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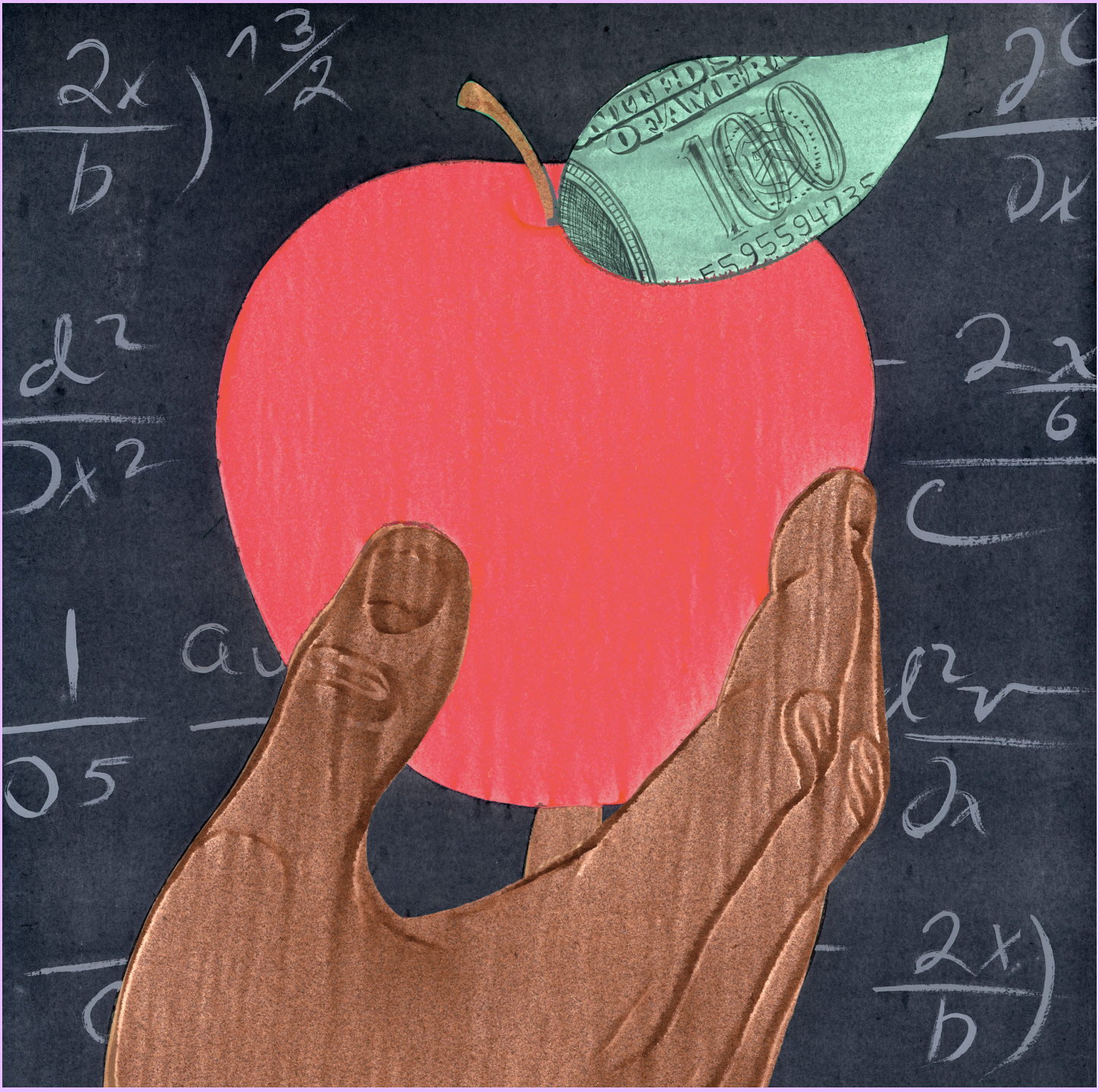

Learning Gap

Mississippi's Education Funding Disparities Deny Opportunities for Students of Color

About the Southern Poverty Law Center

The SPLC is a catalyst for racial justice in the South and beyond, working in partnership with communities to dismantle white supremacy, strengthen intersectional movements and advance the human rights of all people.

