



# Georgia Report

## A Detailed Look at Georgia's Funding Policies

## Georgia



### Funding Basics

#### Formula Type

Georgia has a hybrid funding formula incorporating both resource-based and student-based elements. The formula determines the cost of delivering education to a student with no special needs or services based on the per-student cost associated with high school general education programs in the state, which it uses as a base amount, and provides increased funding to educate specific categories of students. The categories of students considered in Georgia's funding policy are students in certain grade levels, English-language learners, students with disabilities, students identified as gifted, students enrolled in career and technical education programs, and students enrolled in small districts.

Georgia expects school districts to contribute to the funding of their public schools, with the amount of the local share based on districts' property values. Districts in Georgia are permitted to raise and keep additional local revenues for regular district operations.

Supplemental funding for students in certain grade levels, English-language learners, students with disabilities, students identified as gifted, and students enrolled in career and technical education programs is generated through the application of multipliers to the base amount. Students in small districts are funded through a program-specific allocation.

#### Base Amount

Georgia has a fixed base funding amount per student. For FY2022, the per-student base amount was \$2,789.66.

This means that an average student with no special needs or disadvantages would be funded at that level.

### Local Revenue

## Expected Local Share

Georgia expects school districts to contribute revenue to the funding of public schools. The amount each district is expected to raise for its education costs is based on its property values: Each district is expected to contribute at least \$5.00 for every \$1,000 of taxable local property wealth (minus certain exempted property) for the purpose of funding its schools.

For districts in which a tax rate of \$5.00 for every \$1,000 of taxable local property wealth would generate 20% or more of the amount calculated by the state to be necessary to educate the students within the district, the amount of the expected local share is adjusted using a formula that takes into account the property values of all districts in the state. Once the state calculates the total amount of funding necessary to educate students within a district, it subtracts the expected local contribution and provides the difference in the form of state education aid.

Separate from each district's expected local contribution, the state provides grants to certain districts meant to compensate for disparities in property wealth. Districts with lower than average property wealth receive these grants to fill the gap between the property tax revenue the districts are able to raise and what they would raise if they had the state average property value. In order to receive this funding, districts must levy tax rates of at least \$14.00 for every \$1,000 of assessed local property wealth by July 2019.

## Property Tax Floors and Ceilings

Georgia sets a floor for local property tax rates, as well as a level above which voter approval is required. School districts are required to raise at least \$5.00 for every \$1,000 of taxable local property wealth and may not levy more than \$20.00 for every \$1,000 of taxable local property wealth without voter approval.

However, this limitation does not apply to school districts that were authorized to levy more than \$20 for every \$1,000 of assessed local property wealth in 1983. In addition, school districts are required to levy a certain property tax rate in order to receive state funding intended to compensate for property wealth disparities (see "Expected Local Share" for more information on these grants).

## Other Local Taxes for Education

School districts in Georgia may receive local revenue from property taxes and from local sales taxes.

In addition to property taxes, school districts in Georgia may levy an optional local sales tax to fund capital improvement projects, with voter approval. The Education Special Purpose Local Option Sales Tax (E-SPLOST) is an optional 1% local sales tax to fund capital improvement projects or to retire debt related to capital projects. The tax must be reauthorized every five years by local boards of education and approved by voters in a referendum. In counties where there are any city school districts in addition to the county school district, revenue from E-SPLOST is distributed between the county and city school districts on the basis of enrollment or as otherwise authorized by local law.

In addition, 10 school districts in Georgia are permitted to collect local sales taxes for operations by specific amendments to the state constitution.

## Grade Level

Georgia provides different levels of funding for students in different grade levels. It does so by applying multipliers to the base per-pupil amount for students in four different grade spans.

The base amount is multiplied by 1.6719 for students in kindergarten, by 1.2945 for students in grades 1-3, by 1.0389 for students in grades 4-5, and by 1.0315 for students in grades 6-8. Students in grades 9-12 are funded at the base amount.

