



October 24, 2023

# Funding for Public Elementary and Secondary Schools

Congress provides annual appropriations and periodically provides supplemental appropriations for public elementary and secondary schools through many agencies and programs. Of these funds, the largest tranche of federal funding for public elementary and secondary schools is for programs authorized by the Elementary and Secondary Education Act (ESEA). All ESEA programs are administered by the Department of Education (ED).

This In Focus examines revenues for public elementary and secondary education (hereinafter referred to as *public education*) and the share of this revenue provided by the federal government. It also details overall federal funding provided for ESEA programs since FY2002, which is included in federal revenue for public education.

## Revenues for Public Education

Each year, the National Center for Education Statistics (NCES) at ED collects data on revenues and expenditures for public education using the National Public Education Financial Survey (NPEFS). Revenues and expenditures are reported by states for prekindergarten through high school.

Revenue data are available by source: federal, state, and local. Federal revenue sources include, for example, ESEA grants, funds provided under the Individuals with Disabilities Education Act, Medicaid reimbursements, and

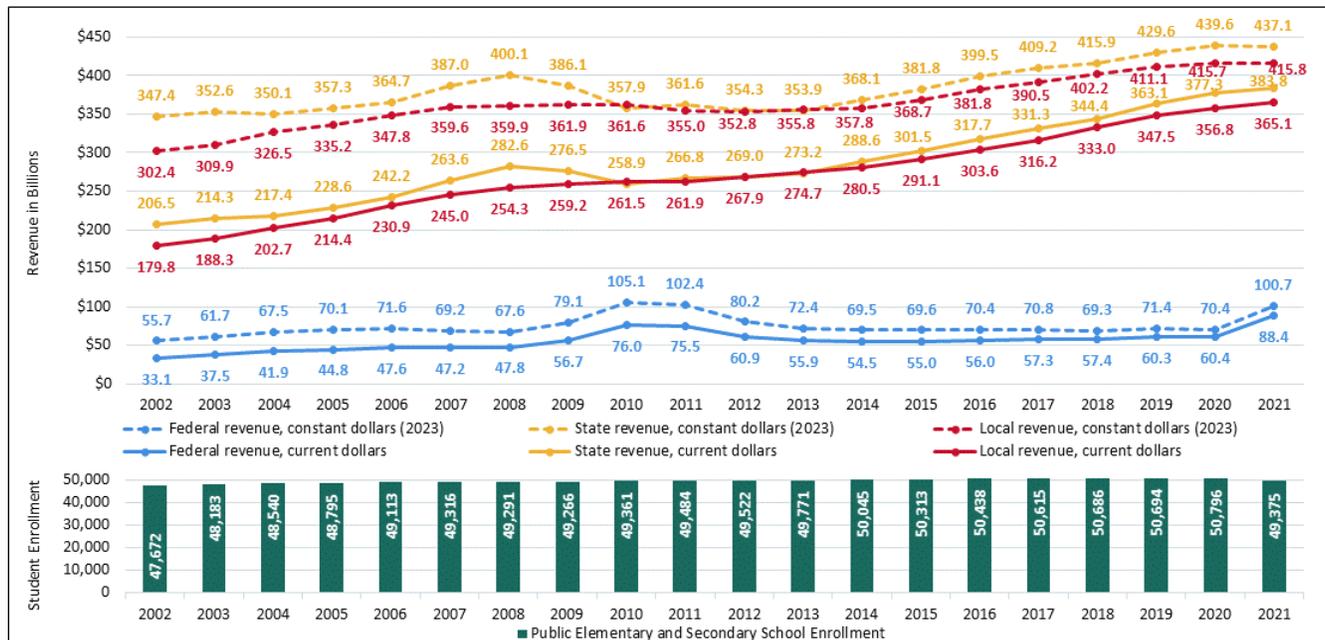
COVID-19 federal assistance funds (e.g., Elementary and Secondary School Emergency Relief [ESSER] Fund).

The current year data included in **Figure 1** are based on federal, state, and local revenue data reported by NCES for FY2002 (2001-2002 school year) through FY2021 (2020-2021 school year), which is the most recent data available. The data are provided in constant 2023 dollars. Inflation adjustments were made by CRS using the Consumer Price Index (CPI) published by the U.S. Department of Labor, Bureau of Labor Statistics. The CPI was adjusted from a calendar year basis to a school-year basis (July 2022 through June 2023, referred to as the 2022-2023 CPI), the most recent year for which this calculation can be made.

Over this period, total revenues for public schools have increased from \$419.5 billion (\$705.5 billion in constant dollars) in FY2002 to \$837.7 billion (\$953.6 billion in constant dollars) in FY2021 (**Figure 1**). Most of these funds were provided by state and local sources.

**Figure 1** also includes public school enrollment data over the same period. After increasing for many years, enrollment declined in fall 2020 (FY2021).

**Figure 1. Revenues for Public Education in Current and Constant 2023 Dollars, by Source and Public Elementary and Secondary School Enrollment: School Year 2001-2002 through School Year 2020-2021**



**Source:** Revenue data obtained from Digest of Education Statistics, current tables, Table 235.10; and Revenues and Expenditures for Public Elementary and Secondary Education: FY21. Enrollment data obtained from Digest of Education Statistics, current tables, Table 105.30.

