

## Louisiana

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During the 2021 Regular Session, Governor Edwards addressed members of the Legislature, stating that lawmakers have been pushed to think outside the box and to work and learn in new ways over the past year.<sup>1</sup> Government officials dealt with the challenges of crafting a balanced budget in the COVID-19 environment for the second year in a row.<sup>2</sup> With support from the federal government, the governor submitted a balanced budget without the need for cuts and made significant investments in education. The increase in the Medicaid federal medical assistance percentage will make it easier for the state to cover costs associated with COVID-19. This revenue source is something of a lifeline for the budget because the additional federal funds have provided financial relief, which has freed up a sizable amount of state dollars and allowed the state to avoid damaging budget cuts. The state budget included \$39 billion in all funds for fiscal year 2022 (FY22),<sup>3</sup> a 7.4 percent increase over the existing operating budget for FY21. Finally, state general fund appropriations for the Department of Education (DOE) dropped by \$68.5 million, whereas those for Higher Education (HE) increased by \$197 million.

### FUNDING PRIORITIES FOR P-12 AND HIGHER EDUCATION

Louisiana's general fund increased by \$79.5 million to provide across-the-board pay raises to K-12 educators and other certificated and non-certificated staff.<sup>4</sup> Regarding pay, retirement, and health insurance, Louisiana ranks toward the bottom among the 16 states that comprise the Southern Regional Education Board (SREB), with an average starting pre-tax salary of \$40,400 per year.<sup>5</sup> To meet the SREB average, instructional faculty salaries (and related benefits) increased by nearly \$20 million.<sup>6</sup> The state continued to provide multiple HE funding opportunities for need- and merit-based scholarships (i.e., Taylor Opportunity Program for Students, Go Grants, M.J. Foster Promise Program).

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1. Louisiana Office of the Governor, "Gov. Edwards' 2021 Regular Session Remarks," April 12, 2021, <https://gov.louisiana.gov/index.cfm/newsroom/detail/3069>.

2. Louisiana Office of Planning and Budget, "Governor's Executive Budget Fiscal Year 2021–2022," February 26, 2021, [https://www.doa.la.gov/media/0mocmolz/fy22\\_execbudget.pdf](https://www.doa.la.gov/media/0mocmolz/fy22_execbudget.pdf).

3. Louisiana Office of Planning and Budget, "State Budget Fiscal Year 2021–2022," September 30, 2021, [https://www.doa.la.gov/media/blwfrui5/statebudget\\_fy22.pdf](https://www.doa.la.gov/media/blwfrui5/statebudget_fy22.pdf).

4. Louisiana Office of Planning and Budget, *State Budget*.

5. SREB, "Teacher Salaries, 2018–2019," accessed October 21, 2021, <https://www.sreb.org/interactive/teacher-compensation-dashboard>.

6. Louisiana Office of Planning and Budget, *State Budget*.

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#### CHANGES TO FUNDING FORMULA FOR P-12 AND HIGHER EDUCATION

The Louisiana Legislature, in conjunction with the state Board of Elementary and Secondary Education (BESE), have remained steadfast in their commitment to boost teacher pay. In March 2021, BESE submitted its proposed MFP formula to the state Legislature. In the original submission of the formula, teachers and support staff were scheduled to receive pay increases of \$400 across-the-board for certified personnel and \$200 for noncertified personnel. At the request of BESE, the Legislature would return the original formula for revisions regarding personnel pay should more funding become available during the state budgeting process. In April, Senate and House leaders successfully identified additional dollars with which to increase teacher pay raises beyond the amount proposed in the original MFP formula. At a special meeting in May, the revised 2021–22 MFP formula was approved, which provided a sweeping pay raise of \$800 for classroom teachers and other certified employees and an all-around pay increase of \$400 for noncertified employees, plus the current annual retirement contribution rate for both levels of school personnel in Level 4 of the formula. Additionally, the \$2,000 stipend allocation for certified mentor teachers was removed from Level 4 of the funding formula.<sup>7</sup> In HE, an additional \$15.5 million was distributed for the HE formula for two- and four-year colleges, and specialized institutions received a net increase of \$16.8 million.<sup>8</sup>

