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Funding for Public Elementary and Secondary Schools

Congress provides annual appropriations and periodically provides supplemental appropriations for public elementary and secondary schools through many agencies and programs. Of these funds, the largest tranche of federal funding for public elementary and secondary schools is for programs authorized by the Elementary and Secondary Education Act (ESEA). All ESEA programs are administered by the Department of Education (ED).

This In Focus examines revenues for public elementary and secondary education (hereinafter “public education”) and the share of this revenue provided by the federal government. It also details overall federal funding provided for ESEA programs since FY2002, following the reauthorization of the ESEA by the No Child Left Behind Act (P.L. 107-110).

Revenues for Public Education

Each year, the National Center for Education Statistics (NCES) at ED collects data on revenues and expenditures for public education using the National Public Education Financial Survey (NPEFS). Revenues and expenditures are reported by states for prekindergarten through high school.

Revenue data are available by source: federal, state, and local. Federal revenue sources include ESEA grants, funds provided under the Individuals with Disabilities Education

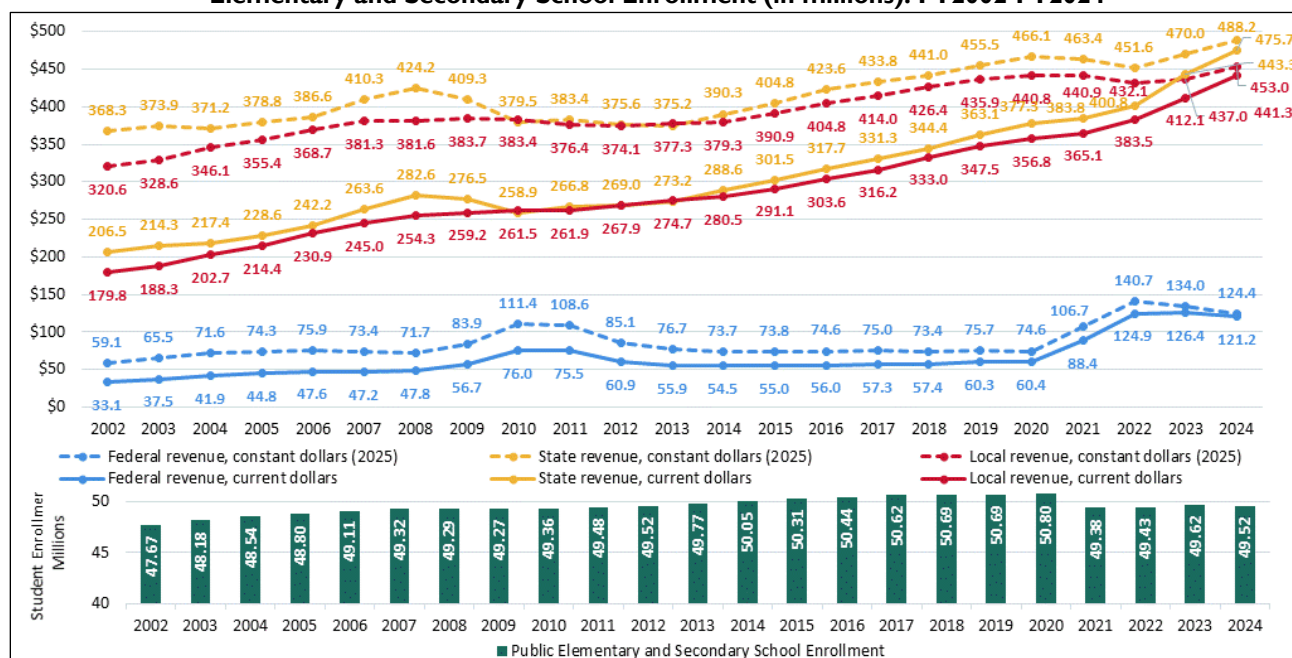
Act, Medicaid reimbursements, and COVID-19 federal assistance funds (e.g., Elementary and Secondary School Emergency Relief [ESSER] Fund).

The current year (i.e., unadjusted) revenues shown in **Figure 1** are based on federal, state, and local data reported by NCES for FY2002 (2001-2002 school year [SY]) through FY2024 (2023-2024 SY), which are the most recent data available. The figure also shows revenues in constant (i.e., inflation-adjusted) 2025 dollars. Inflation adjustments were made by CRS using the Consumer Price Index for All Urban Consumers (CPI-U) published by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). The annual average CPI-U was adjusted from a calendar year basis to a school-year basis (i.e., the 12-month average from July 2024 through June 2025, referred to as the 2024-2025 CPI-U).

Over this period, total revenues for public schools have increased from \$419.5 billion (\$728.8 billion in constant 2025 dollars) in FY2002 to \$1.038 trillion (\$1.065 trillion in constant 2025 dollars) in FY2024 (**Figure 1**). Most of these funds were provided by state and local sources.

Figure 1 also includes public school enrollment data over the same period. After increasing for many years, enrollment declined during the 2020-2021 SY (FY2021).

Figure 1. Revenues for Public Education in Current and Constant 2025 Dollars (in billions), by Source and Public Elementary and Secondary School Enrollment (in millions): FY2002-FY2024



Sources: Revenue data obtained from the Digest of Education Statistics: 2025, Table 235.10; and Revenues and Expenditures for Public Elementary and Secondary Education: FY24. Enrollment data obtained from the Digest of Education Statistics: 2025, Table 203.10.

