



## **History of Education Funding**



G. William Hoagland  
SVP, Bipartisan Policy Center

September 18, 2019

# 50 Years of Education Expenditures

## SY 1969/70 to 2019/20

(\$s Billions)

School Year	Total	Elementary/Secondary	Degree Granting Institutions
1969/1970	64.2	43.2	21.0
1979/1980	160.1	103.2	56.9
1989/1990	365.8	231.2	146.1
1999/2000	649.3	412.5	236.8
2009/2010	1,100.9	654.4	446.4
2016/2017	1,342.0	759.0	583.0
2019/2020 est.	1,460.5	808.8	653.7
Annual Average  1969-2019	6.4%	6.0%	7.1%
Annual Average  2009 - 2019	2.9%	2.1%	3.9%

Source: National Center for Education Statistics, Digest 2017. Authors Estimate 2019/2020

# State and Local Direct Spending: Total & Education

## 1970-2015 (\$'s in Billions)

Year	Total State and Local Spending	Education	Education % of Total
1970	131.3	52.7	40.1
1980	369.1	133.2	36.1
1990	834.8	288.1	34.5
2000	1,502.7	521.6	34.7
2010	2,537.9	860.1	33.9
2015	2,838.4	937.0	33.0
Annual Average 1970 -2015 ▲	7.1%	6.6%	-0.4% ↓
Annual Average 2010-2015 ▲	2.2%	1.7%	-0.5%

Source: National Center for Education Statistics, Digest 2017, Table 106.60

# Federal Funding for Education

(Appropriations, \$s Billion)

Fiscal Years 1980-2019

	1980	1990	2000	2010	2019	Annual Avg. ▲ %
Discretionary	11.6	18.7	35.6	64.1	71.5	+ 4.8%
Mandatory	2.4	6.7	2.9	(1.1)	9.7	+ 3.6%
Total	14.0	25.4	38.5	63.0	81.2	+ 4.6%

Total Federal Nondefense Discretionary	141.7	200.4	319.7	658.3	670.0	4.0%
Education Discretionary % of Total	8.1%	9.3%	11.1%	9.7%	10.6%	0.7% ↑

# Federal Tax Expenditures for Education Functions

## FY 1970-2019 (\$ in billions)

	1970	1980	1990	2000	2010	2019	Annual Avg. ▲ %
Education Tax Expenditure both Corporate & Individual	0.8	2.5	3.2	13.8	26.8	43.2	8.5%

Source: Joint Committee on Taxation, selected publications: JCX-81-18, JCX-3-10, JCX-13-99, JCS-4-89, JCS-8-80, JCS-28-72

# Federal Student Loan Budgeting

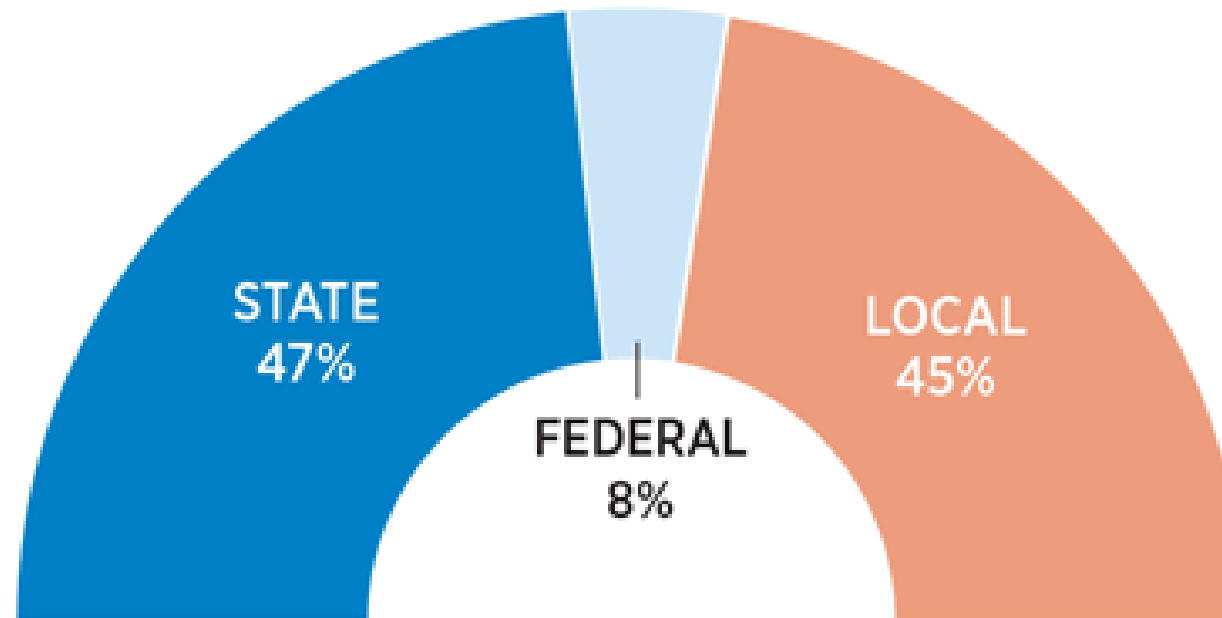
## FY 2007-2020

(Billions of \$s)

