



\$550M
FOR SCHOOLS



FUND THE FORMULA: \$450M for EBF
Funding the formula matters for kids, now more than ever. Investing **\$450M in new funds** for Evidence-Based Funding (EBF) will prioritize our highest need students.

PROTECT PROGRESS: \$100M FOR MCATs
Underfunding of Mandated Categoricals puts pressure on EBF funding. Investing **\$100M in MCATs** puts the state on a path to fully fund these essential costs and ensures that EBF dollars are used as intended.

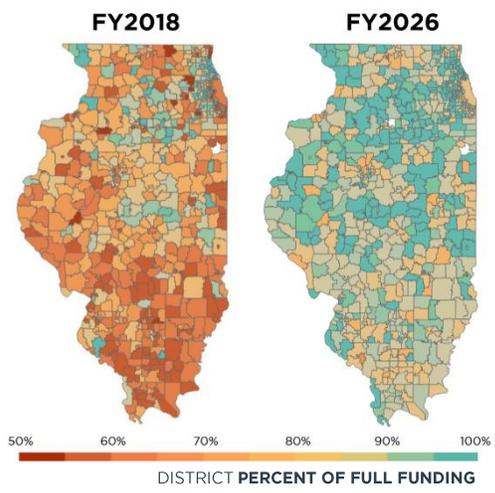
Investments in education change kids' lives.

Research demonstrates that high-quality educational experiences make a difference for our students and their communities. Investing in education pays off for the state, resulting in **improved educational attainment, increased earnings, reductions in poverty, and better health outcomes.**

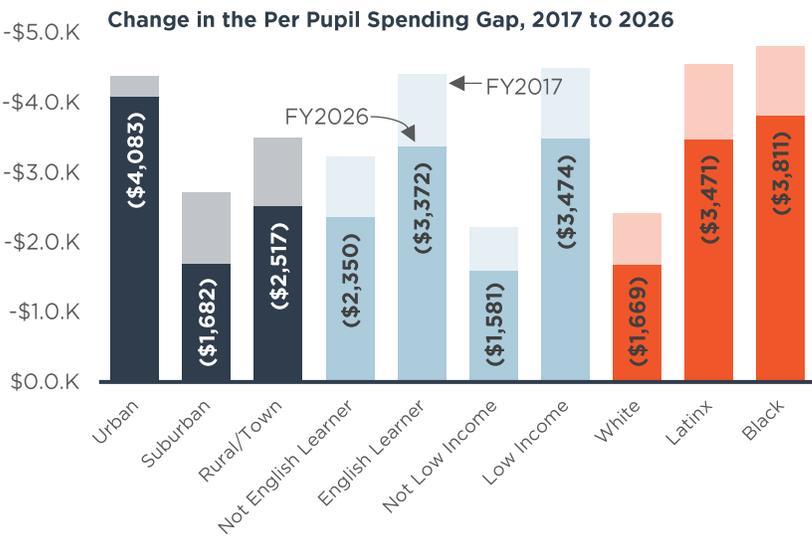
Even with progress made, 3 in 4 students still attend underfunded districts, according to EBF.

Illinois' Evidence-Based Funding (EBF) formula works to reduce longstanding funding inequities - but we are still \$3.0 billion away from fully funding the system.

In 2017, Illinois committed to adequately and equitably funding K-12 schools through the passage of EBF. **Each year that the state increases funding for EBF, the formula drives new state resources to the districts furthest from full funding.** Investments in EBF (see right) have reduced the number of severely underfunded districts (<70% of needed resources) from 459 districts in 2017 to 56 district in 2026, allowing schools to provide stronger instruction and support. These positive impacts are felt by students across the state.



Investing \$450M more in EBF is the best way to address systemic inequities in K-12.



In 2017, the General Assembly set an ambitious goal to fully fund EBF by 2027. **While we're not there yet, reaching full funding in the next decade is possible with an annual commitment of \$450M in new funds.**

The \$2.8 billion invested in EBF so far has worked to **decrease per-pupil spending gaps** (see left) for students from low-income households, students of color, and English Learner students, who are disproportionately concentrated in Illinois' most underfunded districts. EBF investments have also decreased the funding gap for students in rural and urban districts, who face greater underfunding on average than suburban students.

ADDRESSING SYSTEMIC INEQUITIES AND IMPROVING ACADEMIC OUTCOMES FOR ALL ILLINOIS STUDENTS REQUIRES INVESTING AN ADDITIONAL \$550 MILLION FOR SCHOOLS FOR FY27.

Districts also face underfunding of Mandated Categoricals, state grants which cover essential services left out of EBF.

While EBF investments account for most of the costs of providing public education, certain essential and often legally mandated services are covered through Mandated Categoricals (MCATs). **Due to persistent underfunding, ISBE only partially reimburses districts for the state share of these essential services.**

In FY26, MCAT appropriations fell short of claims by over \$500 million. Underfunded MCATs don't just shortchange student-centered services — they dilute equity-focused EBF investments, trapping schools in a cycle of covering mandated spending at the expense of student opportunity.



Lessons learned in the pandemic show that money matters in K-12 outcomes.

While most other states saw dramatic declines in learning due to pandemic disruptions, **Illinois students largely held steady in English and math proficiency**, as measured by scores on the NAEP, or the “Nation’s Report Card”. EBF investments enabled schools to support their students and communities in unexpected and deeply challenging circumstances. Nevertheless, **outcomes remain inequitable across lines of race and income.** There is still work to be done.

Rising costs and declining revenue put immense pressure on district budgets.

The need to advance learning and close gaps remains pressing, but our school districts need funds to accomplish this goal. Districts today face a significant set of budget pressures, including:

- 1. Inflation and rising costs.** Illinois’ \$350 million investment, while meaningful, doesn’t go as far as it once did. A \$350 million purchase in 2017 now costs \$470 million—with even steeper increases in some costs such as transportation.
- 2. Declining CPPRT (Corporate Personal Property Tax) Revenue** shortchanged schools by over \$880 million in FY26, stabilizing at pre-pandemic rates.
- 3. Instability of federal funds**, which the EBF model assumes will cover 10% of K-12 budgets. Even when funds are reinstated or released late, uncertainty at the federal level has direct impacts on schools.
- 4. Rising student needs.** Youth mental health has plummeted in Illinois and across the country. Additional services are needed to support students to achieve strong academic outcomes.

If we expect our districts to deliver more for students, we can’t offer them less.
 A \$550 million increase in K-12 funding in FY27 will help mitigate budget pressures, advance strong instruction and support for student success, and keep Illinois on a path to redress historic funding inequities.