The SPLC's Democracy: Education and Youth litigation team is working to ensure that vulnerable children in the Deep South have equal opportunities to reach their full potential. This includes improving access to a quality public education, adequate child welfare programs, and appropriate mental and other health care services. We are challenging flawed or otherwise inadequate and exclusionary policies that disadvantage minority children and carry profound generational implications. The SPLC will continue to work across the region – using litigation, grassroots organizing, and advocacy – to ensure that every child has an equal opportunity.

About the Southern Education Foundation

The Southern Education Foundation (SEF) is a 501(c)(3) committed to advancing equitable education policies and practices that elevate learning for students of color and students from low-income families. With roots dating back to 1867, our focus is on the Southern states but our work reaches across the country. We develop and disseminate research-based solutions for policymakers and grow the capacity of education leaders and influencers to create systemic change. We now also provide direct support to school districts focused on addressing historic inequalities.

We envision a world where every student, regardless of background, enjoys an education that propels them toward the opportunity-rich life they deserve.

Cover Illustration by Alex Nabaum

Introduction

Funding disparities are opportunity gaps, which lead to outcome gaps

By Julian D. Miller, Esq., Southern Poverty Law Center; Max Altman and Alan Richard, Southern Education Foundation

When discussing education, a focus is often placed on educational outcomes, such as graduation rates, college attendance, and especially test scores. These outcomes are often compared – frequently using white and/or middle-class students as the group against which all others are measured – and such comparisons are used to make claims about educational success, often with the conclusion that Black and Brown students and students from low-income families are less academically successful than white students. However, this approach, which is often framed around an "achievement gap," misses the real issue. Students of color and those from low-income families do not have an achievement problem. Rather, outcomes like test scores are a symptom of opportunity gaps due to a host of factors, ranging from school funding and resources to disciplinary practices to teacher expectations to curriculum, and including out-of-school factors like medical services availability, financial resources, overincarceration, and child care. Consequently, the opportunity students have to learn and succeed in school varies widely.

School funding disparities present a major opportunity gap for many students. Underresourced neighborhoods have lower property values that lead to underresourced schools that are able to provide less opportunity for students to learn and succeed, even if they are full of passionate and hard-working educators doing their best for students. (Fewer resources also often result in higher levels of teacher turnover and teacher shortages that prevent students from accessing a full complement of trained teachers.) Considering that these same neighborhoods may have other characteristics, like being located in food deserts (areas without adequate access to healthy and affordable food), overpolicing, and limited access to social services, it is key to ensure that funding disparities are addressed. Further, this is a major equity issue – as described below, due to a range of explicit and purposeful policies and

practices since World War II, Black Americans disproportionately live in underresourced neighborhoods.

In Mississippi, the idea of equalizing opportunity to learn has been constitutionally enshrined for more than 150 years. Article VIII, Section 1 of Mississippi's Constitution of 1868 states this clearly:

> As the stability of a republican form of government depends mainly upon the intelligence and virtue of the people, it shall be the duty of the Legislature to encourage, by all suitable means, the promotion of intellectual, scientific, moral, and agricultural improvements, *by establishing a uniform system of free public schools, by taxation or otherwise, for all children between the ages of five and twenty-one years* [emphasis added], and shall, as soon as practicable, establish schools of higher grade.[1]

When Mississippi was readmitted to the union by act of Congress on Feb. 23, 1870, this equality of opportunity was further guaranteed by the provision that "the constitutions of Mississippi shall never be so amended or changed as to deprive any citizen or class of citizens of the United States of the school rights and privileges secured by the constitution of said state."

Mississippi, however, has violated this legal obligation multiple times. In 1934, it increased the minimum age for public school eligibility for children from 5 to 6. In 1960, following the *Brown v. Board of Education of Topeka* decision, Mississippi again amended its constitution to say that "the Legislature may, in its discretion, provide for the maintenance and establishment of free public schools for all children between the ages of six (6) and twenty-one (21) years, by taxation or otherwise, and with such grades, as the legislature may prescribe."[2] This enormous change from the concept of duty to discretion on the part of the legislature clearly violated the terms of Mississippi's readmittance. In 1987, this section was again amended, and it now says: "The Legislature shall, by general law, provide for the establishment, maintenance and support of free public schools upon such conditions and limitations as the Legislature may prescribe."[3] The removal of the language *requiring* the legislature to establish, maintain and support free public schooling to serve all students has led some scholars to argue that Mississippi is the only state whose constitution does not require the state to provide public schooling for all, in direct opposition to the requirements of its statehood.[4]

Today there are a number of major education disparities in Mississippi, and many of these disparities stem from funding issues that deprive students of color – particularly Black students – and students from low-income families of equality of opportunity in education. In this brief, we will discuss the connections between school funding and student outcomes, the funding disparities that cause opportunity gaps in Mississippi, and the outcome gaps that follow. We will conclude with a discussion of equitable funding approaches that could enable Mississippi to better meet its legal obligation to provide all students with opportunities for school success.

