

# State Ratings Rubric: Alabama

MEETS CRITERIA

PARTIALLY MEETS CRITERIA

DOESN'T MEET CRITERIA



Rating went up since last year



Some improvements since last year



Rating did not change



Rating went down since last year



Some decline since last year

Last updated: August 2025

| COMPONENT                                   | DESCRIPTION                                                                               | RATING                                                                                | EXPLANATION                                                                                                                                                                                   |
|---------------------------------------------|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FUND STUDENTS ADEQUATELY                    |                                                                                           |                                                                                       |                                                                                                                                                                                               |
| <b>Funding Adequacy</b>                     | Per-student funding is at or above the national average (\$16,645).                       |    | Per-student funding was \$2,788 less than the national average in the 2021-22 school year.                                                                                                    |
| <b>Yearly Increases</b>                     | Base funding for all students increases every year to account for inflation.              |    | Alabama does not have a per-student base amount, but the Foundation Program increased by 3.1% for the 2025-26 school year, from \$4.63 billion to \$4.78 billion.                             |
| <b>Progressive Tax Policies</b>             | The state maintains healthy revenue sources for schools.                                  |    | No major reforms to property, income, or sales tax in 2025.                                                                                                                                   |
| FUND STUDENT NEEDS EQUITABLY                |                                                                                           |                                                                                       |                                                                                                                                                                                               |
| <b>Student-Based Formula</b>                | The funding formula is primarily student-based.                                           |  | Hybrid formula.                                                                                                                                                                               |
| <b>Students from Low-Income Backgrounds</b> | The state provides additional funds for students from low-income backgrounds.             |  | 2.25% weight for the 2025-26 school year (the RAISE Act allows a weight of up to 20%).                                                                                                        |
| <b>English Learners</b>                     | The state provides additional funds for English Learners.                                 |  | 7% weight for the 2025-26 school year, plus 3% for districts with many English Learners (the RAISE Act allows a weight of up to 15%, plus up to 5% for districts with many English Learners). |
| <b>Students with Disabilities</b>           | The state provides additional funds for students with disabilities, based on their needs. |  | Three different weights based on the type of disability, ranging from 2% to 75% (the RAISE Act allows tiers from up to 25% to 150%).                                                          |

| FUND DISTRICTS APPROPRIATELY              |                                                                                                                                             |                                                                                       |                                                                                                                                                                          |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cost Sharing</b>                       | The state requires local governments to share the cost based on their ability to pay.                                                       |    | Local governments contribute based on their revenue from property, sales, and other taxes.                                                                               |
| <b>Local Revenue Cap</b>                  | The state limits wealthy districts from contributing excessively more than other districts.                                                 |    | The state sets a cap that voters can override.                                                                                                                           |
| <b>Rural Districts</b>                    | Small districts and districts with few students per square mile (“sparse districts”) receive additional funds.                              |    | No additional funding.                                                                                                                                                   |
| <b>Concentrated Poverty</b>               | Districts with high concentrations of poverty receive <a href="#">additional funds</a> .                                                    |    | No additional funding.                                                                                                                                                   |
| FUND STUDENTS TRANSPARENTLY & EFFECTIVELY |                                                                                                                                             |                                                                                       |                                                                                                                                                                          |
| <b>Formula Transparency</b>               | The funding formula is easy to understand and clearly explained.                                                                            |    | The new student-based RAISE Act is transparent and clearly explained, but the resource-based Foundation Program is not.                                                  |
| <b>Funding Data</b>                       | The state shares detailed, timely, and user-friendly public data on districts’ funding.                                                     |    | Data is detailed, but not timely or user-friendly.                                                                                                                       |
| <b>District Spending Plans</b>            | The state requires districts to share public reports about how they invest funds to meet students’ needs.                                   |    | Districts must publish accountability reports each year that show specific investments and how they relate to district goals for student groups with additional funding. |
| <b>Formula Review</b>                     | The state requires a clear, stakeholder-led process to evaluate the formula and recommend improvements.                                     |  | A review committee of legislators and state officials must meet yearly and give recommendations to the legislature, but they are not required to engage stakeholders.    |
| FUND PUBLIC SCHOOLS EXCLUSIVELY           |                                                                                                                                             |                                                                                       |                                                                                                                                                                          |
| <b>Vouchers</b>                           | The state does not divert public funds to private schools through voucher programs, education savings accounts, or scholarship tax credits. |  | The CHOOSE Act provides vouchers with near-universal eligibility and minimal accountability requirements.                                                                |

Sources: Education Law Center, EdFund, EdBuild, Bellwether, Education Commission of the States, Institute on Taxation and Economic Policy, A+ Education Partnership