POLICY BRIEF

Florida School Funding:

Adequacy, Equity, and Outcomes in the Nation's Third-Largest System

August 2026 | Analysis of the School Finance Indicators Database (SFID), Florida district panel, 2009–2024

EXECUTIVE SUMMARY

Florida spends less on its public schools than what independent, need-adjusted cost models say is required to produce even average student outcomes — and the gap between what the state spends and what adequacy would cost has widened sharply over the past fifteen years. Drawing on the School Finance Indicators Database (SFID), a district-level panel that estimates the cost of achieving given outcome levels after accounting for student poverty, regional labor costs, district size, and disability rates, this brief documents three connected findings for Florida: (1) a large and growing statewide adequacy gap, (2) a state-and-local funding formula that has drifted from progressive toward flat-to-regressive even as the underlying need gap has grown, and (3) achievement trends — particularly since the pandemic — that track the funding shortfall rather than diverging from it.

70%	**$15.7B**	**99.5%**
of estimated cost for average outcomes funded, 2024 (was 96% in 2009)	annual statewide funding gap to reach national-average outcomes, 2024	of students in majority Black/Hispanic districts are in underfunded, below-average districts

KEY FINDINGS

- Florida funds roughly 70 cents of every dollar needed to reach national-average student outcomes statewide (2024), down from 96 cents in 2009 — and only about 47 cents of every dollar needed to reach the outcomes achieved by the nation's highest-performing state, Massachusetts.
- The statewide dollar gap to the cost of national-average outcomes grew from $1.4 billion in 2009 to $15.7 billion in 2024, an eleven-fold increase, even as current spending itself rose from $23.0 billion to $36.1 billion.
- Total current spending is mildly progressive — higher-poverty districts spend somewhat more per pupil — but that progressivity is driven almost entirely by federal add-on dollars. The state-and-local revenue base that Tallahassee actually controls has drifted from roughly neutral to regressive, falling to a progressivity ratio of about 0.8 by the most recent year (a ratio below 1.0 means lower-poverty districts receive more state and local revenue, relative to need, than higher-poverty districts).
- Adequacy has deteriorated for every poverty group since 2009, but high-poverty districts have fallen furthest: by the most recent year, the highest-poverty districts fund only about 62% of the cost of national-average outcomes, versus roughly 75–78% in the lowest-poverty districts.
- Virtually all (99.5%) students enrolled in majority Black or Hispanic school districts attend districts that are simultaneously underfunded relative to cost and producing below-average outcomes — compared with 92% of students in other districts. Essentially no majority Black/Hispanic district in Florida “beats the odds” on an inadequate budget, while a small but meaningful share of other underfunded districts do.
- Florida's NAEP scores have fallen faster than the national average since 2019 in both grade 8 math and reading, erasing gains made during the 2000s and 2010s; the state's outcomes now sit consistent with — not better than — what its funding level would predict nationally.

1. The Adequacy Gap: What Florida Spends vs. What Outcomes Cost

The SFID's "adequacy" measure compares actual current spending per pupil in each district to a predicted cost — estimated econometrically from the relationship between spending, student outcomes, poverty, regional wages, district size, and other cost factors nationwide — of achieving a given outcome target in that district, given its student population and labor market. Two outcome targets are used here: the national average, and the average achieved by Massachusetts, the state that has posted the strongest outcomes nationally for the past two decades of NAEP administrations.

Florida has never fully funded even the national-average outcome target over the period covered by this data, and the shortfall has grown substantially. In 2009, statewide current spending equaled about 96% of the estimated cost of national-average outcomes. By 2017–2018 that ratio had fallen to roughly 68%, and it stood at about 70% in 2024 — a partial but incomplete recovery. Measured against the cost of Massachusetts-level outcomes, Florida has funded less than half of what would be required in every year since 2011.