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Research
Correlations between funding and student outcomes

Research is clear that school funding is correlated with student outcomes and that increased school funding has particularly beneficial outcomes for low-income students. Researchers at the Education Law Center have found that targeting increased school funding to the needs of low-income students significantly and positively affects those students' educational and life outcomes.[5] Targeted funding can increase students' opportunity to learn – no surprise, since funding disparities are a major opportunity gap. Given the impact of opportunity gaps on educational outcomes, research also finds that student achievement is linked to school funding levels[6]. More specifically, research from the World Bank finds that school expenditures play an important role in students' math, reading and writing success,[7] and that increasing expenditures is particularly impactful in schools attended by students whose families are predominantly low-income.[8]

Sustained spending has been shown to improve specific student academic outcomes like test scores, graduation rates and college attendance.[9] Research also shows that nonacademic outcomes like attendance rates can be improved by investments in things like school facilities,[10]

school amenities such as breakfast programs,[11] and other supports such as transit passes for students.[12] Further, policies based on district characteristics can support these improvements, but most effective is spending targeted to specific students and schools – particularly Black, Latinx and low-income students – within districts.[13] International evidence also supports this more broadly, suggesting that targeting funding increases to lower-income and lower-resourced schools and students is key to increasing student achievement and reducing outcome gaps.[14]

Disparities in Mississippi

Many of the opportunity gaps that students face today stem from their geography – the areas they live in and the schools they attend. In Mississippi as in the United States more broadly, there are often substantial differences between the resources available in neighborhoods and schools occupied predominantly by Black and Brown children and families and those occupied predominantly by white children and families. Importantly, this is not just a coincidence, nor a result of people simply choosing to live with others like them. It is purposeful.

In 1933, the Home Owners' Loan Corporation (HOLC) was created as a federal agency as part of the New Deal. Its purpose was to standardize and reduce mortgage costs to provide a homeownership lifeline during the Depression to prevent default and foreclosure, and to purchase mortgages already in default to provide better terms for families who were struggling. As part of this process, it also created a series of maps[15] intended to identify the lending risk for different neighborhoods. The agency assigned four ratings to neighborhoods: A (best), shown on the maps in green; B (still desirable), shown in blue; C (definitely declining), shown in yellow; and D (hazardous), shown in red.

These ratings were based on several factors, but one explicit factor was the neighborhoods' ethnic and racial makeup, and the presence of even a single Black family could earn a neighborhood a hazardous rating.[16] These neighborhoods, as noted, were shown in red — redlined — on HOLC maps. Without any additional context, it is worth noting the impact this single procedure had on the makeup of American cities even today — 74% of the neighborhoods graded hazardous 80 years ago are low- to moderate-income neighborhoods today, and two-thirds of them today are more than half residents of color.[17]

In 1934, the Federal Housing Administration was created. It continued the redlining practices of the HOLC and explicitly refused to back loans to Black people, or even to white people living in neighborhoods near Black people.[18] A decade later, the Servicemen's Readjustment Act of 1944, better known as the GI Bill, was drafted to support World War II veterans, with one of its main focuses on housing. House Veterans Committee chair John Rankin, a Mississippi congressman and staunch segregation defender, worked to ensure the program be administered at the state instead of federal level, and to structure provisions to be as difficult as possible for Black veterans to take advantage of.[19] This is, of course, only the explicit legal prevention — it does not include instances such as when a crowd pelted Black veterans with rocks as they tried to move into a housing development in Chicago in 1947; or the attacks and lynchings perpetrated against Black veterans across the United States when they looked for housing in better-resourced, and thus white, neighborhoods.

