

## **NEBRASKA TAXPAYERS FOR FREEDOM ISSUE PAPER:**

### **TAXPAYER FUNDING FOR EDUCATION INCREASES BUT DISMAL RESULTS.**

**BACKGROUND.** Local and state funding from NE taxpayers for our public school system continues to increase, largely because of the intimidating education lobby in the Legislature. Meanwhile, reports continue to illustrate that this escalating spending is not producing better academic results or enhancing student futures. The 2025 NE Higher Education Progress Report from March 14, 2025, produced by the NE Coordinating Comm. for Postsecondary Education, starkly portrays this evidence.

**ACT SCORES.** In 2014, NE high school students meeting English college readiness benchmarks hit 72% compared to 64% nationally. Each year since, the NE percentage dropped, recently to 49% in 2024, compared to the 51% national score. In Math, NE students hit 45% proficiency in 2014 compared to the 64% national percentage. By 2024, the NE percentage dropped to 28%, while the national percentage dropped only to 51%. Regarding meeting reading benchmarks, NE high schoolers hit 48% in 2014, higher than the national 44%. However, by 2024, the NE reading percentage dropped to 35% compared to the 40% national percentage. Finally, examining science readiness benchmarks, NE students hit 42% in 2014, compared to a lower 37% national percentage. By 2024, NE student readiness had fallen in science to 28% compared to the national 30%. In 2014, the number of NE high school juniors ACT-tested on core subjects stood at 13,909, or 78%. However, by 2024, this number had decreased to 11,375, or 46% of students, perhaps because NE public schools are embarrassed by the test results. The study concluded that only 49% of ACT-tested NE high school students graduating in 2024 met or exceeded the College Readiness Benchmark Score of 18, indicating a moderate possibility that these students would earn only C-level college grades in English Composition. Next, only 28% met or exceeded the math benchmark score of 22 for college algebra, 38% met or exceeded the benchmark score of 22 on the reading test, and only 28% met or exceeded the science benchmark score of 23 for biology. In summation, since 2014, the percentages of NE students who met or exceeded ACT benchmarks on English, math, reading, and science tests decreased by 23, 17, 12, and 14 respectively. Only 18% of NE high school graduates in the Class of 2024 met or exceeded the ACT College Readiness Benchmarks in all 4 subject areas, 11% points lower than in 2014. This situation means that only 18% of all NE ACT-tested high school graduates are sufficiently prepared academically to succeed in entry-level college course work in Algebra, Biology, English, Reading, and Social Sciences.

**GRADUATION RATES.** In the 2013-2014 school year, 90% of NE public high school students graduated, 87% of males and 92% of females. During the 2023-2024 school year, only 88% of high school students graduated, 86% of males and 90% of females.

**COLLEGE CONTINUATION.** The NE college continuation rate for the 2022-2023 public high school graduating class was only 64.9%, declining from 70.8% in 2012-2013. The college continuation rate for female students in these classes was higher than the rate for their male classmates. In 2023, the full-time student retention rates for 4-yr. NE institutions of higher education set at 79.6% for NE students compared to 82% nationally.

**TAXPAYER FUNDING OF K-12 EDUCATION.** Nebraska state spending on K-12 education increased by 8% in FY 2022. In that year, NE received federal pandemic aid, which helped to increase state spending on K-12



education. In 2023-2024, NE state aid to K-12 public schools increased by \$65 million, a 3.1% increase in overall state spending approved. The state increased spending in K-12 public schools by \$324 million, hoping to offer property tax relief.

Instead, school districts increased property taxes by \$85 million in 2024. Local school taxes, excluding bonds, increased by 3.17% between the 2022-2023 and 2023-2024 school years.

To alleviate high property taxes, the state in 2024 invested \$1 billion in the Education Future Fund to support K-12 education, plus increases in special education funding. NE K-12 schools collect between 56% and 60% of all NE property taxes. In 2024, school districts accounted for \$3.2 billion in property taxes of a \$5.3 billion total property tax burden. As

the state has increased its financial commitment to school districts, many have responded by bloating their budgets through levy overrides and bond issues. Property taxes constitute 65.7% of combined state plus local funding of K-12 schools, which spend \$16,643 per pupil for a total of \$5.48 billion annually, higher than all adjacent states. Property tax funding totals \$3.09 billion, or \$9,397 per pupil. NE school spending exceeds revenues by \$131.4

million, or \$399 per pupil.<sup>1</sup> Many school districts have spending caps, but school boards often override them, leading to continued reliance on higher property taxes.

**TAKE ACTION NOW.** It is patently obvious that NE taxpayers are overpaying both locally and at the state level for our K-12 public education system, because lower academic achievement does not coincide with our skyrocketing state and local spending on education. The causes are several. Resistance to teaching basic curricula in the schools. A leftist teachers' union with a stranglehold on our public schools. A tide of illegal aliens flooding our public schools, dragging down the achievement scores. Too many liberals on the State Board of Education who refuse to restore basic learning content and teaching techniques to our classrooms. Remedying the above problems will take years, yet taxpayers diligently must work to find and support traditional conservatives for spots on our local school boards and State Board of Education. Also, a need to prompt state senators to remove the monopoly of the NSEA union in our public school systems and to demand accountability. Finally, we must strongly urge our congressional delegation to help the Trump Administration stifle illegal immigration. Email [netaxpayers@gmail.com](mailto:netaxpayers@gmail.com) for contact information for elected official contact information and additional details on our NTF *Education Watch Project*.

Research, documentation, and analysis for this issue paper done by **Nebraska Taxpayers for Freedom**. This material copyrighted by Nebraska Taxpayers for Freedom, with express prior permission granted for its use by other groups in the *NE Taxpayer Coalition Network*. 5-25. C



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<sup>1</sup> Education Data Initiative. Melanie Hanson, U.S. Public Education Spending Statistics, Feb. 8, 2025.