate Tax with a $1M Exemption[2]	Closing Corporate Tax Loopholes[3]	Reigning in Tax Abatements[4]
Alabama	$78,000,000	$110,000,000	$278,000,000	
Alaska		$10,000,000	$84,000,000	
Arizona	$354,000,000	$130,000,000	$144,000,000	
Arkansas	$172,000,000	$70,000,000	$210,000,000	$2,502,259
California	$8,060,000,000	$1,740,000,000	$2,798,000,000	$354,462
Colorado	$542,000,000	$110,000,000	$197,000,000	$344,399
Connecticut	$1,364,000,000		$158,000,000	
Delaware	$33,000,000		$145,000,000	
District of Columbia	$125,000,000		$105,000,000	
Florida		$1,050,000,000	$1,156,000,000	
Georgia		$190,000,000	$484,000,000	$64,454,604
Hawaii	$65,000,000		$38,000,000	
Idaho	$80,000,000	$20,000,000	$63,000,000	
Illinois	$1,795,000,000		$1,328,000,000	$54,806,832
Indiana	$311,000,000	$140,000,000	$451,000,000	
Iowa	$53,000,000		$264,000,000	$19,090,704
Kansas	$507,000,000	$60,000,000	$120,000,000	$5,426,340
Kentucky	$94,000,000		$194,000,000	
Louisiana	$107,000,000	$60,000,000	$167,000,000	$268,249,991
Maine	$34,000,000		$52,000,000	
Maryland	$534,000,000		$513,000,000	
Massachusetts	$1,900,000,000		$669,000,000	
Michigan	$765,000,000	$240,000,000	$321,000,000	$106,274,457
Minnesota	$495,000,000		$418,000,000	$5,262
Mississippi	$32,000,000	$40,000,000	$227,000,000	
Missouri	$270,000,000	$180,000,000	$181,000,000	$98,579,187
Montana	$37,000,000	$20,000,000	$36,000,000	$1,437
Nebraska	$98,000,000	$40,000,000	$92,000,000	$1,707,236
Nevada		$70,000,000		$60,906,947
New Hampshire		$50,000,000	$177,000,000	
New Jersey	$1,566,000,000		$714,000,000	$39,759,514
New Mexico	$45,000,000	$40,000,000	$65,000,000	$5,627,225
New York	$5,175,000,000		$1,346,000,000	$322,225,413
North Carolina	$598,000,000	$170,000,000	$373,000,000	
North Dakota	$37,000,000	$10,000,000	$47,000,000	$4,658,243
Ohio	$253,000,000	$320,000,000		$127,100,785
Oklahoma	$125,000,000	$90,000,000	$147,000,000	$12,903,121
Oregon	$226,000,000		$175,000,000	$117,853,061
Pennsylvania	$1,222,000,000		$1,198,000,000	$98,089,085
Rhode Island	$87,000,000		$35,000,000	
South Carolina	$207,000,000	$90,000,000	$193,000,000	$318,236,401
South Dakota		$10,000,000		$423,168
Tennessee		$130,000,000	$783,000,000	
Texas		$490,000,000		$70,521,015
Utah	$150,000,000	$40,000,000	$103,000,000	$3,674,543
Vermont	$37,000,000		$31,000,000	
Virginia	$721,000,000	$240,000,000	$406,000,000	
Washington				$7,730,595
West Virginia	$30,000,000	$20,000,000	$49,000,000	$3,158,925
Wisconsin	$467,000,000	$120,000,000	$303,000,000	
Wyoming		$20,000,000		
Total Revenue	$28,851,000,000	$6,110,000,000	$17,038,000,000	$1,814,665,211

Sources: [1]Institute on Taxation and Economic Policy, November 2017; [2]Center for Budget and Policy Priorities, https://www.cbpp.org/research/state-budget-and-tax/state-taxes-on-inherited-wealth; [3]Institute on Taxation and Economic Policy, https://itep.org/a-simple-fix-for-a-17-billion-loophole/; and [4]Good Jobs First, https://www.goodjobsfirst.org/sites/default/files/docs/pdfs/newmath3.pdf

Recent Developments in School Funding

The release of a *Decade of Neglect* coincided with the start of an AFT national campaign to Fund Our Future. The results of those efforts are too recent to be included in any of the data analyzed in this report update. The effort to properly fund schools is ongoing, but there were important developments in state legislatures in 2019. Among the highlights:

California: While Los Angeles voters disapproved of a property tax increase, the state budget includes $2.9 billion in new basic state aid for K-12 and community colleges. It also includes additional categorical funding to help special education, preschool and full-day kindergarten.[xxvii] This is in addition to the smaller class sizes, greater access to counselors and other gains made for Los Angeles students in the settlement of the UTLA strike.