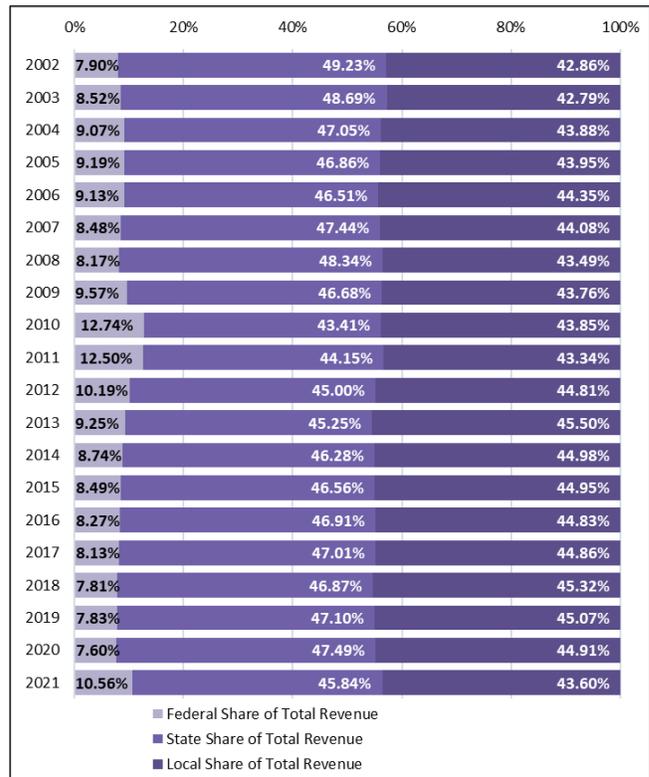
**Notes:** Constant dollars based on the Consumer Price Index, prepared by the U.S. Department of Labor, Bureau of Labor Statistics, and adjusted to a school-year basis (July 2022 to July 2023) by CRS.

While the federal government has annually provided billions of dollars in support for public education, federal funding has generally accounted for less than 10% of the annual revenue provided for public education on average nationwide since FY2002 (**Figure 2**). Exceptions have occurred when the federal government has provided supplemental aid in response to a national crisis—the Great Recession in FY2010 (2009-2010 school year) through FY2012 (2011-2012 school year) and the COVID-19 pandemic in FY2021 (2020-2021 school year). However, federal revenue can regularly exceed 10% of revenue for public education for some states and local educational agencies (LEAs), while being much less than the national average for others. In all fiscal years examined, state and local government entities provided the majority of the revenues available for public education.

### ESEA Funding

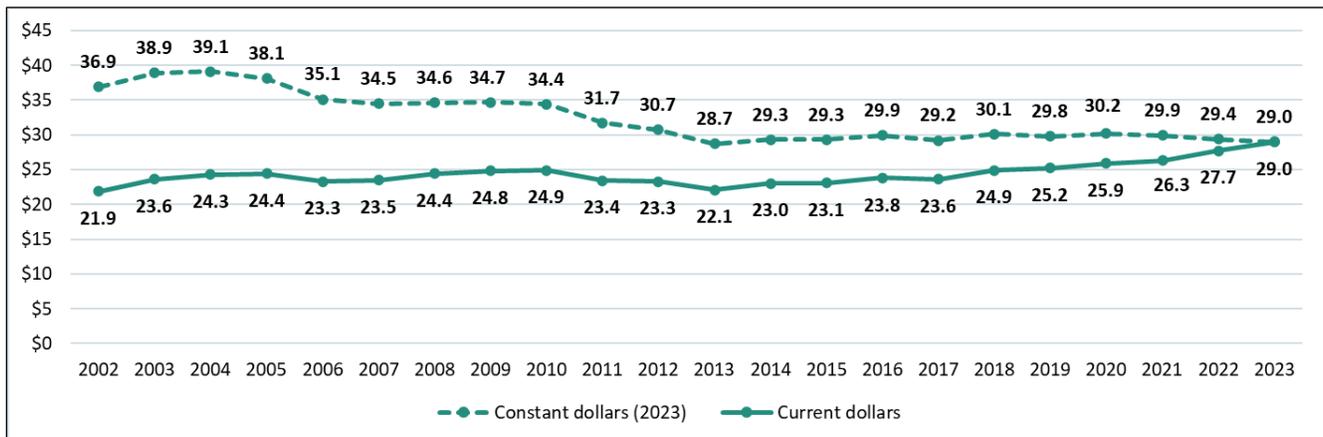
**Figure 3** provides total ESEA funding provided through annual appropriations acts from FY2002 through FY2023 as calculated by CRS. The appropriations included in **Figure 3** are based on the most recent data available from ED’s Budget Service Office. It should be noted that ED considers all of the funds provided in an appropriations act for a given fiscal year to be appropriations for that fiscal year, including any advance appropriations provided for the following fiscal year. For example, ED considers all of the funds provided in the FY2023 appropriations act, including advance appropriations provided for FY2024, to be FY2023 appropriations. These funds will be used primarily during the 2023-2024 school year. **Figure 3** follows this convention with regard to the fiscal year of the funds. Data are presented in current dollars and constant dollars based on the 2022-2023 CPI.

**Figure 2. Share of Total Revenues for Public Education, by Source: School Year 2001-2002 through School Year 2020-2021**



**Source:** Revenue data obtained from Digest of Education Statistics, current tables, Table 235.10; and Revenues and Expenditures for Public Elementary and Secondary Education: FY21.

**Figure 3. Elementary and Secondary Education Act Funding in Current and Constant 2023 Dollars, FY2002-FY2023 (dollars in billions)**



**Source:** Figure prepared based on CRS analysis of data available from the U.S. Department of Education, Budget Service, various years.

**Notes:** Constant dollars based on the Consumer Price Index, prepared by the U.S. Department of Labor, Bureau of Labor Statistics, and adjusted to a school-year basis (July 2022 to June 2023) by CRS.

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