Inadequate and inequitable school funding is one of the most fundamental challenges in K-12 education and demands bold action from the federal government. Moreover, the COVID-19 pandemic and resulting economic recession have exacerbated these systemic challenges. The Center for American Progress has proposed the Public Education Opportunity Grants program to increase federal investment in K-12 education and make education funding more equitable at the federal, state, and local levels.

The Public Education Opportunity Grants program has four main goals:

1. Dramatically increase funding for education to create a baseline of quality for all schools.

2. Target the distribution of new investments to districts with the highest poverty rates in all 50 states.

3. Provide incentives for states and districts to improve their funding systems.

4. Improve equitable distribution of educational resources and opportunities across and within school districts.

**Dramatically increase funding for education**

The Public Education Opportunity Grants program would provide eligible school districts with an additional $12,330 for each student living in poverty, equivalent to the national average of per-pupil funding. This would roughly double per-pupil funding for students living in poverty. Based on current school finance and demographic data, the Public Education Opportunity Grants program would provide an additional $63.4 billion annually to K-12 education. This new program would be mandatory spending—not discretionary like most federal education funding—and would not replace existing Title I, Part A funding. The program would also make Title I funding mandatory and index the overall funding level for Title I to inflation annually.
Target the distribution of new investments

Because of the property tax-based school funding system and the availability of state funding, simply increasing funding overall for every school district would not address the inequities that students in low-resource districts face. Therefore, the Public Education Opportunity Grants program would increase funding for districts with the highest poverty rates within each state as well as additional districts in states with low resources overall. For example, states that have the lowest wealth, measured by gross state product, would receive funding for the 50 percent of districts with the highest poverty rates rather than only the poorest 25 percent.

FIGURE 1
The Public Education Opportunity Grants Program targets funding to high-poverty school districts in each state

Flow of the program from the federal to the district level

*Eligible districts will receive: ($12,330 x state cost of living index) x number of students in poverty in the eligible districts

Provide incentives for states and districts to improve their funding systems

Even with the addition of this new federal program, the vast majority of funding for K-12 education would still come from state and local funding. Therefore, the Public Education Opportunity Grants program would create several incentives for states and districts to make their own funding more equitable and increase their level of funding. For example, the highest-poverty school districts in all states would receive new funding from this program, but more districts would be eligible in states that fund schools more equitably and invest at high levels relative to their state wealth. Each district would also need to demonstrate by the end of the first five years of the program that its high-poverty schools receive at least as much state and local funding per pupil as its low-poverty schools.

Improve equitable distribution of educational resources and opportunities

The Public Education Opportunity Grants program would push states and districts to use this additional, targeted funding to disrupt systemic inequality by improving access to educational resources and opportunities for students who have historically been denied access, including Black, Indigenous, and other non-Black students of color; students from families with low incomes; students with disabilities; and English language learners. The program would require school districts to work with community members to identify key measures of student outcomes and resource equity, set improvement targets for these measures, and report on progress.

Conclusion

The K-12 education system should be a powerful driver of opportunity. However, years of chronic underinvestment and persistent inequities at the federal, state, and local levels have undermined many aspects of school quality, negatively affecting educators and students alike. The Public Education Opportunity Grants program is a critical step toward fixing these challenges.

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