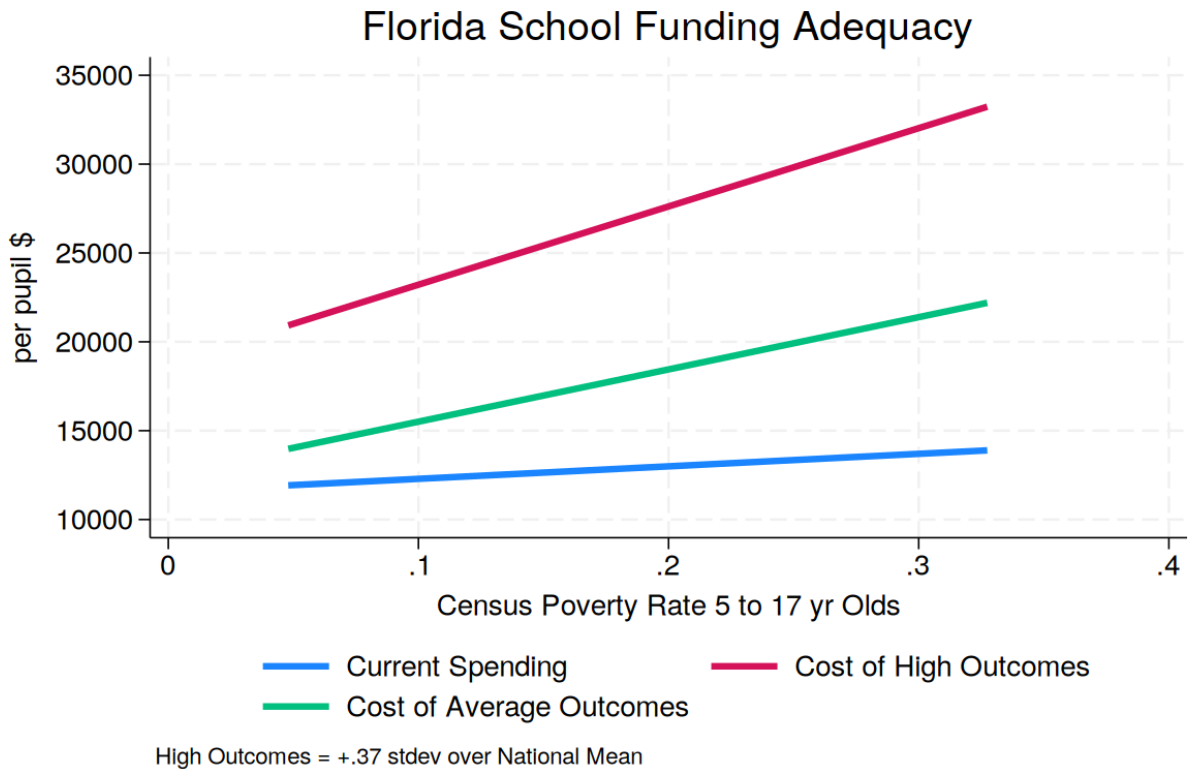

Figure 1. Current spending vs. the estimated cost of average and high outcomes, by district child-poverty rate, 2024. The spending line barely rises with poverty while the cost lines rise steeply — the wedge between them is the adequacy gap.

The Statewide Dollar Gap

Aggregated across all districts, the shortfall translates into a large and growing statewide dollar figure. The table below shows total current spending against the estimated total cost of national-average and Massachusetts-average outcomes for selected years.

Year	Current Spending ($B)	Cost of Natl. Avg. Outcomes ($B)	Gap to Natl. Avg. ($B)	Gap to MA Avg. ($B)
2009	$23.0	$24.4	$1.4	$13.5
2014	$23.7	$33.8	$10.1	$26.9

Year	Current Spending ($B)	Cost of Natl. Avg. Outcomes ($B)	Gap to Natl. Avg. ($B)	Gap to MA Avg. ($B)
2019	$27.3	$40.0	$12.8	$32.6
2022	$31.1	$46.6	$15.6	$38.7
2024	$36.1	$51.8	$15.7	$41.5

Table 1. Statewide totals, selected years. Source: SFID Florida district panel (FL_Totgap.xls).

