

POLICY ISSUE BRIEF: POVERTY AND ITS IMPACT ON STUDENTS

Issue at a Glance

All students come to school with their own set of unique gifts, abilities, and challenges. Recent data has found that students living in poverty often face far more challenges than their peers. According to the National Center for Education Statistics, 16% of individuals under 18 lived in poverty during the 2021–22 school year, and 21% of students attended high-poverty schools during that same year. The data also show that higher percentages of Hispanic, African American, American Indian/Alaska Native, and Pacific Islander students attended high-poverty schools than white students.

Here's the reality of what our public education system is facing today: Nearly one-fifth of students nationwide are either living in poverty, attending a high-poverty school, or both. Poverty negatively impacts students in a variety of ways within PreK–12 education and beyond, including health issues stemming from a non-nutritional diet, homelessness, lack of food, or the inability to receive medical treatment for illnesses.

These factors often place more stress on a student, which can negatively impact the student's ability to succeed in a school. Students living in poverty often have fewer resources at home to complete homework, study, or engage in activities that help equip them for success during the school day. Many impoverished families lack access to computers, high-speed internet, and other materials that can aid a student outside of school. Parents of these families often work longer hours or multiple jobs, meaning they may not be available to assist their children with their schoolwork.

In many high-poverty districts, resources are severely lacking in schools. Nearly every state has its own division of funding for school districts and education based on property taxes. Unfortunately, this system unfairly affects individuals living in poverty and the students attending school in those areas. Because property taxes are often much lower in high-poverty areas, schools in those areas receive less than their more affluent counterparts. According to the U.S. Department of Education, 40% of high-poverty schools are not receiving a fair share of state and local funds. High-poverty districts receive 14.1% less in revenue than low-poverty districts, and they spend nearly \$2,000 less per student on average than low-poverty districts.

A further complication is seen when analyzing an EdTrust report from 2022 which includes [The State of Funding Equity Data Tool](#), a comparison of which states receive more or substantially less to support low-income students. For example, South Dakota's high-poverty districts receive 35% more in state and local revenue than low-poverty districts versus Illinois which receives 19% less in state and local revenue.

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A lack of revenue often leaves states and schools with limited budgets to address a multitude of issues, including hiring educators, updating resources for students, preparing students for postsecondary education or the workforce, dealing with unsafe infrastructure, and more. There are often instructional gaps for those attending high-poverty schools as well. Data show that students from low-income families are more likely to be taught by lower-credentialed and novice teachers. Research has also shown that these less experienced teachers in high-poverty schools are often less effective than their more experienced peers who are often hired by higher-income schools and districts. The lack of high-quality instruction serves to only further separate academic achievement levels for students.

National Principals Association Position

- All students, regardless of income level or background, are capable of and should receive the support and resources necessary for success.
- Students from low-income families often face additional barriers that can impede academic success compared to their peers from higher income households.
- Principals provide leadership for instilling a culture of success and support within their schools and should strive to provide each student with the supports necessary to succeed. Principals should strive to achieve this through all available avenues, including through strategic partnerships.
- National Principals Association affirms the Professional Standards for Educational Leaders (PSEL) which state that effective educational leaders strive for equity of educational opportunity and culturally responsive practices to promote each student's academic success and well-being.
- National Principals Association's policy brief on [Preparing All Students for Postsecondary Success](#) offers additional recommendations to promote equitable support for all students and adequate preparation to enter the workforce or a postsecondary institution following high school.

Recommendations for Federal Policymakers

- Advance policies that incentivize and support well-trained teachers, principals, and other educators to work and remain in high-poverty schools.
- Provide additional federal funds and resources for programs, such as Title I and the Supplemental Nutrition Assistance Program, aimed at supporting students from low-income families.
- Ensure federal funds are divided equitably so that high-poverty districts are guaranteed a fairer share of federal dollars.
- Invest in federal programs that support hiring and retaining well-trained school leaders, recognizing the critical role principals play in establishing a culture and learning environment that students need to be successful in a global society.
- Prioritize school improvement strategies—such as community schools—that include resources and supports to address the barriers poverty creates to student success.
- Provide additional resources and invest in programs for students from low-income families to enter postsecondary education or the workforce.

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- Enact legislation aimed at improving school infrastructure, with a particular focus on buildings in high-poverty districts that pose potential health threats to students, educators, and other faculty in the school.
- Expand the maximum allowance of Pell grants, and share information with states, local education agencies, and universities on application eligibility and processes.
- Fully fund federal programs that increase connectivity for all students, like the E-Rate program which provides discounted telecommunications services to schools.

Recommendations for State Policymakers

- Ensure state funding formulas are properly balanced, so all districts receive an equitable and sufficient share of funds based on student poverty levels, property tax revenue per district, or other evidence-based indicators of poverty.
- State and local funding should be allocated so that higher-need districts serving more students from low-income backgrounds and English learners receive more funding; and that districts serving the most students of color do not receive less funding.
- States should increase funding to districts that have less ability to raise local revenue, and states should limit the ability of property-wealthy districts to create new inequities through additional local funds.
- Ensure transparency about the system's design and monitor funding going to districts.
- Share clear and transparent data on the amount of funding that schools receive.
- Reevaluate state investments in education to ensure school districts receive the funds necessary to promote student success.
- Prioritize school improvement strategies—such as community schools—that include resources and supports to address the barriers to student success that poverty creates.
- Invest in curriculum that prepares students for 21st-century employment and participation in a democracy. This will prepare students for life beyond secondary education and better enable them to be successful in the workforce and financially secure.
- Prioritize and invest in state financial aid for school districts based on need instead of merit, which disproportionately helps high-income and white students.
- Make investments over a long-term basis rather than short term, as long-term investments have a proven track record of improving high-poverty school districts.

Recommendations for District Leaders

- Make sure that your district and school funding systems ensure equal access to core educational services for each student in PreK–12 education.
- Ensure that school funding systems provide additional resources for low-income students to ensure they have a more level playing field for achieving success.
- Use per-pupil expenditure (PPE) data to evaluate district funding decisions and make changes based on this data when inequities are presented.

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- Support ongoing learning for school leaders, recognizing that their role is changing and that the demands of high-poverty schools are expanding, requiring continual development.
- Advance policies that ensure highly qualified educators are working in high-poverty schools.
- Urge state policymakers to reevaluate unfair funding practices that negatively impact high-poverty districts.

Recommendations for School Leaders

- Instill a culture of growth and success in your school that effectively educates all students about the opportunities available to them following secondary education.
- Provide benefits and resources within schools to all students so those living in poverty have the necessary supports to succeed, with the assistance of outside partners such as internet providers, food suppliers, or health care organizations. Examples include: free breakfast, extended library or lab hours after school, and allowing students to take home WiFi hotspots.
- Provide professional development for teachers and staff to assist them in working effectively with students in poverty and address the impact of associated trauma and chronic stress.
- Provide students with access to college admissions, scholarships, financial aid information, and personnel to help students navigate postsecondary education opportunities.
- Ensure that budget discussions and requests are conducted in a transparent process that allows for input from a variety of groups and stakeholders in the school community