

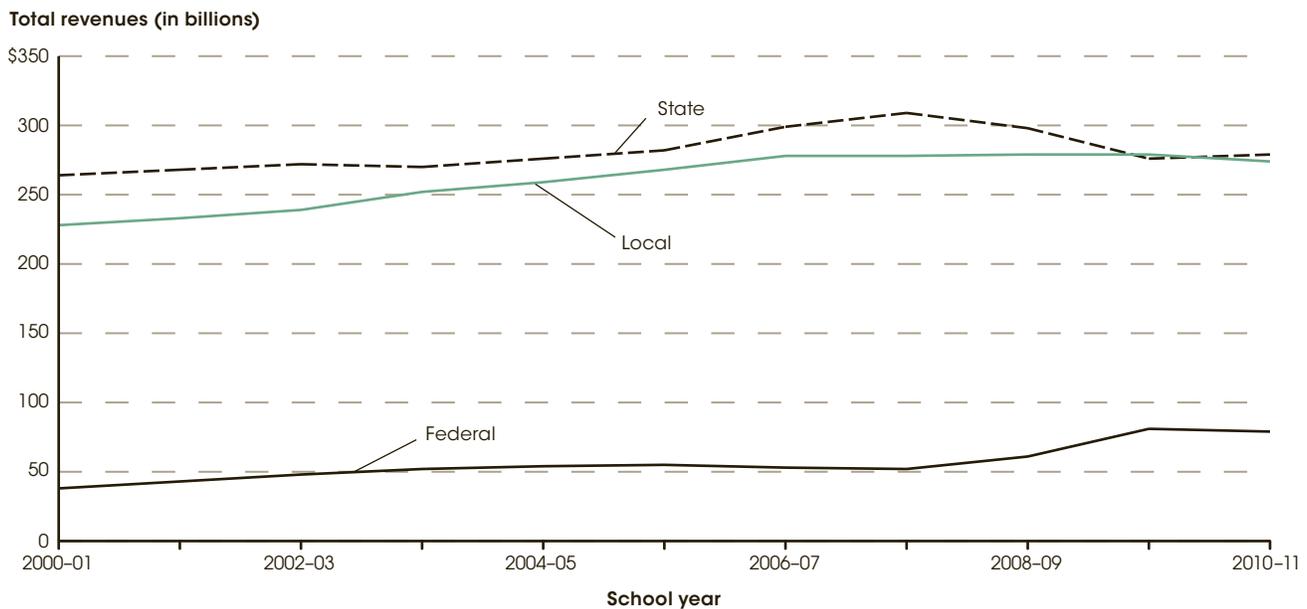
## Public School Revenue Sources

*From school years 2000–01 through 2010–11, total elementary and secondary public school revenues increased from \$530 billion to \$632 billion (in constant 2012–13 dollars). During the most recent period from 2009–10 through 2010–11, total revenues for public elementary and secondary schools decreased by about \$4 billion, or less than 1 percent.*

From school years 2000–01 through 2010–11, total elementary and secondary public school revenues increased from \$530 billion to \$632 billion (in constant 2012–13 dollars), a 19 percent increase, adjusting for inflation using the Consumer Price Index (CPI). This increase was accompanied by a 5 percent increase in total elementary and secondary public school enrollment, from 47 million students in 2000–01 to 49 million students in 2010–11 (See *Digest of Education Statistics 2013*, table 105.30). During this period, the total amounts from federal and local sources increased. Federal revenues,

traditionally the smallest of the three revenue sources, increased by 106 percent (to \$79 billion in 2010–11), and local revenues increased by 20 percent (to \$274 billion in 2010–11). State revenues fluctuated between \$264 billion and \$309 billion during this period, and they were 6 percent higher in 2010–11 than in 2000–01 (\$279 billion vs. \$264 billion). During this period, federal revenues peaked in 2009–10 at \$81 billion, while local revenues peaked in 2008–09 at \$279 billion and state revenues peaked in 2007–08 at \$309 billion.

**Figure 1. Total revenues for public elementary and secondary schools, by revenue source: School years 2000–01 through 2010–11**



NOTE: Revenues are in constant 2012–13 dollars, adjusted using the Consumer Price Index (CPI).  
 SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2000–01 through 2010–11. See *Digest of Education Statistics 2013*, table 235.10.

For more information, see the Reader's Guide and the Guide to Sources.