The gap to the national-average cost target peaked at $16.2 billion in 2023 before easing slightly to $15.7 billion in 2024 as statewide spending growth outpaced cost growth for the first time in several years — a modest but real improvement worth tracking. Even so, closing the remaining gap to the national average would require an increase of roughly 44% over current statewide spending; closing the gap to Massachusetts-level outcomes would require more than doubling it.

2. Equity: Who Bears the Underfunding

Adequacy measures how much is spent relative to need; equity measures whether that spending is distributed toward the districts that need it most. A funding system is "progressive" when higher-poverty districts receive more revenue per pupil, need-adjusted, than lower-poverty districts (a progressivity ratio above 1.0); it is "regressive" when they receive less (a ratio below 1.0).

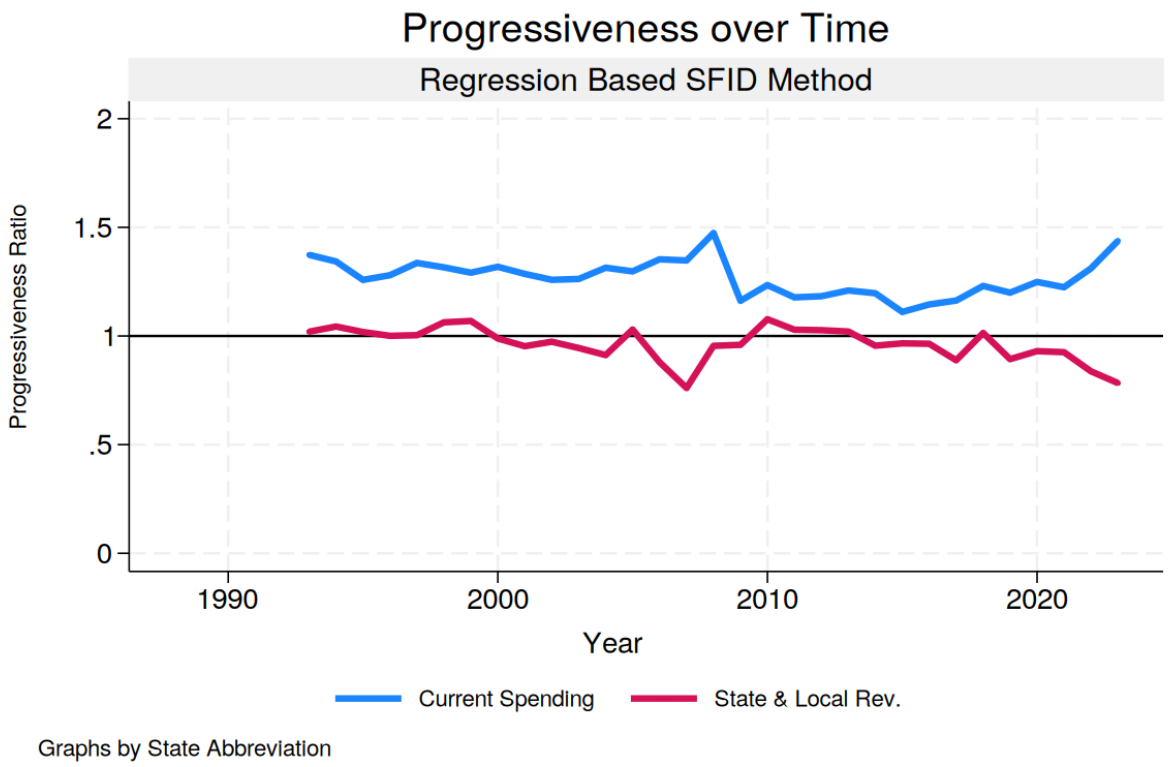

Figure 2. Progressivity of total current spending (blue) versus state-and-local revenue only (red), 1993–2023. A ratio of 1.0 (black line) is funding-neutral with respect to poverty.