	2007	2010	2015	2020
Total Budget Authority	+6.9	-25.9	-4.6	+29.6
Guaranteed Loan Program (Subsidy) Account	+2.4	-14.5	-3.2	+1.2
Direct Loan Program	+4.1	-12.8	-4.5	+25.5
New Guaranteed Loans Average Loan	11.2 million \$4,780	12.9 million \$4,565	---	---
New Direct Loans Average Loan	3.4 million \$4,116	9.5 million \$5,168	19.9 million \$5,239	15.6 million \$6,299

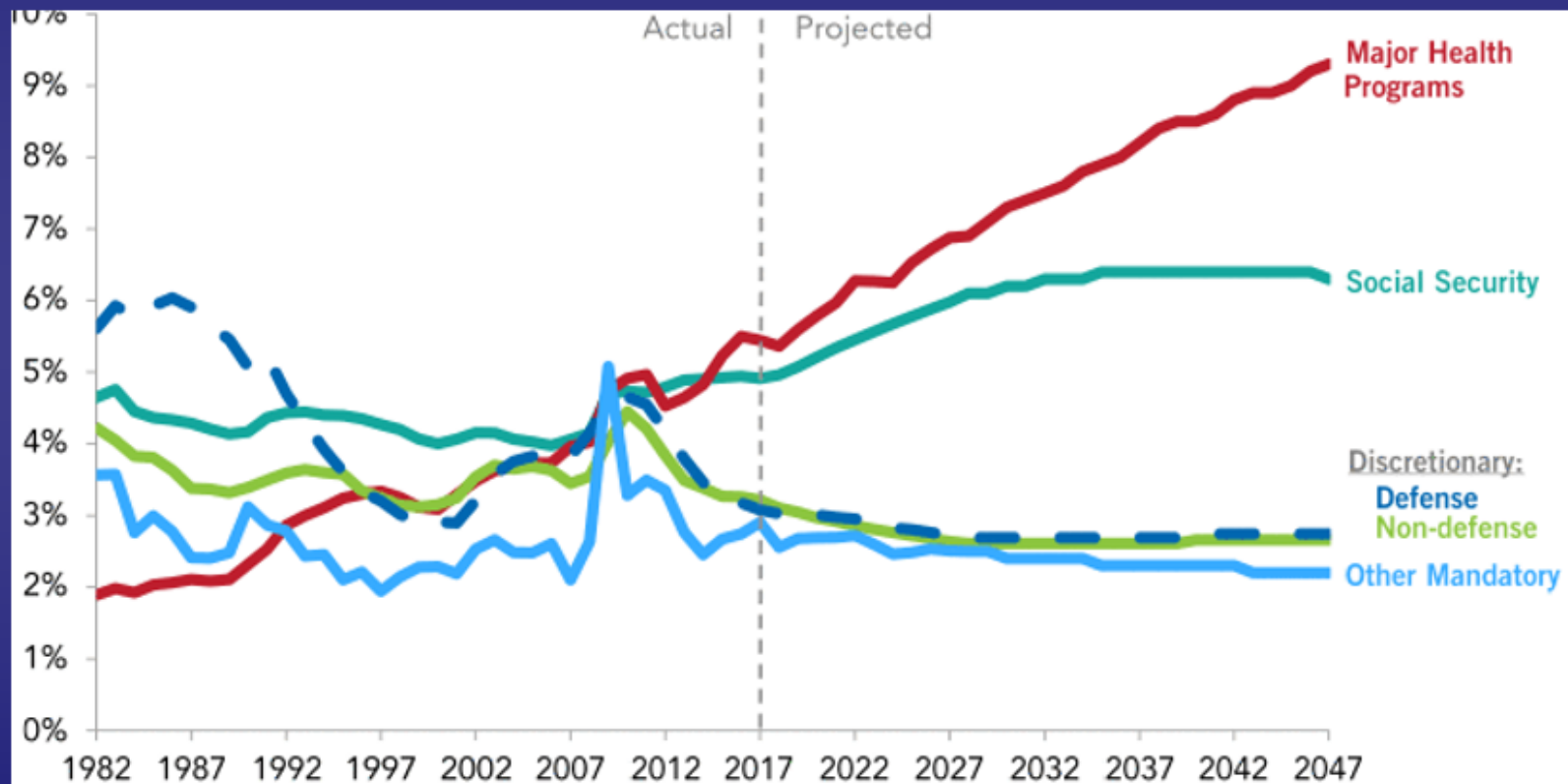
Source: Congressional Budget Office, historical tables. Estimates based on Federal Credit Reform Act of 1990, FCRA. Beginning in 2018 CBO required to also provide estimate based on Fair Market Value which includes a market risk factor. 2020 Fair Market Value estimate would be \$52.9 billion cost.

