

## **How Rhode Island's State, Local and Federal Education Funding Compares Regionally and Nationally**

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*The following information is presented in the RI House Fiscal Advisory Staff's Rhode Island Education Aid published in October 2009, pages 7-10.*

### **LEVELS OF STATE, LOCAL AND FEDERAL AID TO EDUCATION IN RI:**

- State Aid: For FY 2007 [the latest statistics then available], the state of Rhode Island provided 39.2% of public school revenue from its own sources.
- Local Aid: Local communities contributed, primarily through property taxes 52.9%.
- Federal Aid: Federal funds constituted 7.9% of revenue.

### **HOW THOSE LEVELS COMPARE TO NEW ENGLAND'S AVERAGES**

Rhode Island's state aid is lower than the New England average; its local and federal aid is higher.

- State Aid: RI's 39.2% state aid is lower than the New England average of 48.6%.
- Local Aid: RI's 52.9% local contribution is greater than the New England average of 45.1%.
- Federal Aid: RI's 7.9% federal funding is higher than the New England average of 6.3%.

### **HOW RI'S LEVELS OF EDUCATION AID COMPARE TO U.S. AVERAGES:**

Rhode Island ranks among the bottom quarter in the nation when it comes to state support, and among the top in the nation when it comes local funding of public education.

- State Aid: RI's 32.9% state aid is lower than the national average of 47.6%.  
RI's FY2007 39.2% state funding ranked 42<sup>nd</sup> in state support for public education, and compares with a high of 89.8% in Hawaii and a low of 31.7% in Nebraska.
- Local Aid: RI's 52.9% of local aid is greater than the national average of 44.1%.  
RI's FY 2007 52.9% local funding ranked 9<sup>th</sup> in local support. Illinois had the highest percentage of funds coming from local resources at 58.9 percent, Hawaii the lowest at 1.6%.

### **HOW RI'S LEVELS OF EDUCATION AID COMPARE TO U.S. AVERAGES OVER A TEN-YEAR PERIOD:**

While the federal share of education funding in Rhode Island has risen in the ten-year period from FY 1997 to FY 2007, RI's state and local shares have decreased over that ten-year period.

- State Aid: RI's state share decreased from 40.0 percent to 39.2 percent, dropping RI from 40<sup>th</sup> in the U.S. in FY1997 to 42<sup>nd</sup> in FY2007. Nationally, state contributions decreased from 48.8 percent in FY1997 to 47.6 percent in FY 2007.
- Local Aid: RI's local contribution decreased from 54.7 percent in FY1997 to 52.9 percent in FY 2007. Nationally, local contributions fell from 44.8 percent in FY 1997 to 44.1 percent in FY 2007.
- Federal Aid: For Rhode Island, the federal commitment rose in that ten-year from 5.4 percent to 7.9 percent. For New England, federal rose from 4.4 percent in FY 1997 to 6.3 percent in FY 2007. Nationally, the federal share has risen in the ten-year period from 6.4 in FY 1997 to 8.3 in FY 2007.

### **RHODE ISLAND PER PUPIL SPENDING:**

In Rhode Island, in FY 2007, the average per pupil spending was \$12,612.

### **NEW ENGLAND COMPARISON:**

This amount is 2.4% more than the New England average of \$12,318.

### **NATIONAL COMPARISON:**

When state, local and federal funds are used to measure per pupil spending, RI's \$12,612 is 30.5% greater than the national average of \$9,666, ranking RI 7th highest nationally for FY 2007.

However, when state funds only are used as the measure of per pupil spending, RI's ranking falls nationally to 20<sup>th</sup>. The average amount of state spending per pupil in RI in FY 2007 was \$5,531.