

Georgia

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FUNDING PRIORITIES FOR P-12 AND/OR HIGHER EDUCATION¹

Georgia had several contentious political distractions in 2021 that may have influenced educational legislation and funding. Georgia was one of a few key battleground states that significantly impacted the United States presidential election. Federal and local lawsuits and other litigation lead to a legislative session fully consumed by policy and law changes. Although the Fiscal Year (FY) 2022 proposed public schools budget includes an increase from (FY) 2021, there are several funding areas in K-12 and higher education that were negatively impacted.

Funding priorities for P-12 included in an approximately \$10.7 billion proposed education budget were refurbishment of approximately \$570 million in funds eliminated from the (FY) 2021 budget due to the pandemic. Although this funding priority will allow many programs to be restored, there is approximately \$393 million of remaining budget cuts. Legislatures are hopeful that the approximately \$4.25 billion in federal COVID-19 relief funds earmarked for Georgia will be used to fund remaining budget cuts from (FY) 2021.

Funding priorities for higher education in Georgia included proposed increases for growth in student enrollment and the Technical College System of Georgia. However, the (FY) 2022 higher education budget does not include funding to reclaim funds cut in (FY) 2021. Governor Brian Kemp has proposed an increase of \$131 million for teaching, making the total proposed higher education budget approximately \$2.18 billion, which is nearly 5% less than (FY) 2021. Additional budget cuts in the range of 13% were slated for nearly all other programs. The proposed budget includes \$208 million for the following projects within the University System of Georgia (USG): *new construction, major upgrades and renovations*.

The proposed budget for the Technical College System of Georgia added a two-percent increase from tuition increases, but the overall budget remains lower than previous years. There are approximately \$4 million (11%) in proposed cuts scheduled for most technical college programs. This will affect programs such as

1. Owens, S. & Lee, J., (2021), Georgia Education Budget Primer for State Fiscal Year 2022. Retrieved from <https://gbpi.org/georgia-education-budget-primer-for-state-fiscal-year-2022/>

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adult studies, literacy programs, and other technical college programs. Several technical college programs are scheduled to have no funding changes according to the (FY) 2022 proposed budget. These programs include:

The Reach Scholarship- this program provides scholarships to Georgia students who demonstrate accountability and excel academically.

Dual Enrollment- this program provides opportunities for high students in Georgia to enroll in college courses at no cost.

The higher education proposed budget includes a \$137 million bond for the following projects within the P-12 system: *construction, major upgrades and renovations*. These funds support many projects across many school systems.

CHANGES TO THE FUNDING FORMULA FOR P-12/HIGHER EDUCATION²

The primary changes to the funding formula for P-12 include a proposed reduction of \$166 million to the Quality Basic Education (QBE) formula, which is used to fund K-12. This reduction is based on lower Full-Time Equivalency (FTE). Increases in the revenue from property taxes, specifically, the QBE Local Five Mill Share formula, may help offset the cuts for some school districts, but not all school districts. Particularly, school districts in low income areas will be adversely affected because property value typically does not increase commensurate with other areas in the state.

Changes to the funding formula for higher education in Georgia include changes based on enrollment growth. Enrollment growth was not funded in the previous year. As a result, Governor Kemp has proposed a \$131 million increase to compensate for these cut funds. These increased funds are for formula earnings from the 2020-2021 school year to reflect credit hour enrollment increases and operations cost.

PRESSING STATE ISSUES AFFECTING P-12 AND/OR HIGHER EDUCATION FUNDING³

The impact of COVID-19 has had a considerable impact on funding in Georgia. The state is slated to receive \$4.25 billion from the American rescue Plan Act of 2021. Additional COVID-19 funding includes \$411 million (CARES) and \$1.7 billion (CARES 2).

Senate Bill 47 would expand the eligibility of an existing voucher for students with special needs, but any child that takes advantage would lose out on federal funding and certain civil rights protections. This bill was approved in the senate.

2. Ibid.

3. Owens, S., (2021), Resources on School Vouchers, retrieved from <https://gbpi.org/resources-on-school-vouchers/>

No private school Voucher or tax-credit bills were passed this session.

TOTAL DOLLAR AMOUNT OF GEORGIA'S PER PUPIL EXPENDITURE⁴

The average per pupil expenditure in P-12 schools in the United States was \$12,624. The state of Georgia ranked 34th in per pupil expenditure at \$10,769. This includes \$1068 per pupil in federal funds and \$11,089 in state and local funds. Higher Education per pupil spending in Georgia is approximately \$20,558 per pupil, 28.95% for instruction.

ALLOCATION OF THE STATE DOLLARS/PERCENT OF THE STATE'S BUDGET FOR P-12 AND HIGHER EDUCATION⁵

Georgia's estimated total state funds are \$27,244,931,148 for FY2022. Of the estimated \$26 billion in state funds, P-12 receives \$10.7 billion (41%) and higher education receives \$2.8 billion (10.8%).

4. Hanson, M., (2021), U.S. Public Education Spending Statistics, retrieved from [https://educationdata.org/public-education-spending-statistics#:~:text=Schools%20in%20the%20United%20States,operation%20and%20Development%20\(OECD\)](https://educationdata.org/public-education-spending-statistics#:~:text=Schools%20in%20the%20United%20States,operation%20and%20Development%20(OECD)).

5. Kanso, D., (2021), Georgia Revenue Primer for State Fiscal Year 2022.