The percentage of total revenues for public elementary and secondary education that came from federal sources increased from 7 percent in school year 2000–01 to 13 percent in 2010–11. The American Recovery and Reinvestment Act<sup>1</sup> directed spending toward education and may have contributed to the increase in revenues beginning in school year 2008–09. Between school years 2000–01 and 2010–11, the percentage coming from local sources fluctuated between 43 and 44 percent, accounting for 43 percent of total revenues in 2010–11. The percentage of total revenues from state sources decreased from 50 percent in school year 2000–01 to a low of 43 percent in school year 2009–10. The percentage of revenues from state sources was higher in 2010–11 (44 percent) than in 2009–10 (43 percent).

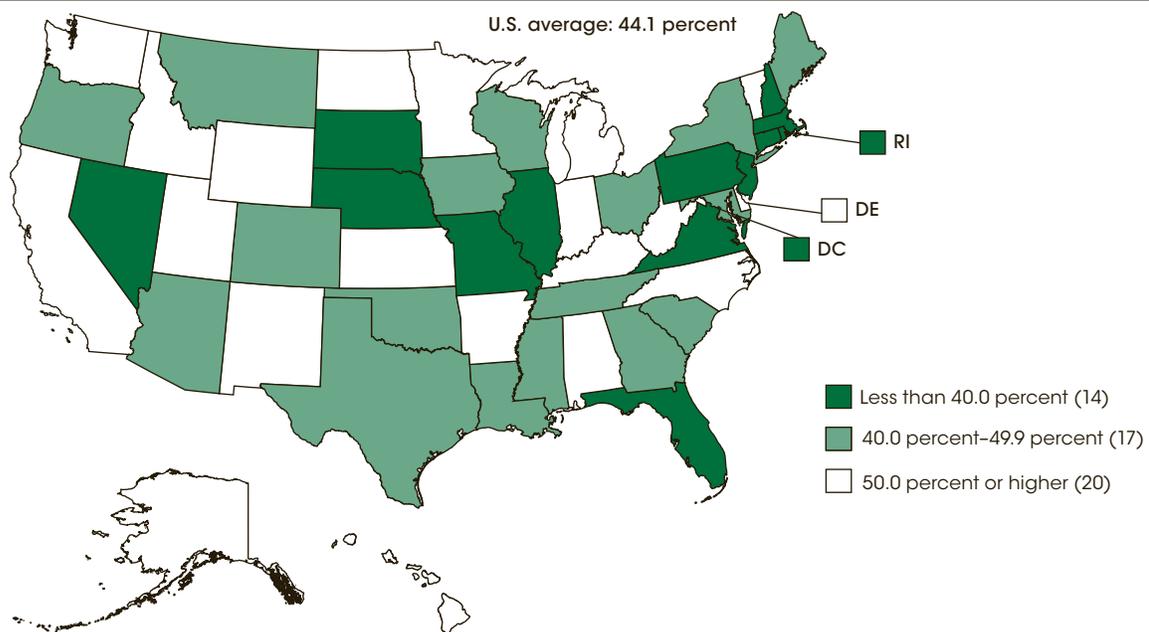
More recently, from school years 2009–10 through 2010–11, total revenues for public elementary and secondary

schools decreased by about \$4 billion in constant 2012–13 dollars (0.7 percent). During this period, federal revenues declined by \$2 billion, or 2.6 percent. Local revenues declined by \$5 billion (1.8 percent), reflecting a \$4 billion decrease in revenues from local property taxes and a \$1 billion decrease in other local public revenues. State revenues were the only source that increased from 2009–10 through 2010–11 (by \$3 billion, or 1.0 percent).

In school year 2010–11, there were significant variations across the states in the percentages of public school revenues coming from each source. In 20 states, at least half of education revenues came from state governments, while in 13 states and the District of Columbia half or more came from local revenues. In the remaining 17 states, no single revenue source made up more than half of education revenues.

<sup>1</sup> For more information on the Ed Recovery Plan and the American Recovery and Reinvestment Act, please go to <http://www.ed.gov/recovery>.