# Sources of Public Education Funding



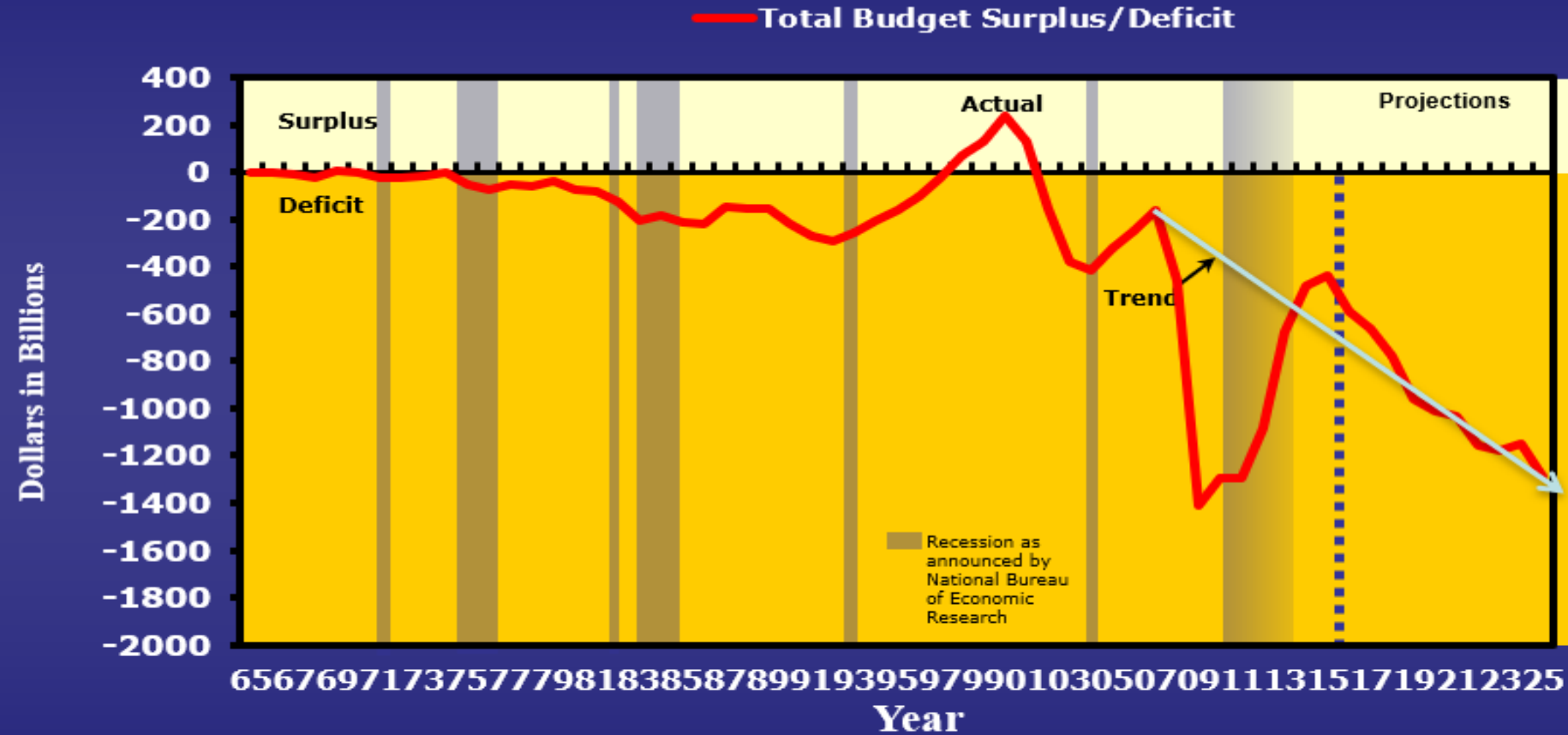
**SOURCE:** National Center for Education Statistics, "Public School Revenue Sources," April 2018, [https://nces.ed.gov/programs/coe/indicator\\_cma.asp#r2](https://nces.ed.gov/programs/coe/indicator_cma.asp#r2) (accessed July 10, 2018).

## Federal Health & Pension Programs Squeezing Non-defense Discretionary





# Federal Budget Surplus/Deficit FY 1965-2025



Source: An Update to the Budget and Economic Outlook: Fiscal Years 2019 to 2029. Congressional Budget Office; August 2019.