

# FundEd: Louisiana Report

## A Detailed Look at Louisiana's Funding Policies



## Louisiana



### Funding Basics

#### Formula Type

Louisiana has a hybrid funding formula incorporating both resource-based and student-based elements. It assigns a cost to the education of a student with no special needs or services, called a base amount. It then accounts for the additional cost of educating specific categories of students by applying multipliers to that amount to generate supplemental funding for those students. Additional funding allocations are intended specifically for resource costs, including staff salaries and benefits and certain operating costs.

The categories of students generating supplemental funding in Louisiana are students in certain grade levels, English-language learners, low-income students, students with disabilities, students identified as gifted, students enrolled in career and technical education programs, and students in small school districts.

#### Base Amount

Louisiana has a fixed base funding amount per student. For FY2017, the per-student base amount was \$3,961. This means that an average student with no special needs or disadvantages would be funded at that level.

### Local Revenue

#### Expected Local Share

Louisiana 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 a combination of its property values and its revenue from other local sources, adjusted to satisfy a statewide expected local contribution.

Louisiana works to maintain a taxation arrangement in which the state shoulders 65% of the burden of education funding and local school districts absorb 35% of the cost. The state computes expected local property tax and sales tax rates for each district to maintain this ratio. If a community's property value sees an increase greater than 10%, then the state caps the increase in locally contributed property tax revenue at 10%. Similarly, if a community's sales tax base sees an increase greater than 15%, then the state caps the increase at 15%.

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. Additionally, the state funds a minimum of 25% of each district's necessary funding, regardless of its local wealth. The state also provides incentive funding to encourage districts to raise and spend more money locally than the expected amount.

## Property Tax Floors and Ceilings

Louisiana sets a ceiling on local property tax rates, as well as a level above which voter approval is required. School districts may impose up to \$5.00 for every \$1,000 of assessed local property wealth, without voter approval, with the exception of Orleans Parish, which may impose \$13.00 for every \$1,000 of assessed local property wealth.

In addition, school districts may impose a further tax of up to \$70.00 for every \$1,000 of assessed local property wealth with the approval of a majority of voters.

## Other Local Taxes for Education

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

In addition to property taxes, local school districts in Louisiana may levy sales taxes with voter approval. Local government units in Louisiana, including school districts, may levy sales taxes, with the approval of a majority of voters. The combined sales taxes imposed within any local governmental subdivision must not exceed 3%, excluding state sales taxes. The legislature may approve an exemption to allow a greater rate.

## District Characteristics

### Grade Level

Louisiana provides different levels of funding for students in different grade levels. It does so by providing a supplemental per-pupil allocation for students in grades 7-12.

School districts in Louisiana receive an additional \$26 per pupil in grades 7-12 to support the cost of secondary course choices beyond the traditional classroom.

### English-Language Learner

Louisiana provides increased funding for English-language learners (ELLs). It does so by applying a multiplier of 1.22 to the base per-pupil amount for these students.

This same multiplier is applied to the base per-pupil amount for students from low-income households. Students who are both ELL and low-income generate this supplemental funding allocation only once.

### Poverty

Louisiana provides increased funding for students from low-income households. It does so by applying a multiplier of 1.22 to the base per-pupil amount for these students.

Students are eligible for this supplemental funding if they qualify for free or reduced-price lunch under the National School Lunch Program.

This same multiplier is applied to the base per-pupil amount for students who are English-language learners (ELLs). Students who are both ELLs and low-income students generate this supplemental funding allocation only once.

### Special Education

Louisiana funds special education using a single student weight system, providing the same amount of state funding for each student with disabilities, regardless of the severity of those disabilities. It does so by applying a multiplier of 2.5 to the per-student base amount for students with disabilities.

Louisiana also provides a High Cost Services Allocation, funded approximately equally out of state and federal monies, available when a student's education plan imposes costs more than three times the average per-pupil expenditure.

## Gifted

Louisiana provides increased funding for gifted and talented students. It does so by applying a multiplier of 1.6 to the base per-pupil amount for these students.

Gifted students in Louisiana are defined as those with evidence of high performance in academic and intellectual aptitude. They are identified through evaluations of math, reading, and intellectual abilities in general, as compared to the state average, and interviews with parents and educators.

## Career and Technical Education

Louisiana provides increased funding for career and technical education (CTE) programs. It does so by applying a multiplier of 1.06 to the base per-pupil amount for students enrolled in these programs in both the fall and spring semesters.

## Sparsity and/or Small Size

Louisiana provides increased funding for small school systems. It does so by applying a multiplier to the base per-pupil amount that can range from 1.0 to 1.2, depending on the district's enrollment.

This funding is provided to school systems with student populations of less than or equal to 7,500. To determine each district's specific multiplier, the total student population is subtracted from 7,500 and divided by 37,500.

For a complete list of primary sources, please see the appropriate state page at [funded.edbuild.org](http://funded.edbuild.org)

