

# Alabama

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For the second year in a row, Alabama has passed the largest education budget in the state's history. The fiscal year 2022 \$7.7 billion education budget is an increase of 6% over the previous year's budget. Alabama has two funds – the general fund and the education trust fund (ETF). Public schools in Alabama are funded through the Foundation Program out of the ETF with money allocated based on the number of students in the district.

## FUNDING PRIORITIES FOR P-12

Priorities in the education budget reflect the Governor's "Strong Start, Strong Finish" program which places emphasis on pre-k statewide, computer science in middle and high schools, and preparation for Alabamians to enter the workforce. The Alabama State Department of Education's new strategic plan "Alabama Achieves" which focuses on academy growth and achievement; college, career, and workforce readiness; safe and supportive learning environments; highly effective educators; and customer-friendly services is also driving funding priorities. Strategies such as increasing teacher pay 2% across the board, salary schedule adjustments for more experienced teachers, and incentives for math and science teachers are indicative of the need to address teacher shortages – particularly in math and science. Increases to classroom instructional supplies and technology, transportation, career tech, textbooks and digital materials, school nurses, cybersecurity, youth mental health and school-based mental health services reflect current funding priorities.

## CHANGES TO FUNDING FORMULA FOR P-12

The Teacher Stabilization Fund (\$95 million) was established as a one-time fund to compensate for losses due to a decreases in enrollment statewide caused by COVID. The Advancement and Technology Fund (\$205 million), another one-time fund, was established for technology, buses, school security, and building repair and maintenance. A more lasting change to the funding formula is new legislation that provides for students enrollment growth to be incorporated into the Foundation Program formula for school system funding based on the **current year increases** in average daily membership.

## PRESSING STATE ISSUES AFFECTING P-12 FUNDING

The state's 2 billion American Rescue Plan Elementary and Secondary School

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Emergency Relief (ARP ESSER) proposal detailing the use of federal pandemic resources to support safe in-person instruction and meet the social, emotional, mental health and academic needs of students, particularly those most impacted by the pandemic was approved. Included are plans for partnerships between school districts and county health departments for screenings and vaccinations, salaries or wages for healthcare professionals or aides to provide COVID response and mitigation services, summer reading camps for grades K-3, and wraparound services within a multi-tiered support system that includes nurses, school counselors, school social workers, school psychologists and others.

#### ALTERNATIVES TO TRADITIONAL PUBLIC SCHOOL

Alabama currently has seven active charter schools, two approved and in a planning year, and two approved to open in 2022. Charter school growth has been slow but steady since the passing of the Alabama School Choice and Student Opportunity Act of 2015. The number of charter schools may increase due to new legislation that amends the School Choice and Opportunity Act to authorize the formation of a charter school on or within one mile of a military installation to serve dependents of the military or department of Defense civilian employees. Alabama wants to be seen as military friendly and would suffer economically from the loss of a military base.

#### STATE'S PER PUPIL EXPENDITURE

Per pupil expenditures from foundation funds, including capital projects and debt services funds is approximately \$6,496.

#### ALLOCATION OF STATE DOLLARS AND PERCENT OF THE STATE BUDGET FOR P-12

The allocation of State dollars and percent of the State Budget for K-12 is \$5,255,917,289 or 68.50% of the budget. The budget for higher education is \$1,957,095,794 or 25.51%. Earmarked items represent 5.99% of the budget and total \$459,563,492.

<http://lsa.state.al.us/PDF/Fiscal/FY2022/ETF/ETF-FY-2022-enacted.pdf>

<https://www2.ed.gov/documents/press-releases/arp-esser-al-plan.pdf>