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Why We Are in Court: Key Facts About School Funding in PA

Pennsylvania's state share of K-12 education funding is less than in almost all other states. PA contributes only **38%**, which ranks **45th** in the country. The national average is **47%**. The majority of funding falls to local taxpayers, fueling gaps between wealthy and poor communities.

Pennsylvania is underfunding its public schools – by more than **\$4.6 billion**.

- Inadequate funding affects most students and school districts: **428 of 500** school districts lack the resources they need to meet academic standards, according to a benchmark written in state law.
- **86%** of students are in school districts that are inadequately funded.
- In **277** school districts, the gap between what the district is spending and should be spending is more than **\$2,000** per student. The gaps are biggest in school districts with limited local wealth.

Inequality is growing. On average, the wealthiest school districts spend **\$4,800** more per student than the poorest districts. This gap grew by **\$1,037** in a decade, even after taking inflation into account.

The gap is growing even though the average tax rate in the state's poor districts is higher by **14%** than it is in the wealthiest districts – higher by **2.54 equalized mills**.

Lack of funding disproportionately impacts Black and Brown students. The 20% of school districts with the lowest wealth educate **50%** of the state's Black students and **40%** of its Latinx students.

The Fair Funding formula hasn't significantly reduced the inequities. Only **14%** of state basic education funding is distributed through the formula.

Funding increases have not kept pace with inflation. Total basic education funding grew by only **13.5%** over 11 years, failing to keep pace with inflation (**27.5%**).

State funding increases haven't kept up with increased mandated costs, leaving districts less money for classrooms. Over a decade, mandated retirement costs increased by **\$1.2 billion** more than state aid.

The state share of special education costs has declined from **32% to 22%** over 10 years as costs rose.

- Costs grew by **66%** but state funding increased by only **11%** between 2008-09 and 2018-19.
- The annual special ed cost covered by PA districts grew by **\$1.9 billion** from 2008-09 to 2018-19.

Money makes a difference and will improve educational and life outcomes.

- In wealthy school districts, **94%** of students graduate in four years. In poor school districts, **74%** of students graduate on time.
- Students in the poorest districts scored **30 percentage points** lower in math and **28 percentage points** lower in language arts on standardized tests than students in the wealthiest districts.
- 50% of students who did not complete high school were in the 20% of districts with the lowest wealth.
- But low-income students who graduate from wealthy school districts have college graduation rates more than **10 percentage points** higher than low-income students from the state's poorest districts.