Total current spending in Florida has remained mildly progressive throughout the period, generally in the 1.15–1.45 range. But this progressivity is carried almost entirely by federal dollars — Title I, IDEA, and other targeted federal programs that flow disproportionately to high-poverty districts. The state-and-local revenue line, which reflects Florida's own funding formula (chiefly the Florida Education Finance Program) and local property-tax effort, has

hovered close to 1.0 for most of the period and has trended downward since the late 2010s, falling to about 0.8 by the most recent year. In practical terms, the portion of school funding state and local policymakers directly control is no longer compensating for need — it is now mildly regressive.

Adequacy by Poverty Level

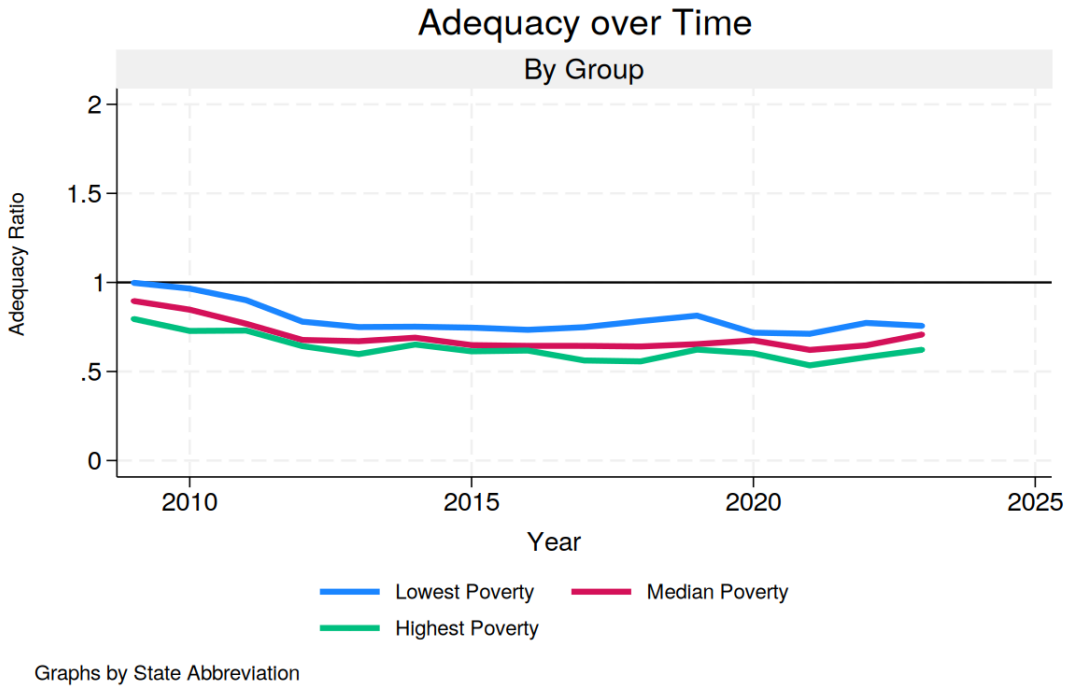

Figure 3. Adequacy ratio (spending ÷ cost of national-average outcomes) by district poverty tercile, 2009–2023.

Every poverty group has moved further from adequate funding since 2009, but the decline has been steepest, and the resulting position lowest, among the highest-poverty districts. By the end of the period, the lowest-poverty districts funded roughly 75–78% of the cost of average outcomes, while the highest-poverty districts funded only about 60–62% — a persistent gap of 13–16 percentage points that mirrors the state-and-local progressivity decline shown above.

Racial Disparities

Because district poverty and district racial composition are correlated in Florida, the adequacy shortfall also falls unevenly by race. Classifying each district by whether it is majority Black/Hispanic and by whether it sits in the "inadequate & below-average" quadrant (underfunded relative to cost and producing below-average outcomes), the SFID data show a stark pattern: 99.5% of students enrolled in majority Black or Hispanic districts attend a district in that underfunded/underperforming quadrant, compared with 91.7% of students in other districts. Correspondingly, essentially no students in majority Black/Hispanic districts attend an underfunded district that nonetheless achieves above-average outcomes, versus 7.1% of students elsewhere. Underfunding relative to cost is nearly universal across Florida — but majority Black/Hispanic districts are the least likely of any group to overcome it.

