



Educator Pay Strain in the United States

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I. EXECUTIVE SUMMARY

Educators across the United States have been facing financial challenges due to stagnant wages, rising living costs, and an increase in professional expectations. Despite being the foundation of the careers of tomorrow, teachers remain undercompensated relative to their level of education, workload, and societal impact. This brief will cover the systematic causes of the educator pay strain, how current policies affect it, and how a variety of newer policies can be put in place to raise teacher salaries and restore respect to the profession.

II. OVERVIEW

Teaching is one of the few professions that affects every family, fuels every industry, and shapes the future. Yet, in the United States it remains one of the most undervalued. Despite being essential to societal progress and democratic stability, teachers face increasing demands with diminishing compensation. As burnout rises and the educator pipeline narrows, it has become clear that underpaying teachers is not only a labor issue. It's a national crisis with long-term consequences for equity, innovation, and economic mobility.

A. Relevance

Teachers are among the most vital contributors to long-term societal well-being, yet they are

consistently underpaid relative to similarly educated professionals. According to the Economic Policy Institute (2023), U.S. teachers earn 23.5% less than comparable college-educated workers. This growing compensation gap fuels teacher burnout, turnover, and a long-term decline in interest for this profession. Factors which disproportionately affect low-income and rural communities due to structural funding disparities and geographic isolation. Ensuring fair educator compensation is essential to upholding education quality and quantity.

III. HISTORY

A. Current Stances

At the federal level there is currently no comprehensive legislation addressing educator pay. While the U.S. Department of Education had supported teacher recruitment and training through the initiatives of the Teacher Quality Partnership Program; there is minimal federal investment aimed at increasing base teacher salaries. The Biden administration's American Families Plan proposed allocating funding towards raising teacher pay, but the proposal stalled in Congress amid broader budget negotiations. On the state level, responses to the issue vary widely. States like New Mexico, Massachusetts, and Washington have taken bold steps to raise starting teacher salaries and tie pay to inflation, where other states such as Florida, Texas, and Oklahoma rely more on limited

performance-based bonuses, which often fail to reach all educators or provide long-term security. In states with weaker union protection or where collective bargaining is restricted, teacher compensation lags significantly. Teacher stipends, additional payments for duties like coaching or teaching high-need subjects have been used to supplement low base salaries and incentivize filling critical roles. However, stipends often lack consistency and do not replace the need for adequate base pay, sometimes creating inequalities when unevenly distributed. Retirement benefits are a key part of teacher compensation, offering long-term financial security that aids recruitment and retention. While strong pensions make teaching more attractive, some states face pension funding challenges, which can reduce benefits or increase costs for educators. On the other hand, teacher unions like the National Education Association (NEA) and American Federation of Teachers (AFT) have been vocal in advocating for a national salary floor and stronger workplace protections. Public sentiment has shifted notably in favor of educators; recent polls by PEW Research indicate that over 70% of Americans believe teachers are underpaid, with support cutting across partisan lines. This growing consensus, combined with worsening shortages, has amplified calls for action at both state and federal levels.

IV. POLICY PROBLEM

A. Stakeholders

Perhaps the group of stakeholders that are at the center of this national crisis is educators themselves, especially those in public school, whose financial well-being, job satisfaction, and

career longevity are directly affected by stagnant or insufficient salaries. Closely connected are students and families, particularly in low-income and rural areas, who face the consequences of high teacher turnover, staffing shortages, and a lack of experienced educators in critical subject areas. School districts and state education agencies also carry a major burden, struggling to recruit and retain qualified staff while managing tight budgets and competing local demands. School districts and state education agencies also carry a huge burden struggling to recruit and retain qualified staff while managing tight budgets and competing local demands. Taxpayers and the general public have a stake in ensuring public dollars support effective schools and long-term workforce development, and they increasingly support higher teacher pay.

B. Risks of Indifference

Holding indifference towards the educator pay strain poses serious and far-reaching consequences. Without intervention, teacher shortages are projected to worsen, particularly in critical areas such as special education, math, science, and bilingual education, leaving thousands of classrooms without qualified teachers. High turnover disrupts school stability and undermines student learning, especially in schools serving low-income communities, where students already face systemic barriers. Districts spend an estimated \$20,000 per lost teacher on recruiting and training replacements, draining already limited education budgets. In rural communities, uncompetitive salaries make it nearly impossible to attract educators, leading to long-term vacancies and reliance on underqualified or substitute teachers. A continued lack of compensation reform also discourages

high-achieving college students from entering the profession, weakening the overall teacher pipeline and threatening future educational quality nationwide. If left unaddressed, these challenges will widen opportunity gaps, undermine public trust in the education system, and ultimately harm the nation's workforce, economy, and democratic stability.