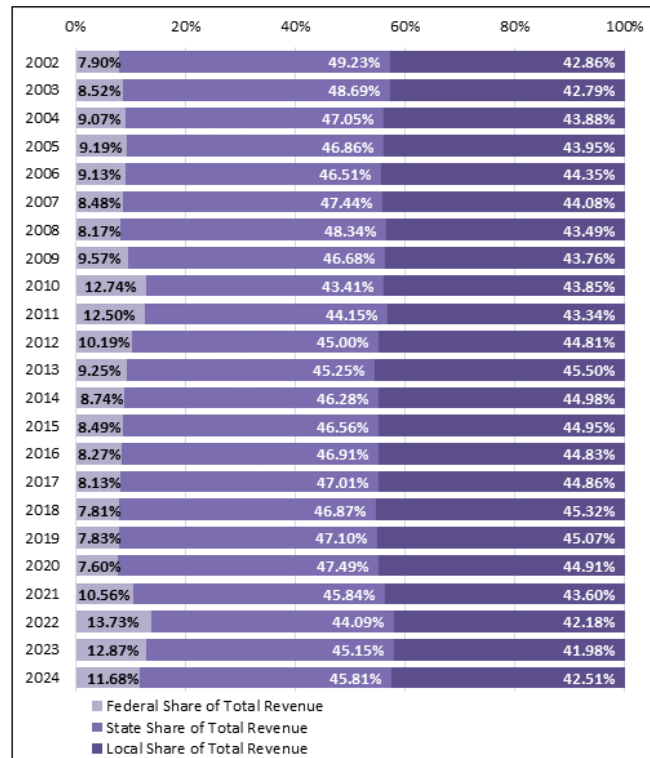
Notes: Constant dollars based on the Consumer Price Index for All Urban Consumers (CPI-U), prepared by the U.S. Department of Labor, Bureau of Labor Statistics, and adjusted to a school-year basis (July 2024 to June 2025) by CRS.

While the federal government has annually provided billions of dollars in support for public education, federal funding has generally accounted for less than 10% of the annual revenue provided for public education on average nationwide since FY2002 (**Figure 2**). Exceptions have occurred when the federal government has provided supplemental aid in response to a national crisis—the Great Recession in FY2010 (2009-2010 SY) through FY2012 (2011-2012 SY) and the COVID-19 pandemic in FY2021 (2020-2021 SY) through FY2024 (2023-2024 SY). However, federal revenue can regularly exceed 10% of total revenue for public education for some states and local educational agencies (LEAs), while being much less than the national average for others.

ESEA Funding

Figure 3 provides total ESEA funding only, as opposed to all federal revenue for public education depicted in **Figure 1** and **Figure 2**, provided through annual appropriations acts from FY2002 through FY2025 as calculated by CRS. The appropriations included in **Figure 3** are based on the most recent data available from ED’s Budget Service Office. It should be noted that ED considers all of the funds provided in an appropriations act for a given fiscal year to be appropriations for that fiscal year, including any advance appropriations provided for the following fiscal year. For example, ED considers all of the funds provided in the FY2025 appropriations act, including advance appropriations provided for FY2026, to be FY2025 appropriations. These funds will be used primarily during the 2025-2026 SY. **Figure 3** follows this convention with regard to the fiscal year of the funds. Data are presented in current dollars and constant 2025 dollars based on the 2024-2025 CPI-U.

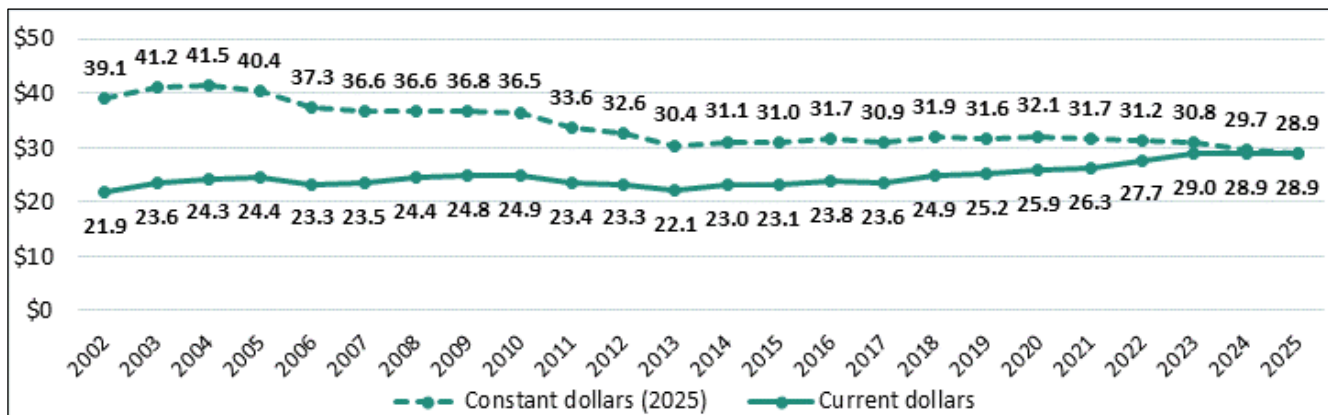
Figure 2. Share of Total Revenues for Public Education, by Source: FY2002-FY2024



Source: Revenue data obtained from the Digest of Education Statistics: 2025, Table 235.10; and Revenues and Expenditures for Public Elementary and Secondary Education: FY24.

Note: Revenue shares may not add to 100% due to rounding.

Figure 3. Elementary and Secondary Education Act (ESEA) Funding in Current and Constant 2025 Dollars, FY2002-FY2025
dollars in billions



Source: Figure prepared based on CRS analysis of data available from the U.S. Department of Education, Budget Service, various years.

Notes: Constant dollars based on the Consumer Price Index for All Urban Consumers (CPI-U), prepared by the U.S. Department of Labor, Bureau of Labor Statistics, and adjusted to a school-year basis (July 2024-June 2025) by CRS.

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