Further, the mortgages and loans were not actually administered by the Department of Veterans Affairs. Rather, while the VA could cosign, financial institutions made the ultimate loan decisions, and these institutions could simply refuse loans to Black families.[20] The level to which this strategy was put into play in Mississippi to refuse housing and loans to Black families was incredible – of the 3,229 loans across 13 cities in Mississippi in 1947, only two went to Black families.[21]

These policies and their implementation successfully gave many white Americans opportunities to own their own homes, to move to better-resourced neighborhoods, and to raise families with access to key health, education and other services; and successfully sequestered Black Americans together away from these possibilities. Systematic privileging of the one and harming of the other could then be easily enacted.[22] Real estate agents consistently refused to show Black homebuyers homes in white neighborhoods, instead only permitting them to see homes of lower value and often lower quality in Black neighborhoods. The homes they did see were often divided up into many tiny

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apartment-style dwellings rather than sold as a single house. Racial covenants in deeds banned homeowners from renting or selling to people of color, and zoning laws were implemented that kept white neighborhoods far from Black neighborhoods.[23] While this level of racial explicitness in housing policy is gone in the United States today, many of these policies have led directly to those of our current system, which continues to have deeply inequitable outcomes.

Further, a 2024 report by the National Bureau of Economic Research found that white decision-makers in majority-Black school districts strongly favored white schools for funding allotments following the establishment of a 1920 school finance equalization program. High spending on white students in those districts caused them to then become ineligible for the program, which eliminated an additional funding opportunity for Black students in those majority-Black districts, worsening funding disparities further. They also find that education spending at the local level noticeably affected Black enrollment rates based on the 1940 census.[24]

The racial disparities we see today in wealth, income and neighborhood resources are not an accident. Neither is the fact that the most underresourced neighborhoods tend to have a high Black and Brown population.

Further, a 2024 report by the National Bureau of Economic Research found that white decision-makers in majority-Black school districts strongly favored white schools for funding allotments following the establishment of a 1920 school finance equalization program.

In Mississippi

Mississippi ranks 46th in the nation for per-pupil funding levels, at more than $4,000 below the national average,[25] and racial and educational disparities in the state are stark. 45% of Black children in Mississippi live in poverty, compared to 13% of white children.[26] Mississippi is also home to three of the 50 most segregating school district borders in the nation – as one example, the Tunica County school district is 98% nonwhite with a 47% poverty rate, while the neighboring DeSoto County district is 48% nonwhite with a 12% poverty rate.[27] These disparities limit the equal opportunity to learn that students should receive.

This results in major educational disparities by race. Only four out of the 43 school districts with A ratings by the Mississippi Department of Education have a majority Black student population, while all 11 D- and F-rated school districts have a majority-Black student population.[28] Math proficiency as measured by the Mississippi Academic Assessment Program (MAAP) ranges from 7.2% (Humphreys County, 78% Black) to above 73% (Petal School District, 74.5% white, and Union County, 77.6% white) – that is 10 times the percentage of proficient students.

A 2023 report from the Mississippi Center for Justice[29] (MCJ) identifies a number of other disparities that students face, particularly since the beginning of the pandemic. One of these is disparities in technology access, particularly broadband; the shift to increased virtual learning demands internet access for students to receive and complete instruction and work. Many rural school districts in Mississippi are located in areas with limited or nonexistent internet access. This limited access, which again is often differentially limited by race and class, represents a major gap in opportunity to learn, with some residents noting that they were forced to do things like drive to church parking lots to access the internet.

Further, the major COVID-19 relief funds that were shared with districts were shared with all districts, but MCJ finds that challenges in using the funds due to things like the supply chain, district planning issues, and lack of available staffing and resources, these resources too had differential impact. Additionally, stress and challenges that arose from the pandemic created major mental health needs for students. In rural districts, mental health professional availability is often limited or nonexistent, causing additional challenges for students and their families as Mississippi – as with other states – works to recover from the pandemic.

MAEP

Until 2024, the Mississippi Adequate Education Program (MAEP) was a law intended to ensure that all students receive an education that reaches a level that is deemed to be at least adequate. It introduces a formula that determines a base cost to provide each student with an adequate education. Each Mississippi district is expected to provide a local contribution to fund up to 27% of this base cost. The state is legally required to fund the difference between what the district provides and the total per-student cost.