3. Outcomes: The Gap Shows Up in Results

A natural question is whether Florida's funding shortfall actually depresses outcomes, or whether the state is simply an efficient spender achieving strong results on a lean budget. The SFID's national outcomes-versus-adequacy scatter (all U.S. districts, with Florida highlighted) shows Florida districts clustered tightly along the national best-fit line between funding adequacy and standardized outcomes, in the underfunded/below-average quadrant. Florida is not an outlier

below the national relationship — its outcomes are consistent with what the national pattern would predict given its funding level. The state is getting the outcomes its funding level buys; it is not managing to out-perform that funding level, nor is it uniquely inefficient relative to other states.

Independent achievement data confirm the trend. On the National Assessment of Educational Progress (NAEP), Florida grade 8 students posted real gains relative to the national average through the mid-2010s, briefly nearing parity in reading around 2013–2017. Since 2019, however, Florida's scores have fallen faster than both the national average and Massachusetts in both subjects.

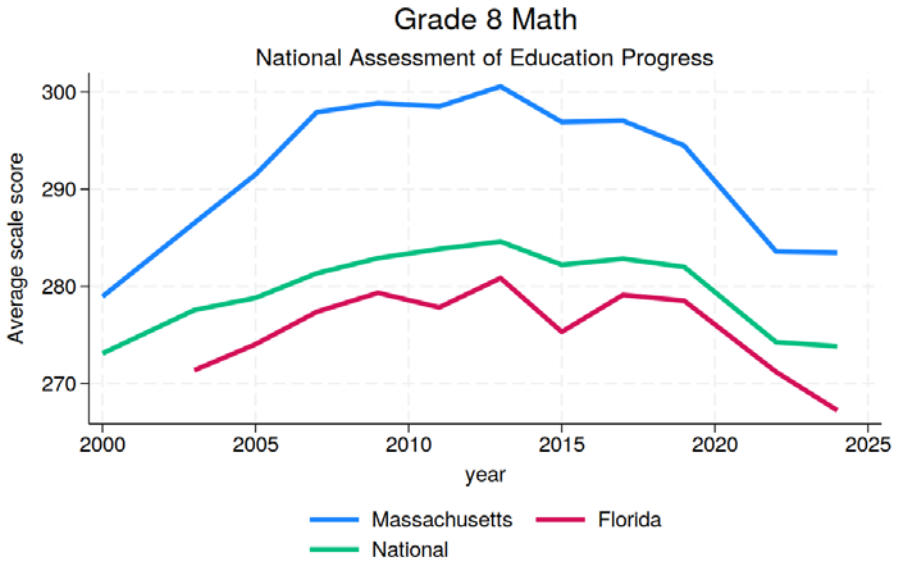

Figure 4a. NAEP Grade 8 Math, average scale score.