The state also provides additional program-based allocations to support students who are struggling academically, and these allocations differ by grade level. First, the state applies multipliers to the base amount for students enrolled in the Early Intervention Program. This multiplier is 2.0670 for kindergarten students, 1.8174 for students in grades 1-3, and 1.8119 for students in grades 4-5. Second, the state applies a multiplier of 1.3573 to the base amount for students in a remedial education program; this funding is available only for students in grades 6-12 with identified deficiencies in reading, writing, or math.

## English-Language Learner

Georgia provides increased funding for English-language learners. It does so by applying a multiplier of 2.5880 to the base per-pupil amount for these students.

All students enrolled in programs teaching English to speakers of other languages are eligible to receive this supplemental funding.

## Poverty

Georgia does not provide increased funding for students from low-income households or for districts based on the concentrations of students from low-income households they serve.

## Special Education

Georgia funds special education using a multiple student weights system, providing different levels of funding for different categories of students. Students are assigned to five different categories based mostly on their specific disabilities.

Specifically, students are assigned either to one of four weighted categories based on their particular disabilities and the proportion of the school day during which they receive services for those disabilities or to a fifth category for students receiving services in the general education setting. The state provides supplemental funding for students in these categories by applying different multipliers to the per-student base amount. The multipliers range from 2.4111 to 5.8684, depending on the specifics of the student's diagnosis and education plan.

The remainder of state special education funding is distributed through specific program-based allocations, including grants for services for certain students with emotional and behavioral disorders; a scholarship program for students with special needs to attend participating private schools; funding for teachers in state-operated facilities; support for residential placements and for reintegration services after such a placement; and grant funding for services to students with very high-cost, low-incidence disabilities.

## Gifted

Georgia provides increased funding for gifted and talented students. It does so by applying a multiplier of 1.6790 to the base per-pupil amount for these students.

Students enrolled in a program implementing an approved gifted and talented model are eligible for this funding. The state considers gifted students to be a distinct category of students with special needs and distributes the money as part of its special education funding system.

## Career and Technical Education

Georgia provides increased funding for career and technical education programs. It does so by applying a multiplier of 1.1832 to the base per-pupil amount for students enrolled in these programs.

Students generating this supplemental funding are those high school students enrolled in state-approved career, technical, or agricultural education courses in which they spend a minimum of 25% of instructional time in hands-on activities and for which equipment and materials costs are at least 50% higher than they would be for a general education class; students in vocational cooperative work programs and work-based learning programs; and students dually enrolled in high school and postsecondary vocational courses.

## District Characteristics

### Concentrated Poverty

Georgia does not provide increased funding for districts based on the concentrations of students from low-income households that they serve.

### Sparsity and/or Small Size

Georgia provides increased funding for some small school districts through a grant program.

Qualifying school districts are those that are unable to offer educational programs and services comparable to those typically offered in the state because the school district serves fewer than 3,300 full-time-equivalent students and that are not good candidates for a merger with other school systems.

The amount of the grant is the cost of the resources needed for the district to offer the educational programs and services that it would otherwise be unable to provide.

### Charter Funding

Funding for charter schools in Georgia is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Like traditional public schools, charter schools are funded through a formula that considers the characteristics of students they educate. Their funding reflects any additional funding for students in special programs and need categories. Charter schools authorized by local school districts receive funding through the district where they are located, including funding allocated through the state funding formula, which includes state program-based allocations. Alternative charter schools, which serve students at risk of dropping out, are funded according to the same formula as local charter schools, subject to state appropriations. Charter schools authorized by the state receive funding allocated through the state funding formula and a proportional share of state program-based allocations directly from the state department of education.

Some charter schools in Georgia receive a share of local tax revenue, while other charter schools receive state funding that may be meant to replace local funding. Funding for charter schools authorized by local school districts includes the revenue from the district's expected local contribution from local tax revenue. State-authorized charter schools do not receive a share of local tax revenue but do receive a form of funding from the state department of education that may be meant to partially replace local funding.