#### PRESSING STATE ISSUES AFFECTING P-12

Because of a decrease in enrollment, the state general fund decreased by about \$60 million as required by the MFP formula.<sup>9</sup> Public school enrollment in Louisiana (from February 2020–February 2021)<sup>10</sup> has dropped by 2.7 percent, a little more than 19,000 students during this past year of the coronavirus pandemic. According to the Superintendent of Education, Cade Brumley, the drop in total enrollment is likely due to the current circumstances of navigating school operations during a pandemic and the impact of a historically active hurricane season.<sup>11</sup>

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7. Louisiana State Board of Elementary and Secondary Education, “BESE revises school funding formula to increase proposed teacher pay raises,” May 12, 2021, <https://bese.louisiana.gov/about-bese/bese-news/2021/05/12/bese-revises-school-funding-formula-to-increase-proposed-teacher-pay-raises>.

8. Louisiana Office of Planning and Budget, *State Budget*.

9. Louisiana Office of Planning and Budget, *State Budget*.

10. Louisiana Department of Education, “Student Attributes,” accessed October 14, 2021, <https://www.louisianabelieves.com/resources/library/student-attributes>.

11. Sentell, “Why public school enrollment in Louisiana is down nearly 17,000 students,” January 19, 2021, [https://www.theadvocate.com/baton\\_rouge/news/education/article\\_5cee1a84-5a83-11eb-b062-23c04a5a70a0.html](https://www.theadvocate.com/baton_rouge/news/education/article_5cee1a84-5a83-11eb-b062-23c04a5a70a0.html).

## FUNDING TRENDS FOR ALTERNATIVES TO TRADITIONAL PUBLIC SCHOOLS

Since 2005, the number of charter school authorizations has increased significantly.<sup>12</sup> The most recent counts of charter schools published by the DOE reflect the 2019–20 term, revealing 145 charter schools statewide.<sup>13</sup> Roughly 80,000 of the state’s approximate 700,000<sup>14</sup> public school students attend charter schools, accounting for 11 percent of total enrollment, where the national average is 7 percent.<sup>15</sup> As the number of charter schools increases together with enrollments, so do their share of state allocations. With per-pupil allocations based on weighted student membership count and weights associated with student characteristics or needs, as provided in the MFP formula,<sup>16</sup> the state distributed nearly \$121.6 million in funding charter schools for FY22.<sup>17</sup>

### STATE PER-PUPIL EXPENDITURE<sup>18</sup>

\$4, 015

### ALLOCATION OF STATE DOLLARS AND PERCENT OF THE STATE BUDGET FOR P-12 AND HIGHER EDUCATION<sup>19</sup>

\$9.88 billion – State General Fund

\$3.65 billion (37 percent) – DOE

\$1.17 billion (11.8 percent) – HE

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12. Charter School Tools, “Louisiana Phase 1 Application,” accessed October 16, 2021, <http://www.charterschooltools.org/stateUploads/LouisianaPhase1Application.pdf>.

13. Louisiana Department of Education, “Louisiana Charter Schools At-A-Glance,” accessed October 10, 2021, <https://www.louisianabelieves.com/schools/charter-schools>.

14. Louisiana Department of Education, *Student Attributes*.

15. NCES, “Public Charter School Enrollment,” May 2021, [https://nces.ed.gov/programs/coe/pdf/2021/cgb\\_508c.pdf](https://nces.ed.gov/programs/coe/pdf/2021/cgb_508c.pdf).

16. LA Rev Stat §17:3995.

17. Louisiana Department of Education, “Minimum Foundation Program,” accessed October 10, 2021, <https://www.louisianabelieves.com/resources/library/minimum-foundation-program>.

18. Louisiana Office of Planning and Budget, *State Budget*.

19. Louisiana Office of Planning and Budget, *State Budget*.