Every school district in Mississippi was funded at less than the amount required by state law in fiscal year 2023. This illegal funding shortfall ranges from $100,000 to $200,000 for several

small charter districts up to more than $20 million for Desoto County (Mississippi's largest district) in the northwest corner of the state.[30]

Overall, these shortfalls added up to a total statewide FY2023 funding gap of more than $270 million below the legally required funding levels Mississippi set for itself. MAEP was last fully funded in 2008, and between 2009 and 2023 this consistent underfunding of students' educational needs has resulted in a loss of approximately $3.35 billion across the state of Mississippi.[31] This amount is more than the 2023 cost of funding every district in the state, meaning that Mississippi's failure to fund its districts to the level of its own self-determined legal formula has over the last 15 years taken away more than an entire year's worth of funding for every school and district in the state.

In 2024, the Mississippi legislature replaced MAEP with the Mississippi Student Funding Formula, which accounts for instructional, administrative, ancillary personnel, and operations/maintenance costs. This formula will provide $218 million in additional funding to schools in Mississippi in the 2024-25 school year. The organization Mississippi Professional Educators reports that less than 24 hours passed between the introduction of this bill and its passage in both chambers, greatly limiting its vetting or review, and its future outcomes remain to be seen.[32]

Equitable Funding Approaches

In addition to ensuring that districts have fair access to resources, there are different approaches to equitable funding in the South that may be helpful when thinking about how to make student opportunity a priority in the work that the state and its districts do.

As one example, Andre Perry at the Brookings Institute suggests that funding formulas should include additional funding weights for students who come from a family with at least one parent who is incarcerated or was formerly incarcerated. Mississippi's incarceration rate of 1,030 individuals per 100,000 is higher than any country in the world,[33] and the majority of those who are incarcerated are people of color with children in the public school system who can strongly benefit from mentoring and trauma-informed services. Expanding the way in which we think about what equity in funding and resourcing requires can help to better support students who may currently have less opportunity to learn and succeed in school while also advancing racial equity.

Multiple Southern states have made changes to their funding formulas to better serve their students. In Texas, for example, the Legislature passed House Bill 3, a school finance reform bill that dedicated more than $5 billion to revamp how the state collects taxes to fund the public school system. The legislation focused on state aid instead of property taxes, with the result that wealthier communities pay a higher share of the operational education costs of low-wealth school districts. Tennessee has also overhauled its K-12 funding formula, which now includes provisions for additional funding to students from low-income families. The Tennessee Investment in Student Achievement law replaced the old school funding formula, moving from a resource-based funding model to a student-based funding model. This new approach provides extra funding weights that are allocated to specific groups of student subgroups, including those who live in low-income households. There are other efforts such as the Family Poverty Index in New Mexico that created a new funding stream to provide wraparound services and literacy instruction to schools with the highest poverty rates across the state.

Additionally, a new, progressive funding formula could be implemented that not only could address public school funding disparities in Mississippi but could also be replicated nationally – something akin to "public school financial aid." Per-pupil funding in Mississippi and all states would be set to the average per-pupil funding of the five top-performing state educational systems. Both the federal government and the state government would then be responsible for making up the difference in that base cost from the local district's contribution. Local school districts would no longer have a set percentage of the base cost they would have to contribute; rather, their contribution would be determined by their tax base, meaning the lowest-wealth school districts would receive the most funding from the state and federal governments to cover their per-pupil amount. This also means districts can receive sufficient resources to raise teacher salaries at a competitive rate, repair crumbling infrastructure, provide universal after-school and summer enrichment

$3.35 BILLION

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programs, reindustrialize high schools, and provide other wraparound services to ensure that the conditions of the districts are not a barrier to a student's success. Current federal funding mechanisms would be overhauled to be structured in this way and to be made universal among school districts. Further, relying more on federal government aid to supplement state aid could ameliorate the potential political backlash from legislation like Texas' House Bill 3, a school finance reform bill that dedicated more than $5 billion to revamp how the state collects taxes to fund the public school system. The legislation focused on state aid instead of property taxes, with the result that wealthier communities pay a higher share of the operational education costs of low-wealth school districts.

Each state has its own approach to funding its schools and school systems. The emphasis, however, should be placed on funding the public education system at the rate it needs to meet its constitutional K-12 mandate and the academic goals outlined by the state department of education. In Mississippi, this mandate is not being met, which is leaving many students without access to the high-quality education they are owed.

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