C. Nonpartisan Reasoning

Educator pay reform transcends political affiliation. While educational policy often reflects ideological differences, the issue of fair teacher compensation has emerged as a shared concern across the political spectrum. A well-designed policy to support teacher compensation respects state autonomy while addressing a national challenge. The benefits of addressing this inequity can include but isn't limited to the following:

- 1) **Workforce investment:** Competitive teacher salaries are essential to building and maintaining a strong workforce. Teachers play a foundational role in preparing students in careers, college, and civic participation. Without adequate compensation, the teaching profession struggles to attract and retain skilled individuals, weakening the talent pipeline that supplies every other sector of the economy. Investing in teacher pay is ultimately an investment in national competitiveness and human capital development.
- 2) **Rural stability:** Rural communities face some of the most acute teacher shortages due to limited tax bases and geographic isolation. By supporting educator pay through federal-state partnerships, rural schools can remain staffed and viable, preventing school closures and community

decline. Better pay helps keep educators in these regions, stabilizing local institutions that serve as social and economical anchors. This supports small-town vitality and reduces dependences on social services down the line.

- 3) **Fiscal responsibility and return on investment:** High teacher turnover is costly. School districts spend thousands of dollars per vacancy on recruitment, training, and lost productivity. Poor retention also negatively affects students' achievement, leading to downstream costs like increased remediation, special education referrals, and lower graduation rates. Ensuring fair compensation reduces churn and produces better educational outcomes at lower long-term costs. For fiscal conservatives, this represents a smarter use of public funds prioritizing efficient outcomes over short-term savings.

V. TRIED POLICY

Several states have tried policies such as performance-based bonuses (e.g. Texas Teacher Incentive Allotment) and salary increases for early career teachers. However, these efforts often lack long-term funding or fail to reach veteran educators. Federal attempts, like the Teacher Quality Partnership Grant Program, focus on recruitment but neglect compensation. Notably, states with strong unions and consistent wage increases (e.g. Massachusetts) have seen better teacher retention and student performance.

VI. POLICY OPTIONS

Federal salary floor mandate

One approach would be to establish a federally mandated teacher salary floor, requiring all states to meet a minimum base salary benchmark. This would ensure that no educator in the United States earns below a base threshold, such as \$60,000 annually, helping to standardize pay and close gaps between states and districts. A federal salary floor would emphasize the importance of treating educators as essential professionals and create a strong national baseline of respect, investment, and competitiveness in the profession is a civil and economic priority.

Public-Private partnership for teacher pay innovation

Another policy option involves encouraging partnerships between public school systems and private-sector organizations or philanthropic foundations to fund educator salary enhancements, especially in hard-to-staff schools and high-need subject areas. These partnerships could include corporate sponsorships, nonprofit grants, or targeted investment funds to provide bonus pay, housing stipends, or loan forgiveness for teachers who commit to underserved communities. This model promotes local innovation and builds community investment in education while expanding the pool of financial support for improving compensation.

Federal-State Matching Grant Program

The final policy option is a federal-state matching grant program that incentivizes states to raise teacher salaries while maintaining local flexibility. Under this plan, the federal government would match every dollar a state invests above its 2022 salary levels, with increased matching rates for high-poverty and rural districts. States would be eligible for additional bonuses for adopting a

minimum starting salary of \$60,000, adjusted for cost of living. This approach combines national investment with state-led innovation and equity, encouraging sustainable and broad-reaching improvements in teacher pay across the country.

CONCLUSIONS

This policy brief has outlined the urgent need for a national strategy to address the growing educator pay gap in the United States. While many state and local governments have taken steps to improve teacher compensation, the lack of coordinated federal support continues to leave too many educators underpaid and undervalued, especially those serving in low-income and rural communities.

Elevating teacher pay is not simply about raising wages; it's about reinforcing the foundation of the nation's public education system. Competitive compensation helps attract and retain high-quality educators, strengthens student outcomes, and promotes equity across districts of varying socioeconomic status.

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