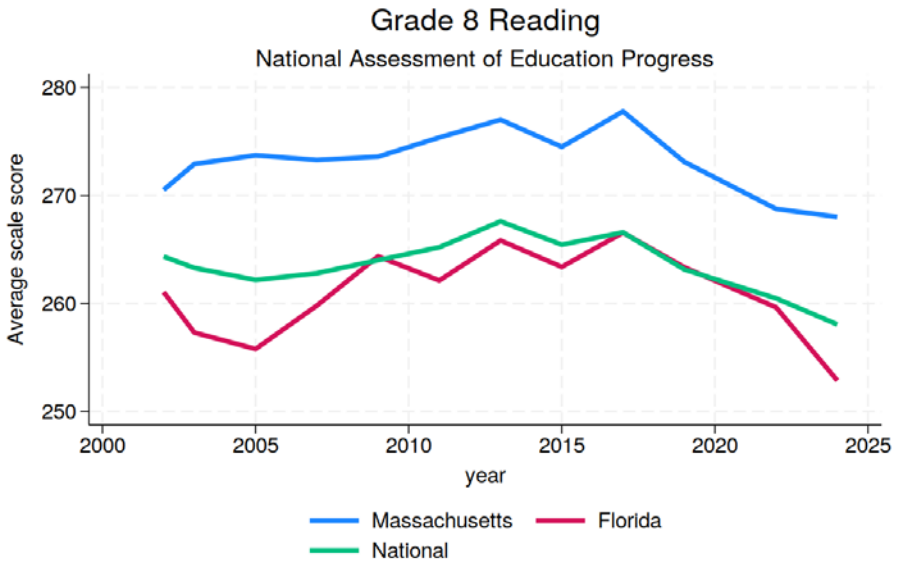

Figure 4b. NAEP Grade 8 Reading, average scale score.

In grade 8 math, Florida fell from 279 in 2019 to 267 in 2024 (–12 points), a steeper drop than the national decline from 282 to 274 (−8 points); Florida now trails the national average by 7 points and Massachusetts by 16. In grade 8 reading, Florida fell from 266 in 2017 to 253 in 2024 (–13 points) versus a national decline from about 267 to 258 (−9 points); Florida now trails the national average by 5 points and Massachusetts by 15 — having essentially matched the national

average as recently as 2017. District-level outcome data from the Stanford Education Data Archive show the same pattern: the distribution of Florida districts' combined math/reading outcome index, centered near the national average through 2019, shifted decisively negative starting with the 2022 assessments and has continued to decline through 2025, showing no sign yet of a pandemic recovery.

4. Policy Implications and Recommendations

The data point to a funding system that has both fallen behind overall cost growth and become less responsive to student need at the moment need-based cost differences are widest. Three implications follow directly from the findings above.

1. Close the adequacy gap, not just the appropriations gap.

Year-over-year increases in nominal K-12 appropriations have not kept pace with the estimated cost of average outcomes, which itself rises with regional wage growth, special-education needs, and poverty. Budget targets tied to enrollment growth or prior-year spending will not close the $15.7 billion adequacy gap; closing it requires benchmarking appropriations explicitly against a cost model, as several other states now do in their own school-finance litigation and formula reviews.

2. Restore weight for poverty in the state-and-local formula.

Because the progressivity of total spending is carried almost entirely by federal categorical aid, the state cannot rely on that aid to keep the system need-responsive — federal formulas were never designed to fully offset state-level funding gaps, and their growth has been flat relative to the state's own cost growth. Strengthening the poverty (and, where legally permissible, concentration-of-poverty) weighting in the Florida Education Finance Program base formula would directly address the state-and-local regressivity documented in Figure 2 and the poverty-group divergence in Figure 3.

3. Track the districts furthest from adequacy for targeted intervention.

The racial-disparity finding — that almost no majority Black/Hispanic district statewide escapes the underfunded/below-average quadrant — suggests that need-based formula adjustments alone may not be sufficient without district-level monitoring. A standing state dashboard identifying which districts remain furthest below the adequacy line, updated annually alongside the FEFA calculation, would let policymakers and the public track whether formula changes are actually closing the gap where it is largest.

A Note on Interpretation

These findings describe association, not proof of a specific causal mechanism: districts that spend less relative to cost also produce lower outcomes, consistent with (but not sole proof of) a causal link between funding and achievement, a relationship well supported in the broader school-finance research literature this database is built to track. Cost estimates are themselves modeled and carry uncertainty around any single district-year figure; the statewide and multi-year patterns reported here are more reliable than any single number in isolation.

About This Analysis

This brief is based on the School Finance Indicators Database (SFID), maintained by the Albert Shanker Institute and the Rutgers Graduate School of Education (Bruce D. Baker, Matthew Di Carlo, and colleagues), which combines U.S. Census Bureau F-33 school finance data, the Stanford Education Data Archive, and NAEP results to produce annual, need-adjusted cost and outcome estimates for every U.S. school district. Data cover Florida's 67 county school districts for fiscal/school years 2009 through 2024 (NAEP and SEDA outcome series extend from 2000–2025 where available). Full national data and methodology are available at schoolfinancedata.org.