**Figure 2. State revenues for public elementary and secondary schools as a percentage of total public school revenues, by state: School year 2010–11**



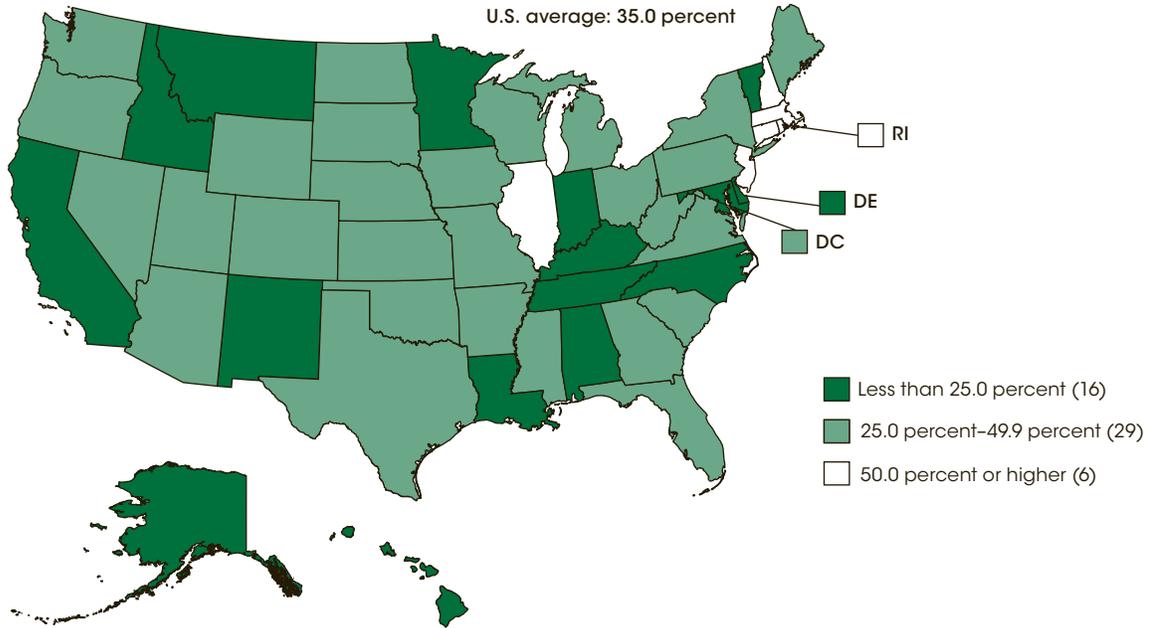
NOTE: All 50 states and the District of Columbia are included in the U.S. average, even though the District of Columbia does not receive any state revenue. The District of Columbia and Hawaii have only one school district each; therefore, neither is comparable to the other states. Excludes revenues for state education agencies.  
 SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2010–11. See *Digest of Education Statistics 2013*, table 235.20.

In school year 2010–11, the percentages of public school revenues coming from state sources were highest in Hawaii and Vermont (83 and 82 percent, respectively). The percentages of revenues coming from state sources were lowest in Nebraska, Missouri (30 percent each), and South Dakota (29 percent). The percentage of revenues coming from federal sources was highest in Mississippi (22 percent), followed by South Dakota (20 percent); the percentage was lowest in New Jersey (5 percent), followed

by New Hampshire (7 percent). Among all states, the percentage of revenues coming from local sources was highest in Illinois and Connecticut (58 and 57 percent, respectively) and lowest in Vermont and Hawaii (8 and 3 percent, respectively). Most of the revenues for the District of Columbia (88 percent) were from local sources; the remaining 12 percent of revenues were from federal sources.

**For more information, see the Reader's Guide and the Guide to Sources.**

Figure 3. Property tax revenues for public elementary and secondary schools as a percentage of total public school revenues, by state: School year 2010-11



NOTE: All 50 states and the District of Columbia are included in the U.S. average. The District of Columbia and Hawaii have only one school district each; therefore, neither is comparable to the other states.  
SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2010-11. See *Digest of Education Statistics 2013*, table 235.20.

In school year 2010-11, local property taxes constituted 81 percent of total local revenues and 35 percent of total revenues for elementary and secondary schools. The percentages of total revenues from local property taxes differed by state. In 2010-11, Connecticut had the highest percentage of revenues from property taxes, at 56 percent. Five other states had percentages of revenues from property taxes of 50 percent or more (in descending order): New Jersey, New Hampshire, Rhode Island,

Massachusetts, and Illinois. Vermont and Hawaii<sup>2</sup> had the lowest percentages of revenues from property taxes (0.1 percent and 0 percent, respectively). In 14 other states, property taxes made up less than 25 percent of education revenues (in descending order): Delaware, Montana, Indiana, California, Maryland, Minnesota, Kentucky, North Carolina, Tennessee, Idaho, Louisiana, Alabama, New Mexico, and Alaska.

<sup>2</sup>Hawaii has only one school district, which receives no funding from property taxes.

**Reference tables:** *Digest of Education Statistics 2013*, tables 105.30, 235.10, and 235.20

**Glossary:** Consumer Price Index (CPI), Elementary school, Property tax, Public school or institution, Revenue, Secondary school