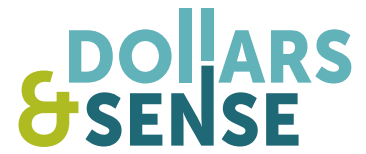


TN Basic Education Program Review

Advocacy Guide



Funding for Students from Low-Income Backgrounds

Why Funding Matters for Students From Low-Income Backgrounds

During the 2020–21 school year, [33.5% of Tennessee's students are from low-income backgrounds](#). (Note: TDOE uses the term economically disadvantaged and the Tennessee Code uses at-risk.) Recent research illuminates how money matters in schools, particularly for low-income students. Increasing school funding can lead to [higher achievement in low-income districts](#) and [increase low-income families' educational attainment and wages](#).

Funding matters for students from low-income backgrounds because they have been shortchanged by systems for far too long. As do all supplemental services, these supports require additional funding above the average per-student amount. Tennessee has an opportunity now to modernize how we educate our diversifying student population by ensuring that schools have the resources necessary for success.

Why a Student-Weighted Formula Matters for Students From Low-Income Backgrounds

Student-weighted formulas improve equity, increase transparency, and maintain flexibility. [Forty-four states](#), including Tennessee, provide additional funding for low-income students. During the 2020–21 school year, Tennessee districts received an additional [\\$940 through the BEP funding formula](#) for each student who was directly certified to be

[eligible for federal benefit programs](#). However, students from low-income backgrounds are not a monolith, and their needs vary. Therefore, as part of funding formula reform, the State must provide additional funding through differentiation to ensure all students' needs are met.

Model Funding Policies for Students From Low-Income Backgrounds

Serving students from low-income backgrounds presents confounding challenges and requires more resources to meet student needs. Therefore, students from low-income backgrounds should receive an additional weight to the base funding allocation. Additionally, [half of all students in the U.S. attend public schools where a majority of the population is low-income](#). As a result, the State should account for high concentrations of low-income students in a district, recognizing these schools require more resources and staff to meet students' needs. These considerations recognize that lower-income students often benefit from wrap-around services and additional instructional interventions to close gaps and support their success.

Model Policies For Students From Low-Income Backgrounds Should Include:

- A generous weight for students from low-income backgrounds based on direct certification in addition to the base amount (e.g., provide 100% to 200% more, or two to three times as much funding for students from low-income families than for students from higher-income families)

- An additional, sliding-scale weight based on the concentration of students from low-income backgrounds in the district

Model Funding Practices in Other States

Texas: See *Tex. Educ. Code Ann.* § 48.104. Texas provides increased funding for students from low-

income households at five different weight levels ranging from .225 to 2.75. Texas uses multiple measures, including median household income and average educational attainment, to differentiate between levels.

Kansas: *Kan. Stat. Ann.* § 72-5132 and 5151. Kansas provides a .484 weight for students from low-income backgrounds and a high-density weight that varies based on concentration.

Here are funding policies for students from low-income backgrounds in all 50 states.

Key Questions To Ask Policymakers

- Is Tennessee considering maintaining a weight for students from low-income backgrounds? Will it include additional funding for districts with high concentrations of students from low-income backgrounds?
- What measures will Tennessee use to identify students from low-income backgrounds in a new formula? How will they determine the appropriate weights for educating low-income students at the individual and district levels?
- Will Tennessee allocate multiple weights for students who qualify as low-income and are also students with a disability, English learners, and other student groups?
- How will the formula account for **higher mobility rates among low-income students and their families?**

Additional Resources

- **50-State Comparison K-12 and Special Education Funding: Funding for Students from Low-income Backgrounds**, Education Commission of the States, 2021
- **How States Allocate Funding for Students From Low-Income Backgrounds**, Education Commission of the States, 2020
- **How Can School Finance Systems Support Students With Additional Learning Needs?**, Bellwether Education Partners, 2021
- **Investing Additional Resources in Schools Serving Low-Income Students**, 2020 Education Law Center
- **Common Sense & Fairness Funding Tool Builder**, EdBuild, 2020
- **State Education Funding: The Poverty Equation**, FutureEd, 2020
- **School Funding: Do Poor Kids Get Their Fair Share?**, The Urban Institute, 2017