Colorado: The Legislature voted to place an initiative in front of voters to undo some of the worst provisions of the state's constitutional spending cap. In addition, the budget contains a 4.3 percent increase in per-pupil funding, and there were reforms to provide full funding for all-day kindergarten.[xxviii]

Florida: The Legislature expanded vouchers and gave charter schools more access to money raised by local school district levies. It also provided a $75 increase in the base per-pupil allotment.[xxix] Last year, the increase was 47 cents, and $75 is more than the increase in the past four years combined. The budget also contained some funds to support the planning and implementation of community schools. Florida still lags behind other states and faces a continuing teacher shortage, but this is the first real progress on funding at the state level in some years.

In 2018, there were 20 local referenda where voters chose to increase their property taxes to pay for schools. For example, the Broward property tax increase, passed in August of 2018, would provide an estimated $67 million for pay for those district employees who work directly with students. Approximately $7.4 million would pay for additional guidance counselors and social workers.[xxx]

Illinois: The budget provides $375 million more in funding for K-12, providing more than is necessary to implement the new funding formula. For higher education, it provides a 5 percent increase to state universities and community colleges and increases financial aid.[xxxi]

As important, the Legislature placed a constitutional amendment on the income tax on the 2020 ballot. Currently, the state has to charge the same tax rate to its poorest taxpayer as its richest ones (currently 4.95 percent). The Legislature’s plan would reduce taxes for most working families, while creating a tax bracket of 7.75 percent on income over $250,000 and a top rate of 7.95 percent on income over $1 million. The proposal would raise $3.4 billion per year in new revenue to fund schools, colleges and universities, as well as essential public services.[xxxii]

Kansas: Gov. Laura Kelly signed a school funding bill in April that provides $90 million in additional K-12 funding per year for four years. The budget reflected this goal, and the Supreme Court has accepted it as a good first step toward meeting the state’s adequacy requirements. However, the court will retain jurisdiction in order to monitor future developments.[xxxiii] Kelly also vetoed a tax cut bill that would have undermined state finances.[xxxiv]

Louisiana: The plan supported by the Senate, Gov. John Bel Edwards, the state Board of Elementary and Secondary Education, and eventually the House will include $1,000 teacher raises, $500 raises for paraprofessionals and school-related personnel, and $39 million in additional new state funding. [xxxv]

Maryland: The legislative session ended with passage of the blueprint of the Kirwan Commission plan. There is $255 million in new education dollars in the budget. The money will be used for school-based health centers and additional support for high-poverty schools, including teacher pay.[xxxvi] This is a down payment on a broader investment totaling $1.1 billion over the next several years.

Minnesota: Following brinksmanship and a special session, the governor and GOP-controlled Senate reached an agreement that provides about a 2 percent per year increase in formula funding. In addition, there is $90 million in new special education funding and $30 million for school safety.[xxxvii]

Education Minnesota's members had rallied behind the House Democrats' bill to provide $900 million in new school funding over the next two years. It would have paid for expanded preschool, more full-service community schools, and more counselors and mental health professionals. It also designated funds for attracting and retaining highly qualified teachers of color, but the Republican-controlled Senate would not budge.[xxxviii]

New Mexico: The budget provides for an additional $450 million in public education spending next year, including $113 million aimed at providing support for at-risk students and an extra $38 million to increase teacher pay. Teachers would start off earning base pay of $41,000,

$50,000 and $60,000, depending on their certification tier. The budget also provides that teachers and educational employees/PSRPs must get at least a 6 percent raise as well as a requirement that higher education employees receive raises averaging 4 percent. The budget also includes a trigger for an increase in the top rate on the income tax for 2021.[xxxix]

New York: K-12 education funding was increased by 3.7 percent. That includes $618 million in foundation aid and $342 million in other aid. The foundation aid includes an additional $50 million in community schools funding, bringing annual funding for that program to a quarter-billion dollars.[xl] There was less funding for higher education than was needed, and this will be a continued focus of the New York State United Teachers' activism.

North Dakota: The legislative session ended with a major victory for education funding. Driven by expanded drilling, the state's revenues were higher than expected. The Legislature passed an increase of 20 percent for K-12 for the biennium and 8 percent for higher education.[xli]

Oregon: The Legislature has passed a 0.57 percent gross receipts tax on business sales above $1 million annually. This is expected to provide more than $1.1 billion a year in new revenues.[xlii]

Texas: The Legislature passed an education finance plan that increases the base student allotment from $5,140 to $6,160, with language dedicating at least 30 percent of the new funding to personnel raises. There are some discouraging elements to the plan, including caps on local property taxes, but this is a major step forward for Texas school finance.[xliii]

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