What We Ask American Teachers to Pay

A Portland kindergarten teacher, a two-billion-dollar hidden subsidy, and the invisible third budget American public schools have come to depend on

By Thomas Gerrie

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In an interview with a Portland television station in early August, a kindergarten and first-grade teacher at Ventura Park Elementary named Grace Steele described a practice she has developed across her teaching career. The reporter, Rielle Creighton, had asked her what she spends her own money on. Grace answered in the plain and unelaborated way people speak about facts that have long since stopped feeling remarkable to them.

"A lot of kids don't have the proper shoes, coats, or they do and they break and they can't replace it", she said. "So, a lot of the times I'll end up funding that through my own money just because, you know, you have a 5-year-old kid. It's pouring down right outside."

"It gets very expensive very fast", she added.

There is a country visible in that sentence.

The arrangement Grace Steele is describing is not new. It is not primarily the result of the tariff cycle of 2025 and 2026, though the tariffs have made it worse. It is not primarily the result of budget pressures facing Portland Public Schools this year, though those pressures are real. It is a much older arrangement that has been quietly holding together the gap between what American public schools cost to operate and what American voters and legislatures have decided they are willing to fund. The country has, without ever quite deciding to, come to rely on a third budget.

The first budget is the public one. It is what taxpayers appropriate to schools through their local levies, state general funds, and federal transfers. It is what school district superintendents present to school boards at annual budget meetings, and what shows up on the ballot when districts

ask voters to approve capital bonds. It is the visible budget, the one everyone understands is the budget.

The second budget is the family one. It is what parents are expected to purchase from the supply list the school sends home in early August. Notebooks, folders, pencils, crayons, tissues, glue sticks, backpacks, lunch boxes, and in some districts, specific brand-name items the teachers have found to be more durable than the generic alternatives. Parents perform this arithmetic at Target and Walmart and Office Depot. Some parents can afford it comfortably. Some parents put a portion of it on credit cards. Some parents skip the items they cannot afford and hope the teacher will not notice.

The third budget is the one no one appropriates. It has no legislative vote. It has no formal establishment. It appears in no line item on any school district's public accounting. It is the budget the teacher pays. And it exists because the first two budgets do not, when combined, cover what an American public school classroom actually requires in order to function.

The mechanism is elegant, if you can bring yourself to admire it. The system does not have to require Grace Steele to buy a coat for the five-year-old who arrived at school in the rain. It merely has to put her in the room with the child.

Grace grew up around education. Her mother has been teaching for about thirty-five years, and Grace, as she told the reporter, spent much of her own childhood in her mother's classroom, coming to events her mother taught at, playing alongside her mother's students. After college, Grace joined the same district where she had spent years as a helper, this time as a teacher with her own classroom.

"No, it never gets old", she said. "And you can sometimes really see the moment things click."

She quickly learned how costly it was to set up and maintain a classroom of her own. "I was like, I don't have anything to start my classroom off. I tried to like thrift things."

We do not know how many coats she has bought in the years she has been teaching. We do not know what her mother has spent over thirty-five years. Nobody has asked. There is no national accounting.

There is, however, an estimate.

The Association of American Educators surveyed more than 1,100 American teachers in 2023 and found that the average teacher spent $673 of her own money per year on classroom supplies. AdoptAClassroom.org, a nonprofit that connects donors to teachers, put the figure at $895 for the 2024-25 school year, an increase of 49 percent from a decade earlier. The National Education Association places the range between $500 and $900. Ninety percent or more of American public school teachers spend some portion of their personal wages on classroom supplies, and among those who do spend, ninety percent will not be reimbursed. The median school-provided supply budget, according to the AdoptAClassroom survey, is $200. Ninety-seven percent of the teachers surveyed said the budget was not enough.

The aggregate is worth pausing on. These surveys draw from teacher-network samples rather than from nationally representative random samples, so the figures come with methodological caveats. But if the averages the surveys report hold across the roughly 3.2 million American public school teachers, the collective personal subsidy of American public education by American public school teachers would fall somewhere in the range of $2.6 billion to $2.9 billion annually. That is what Americans have quietly extracted, year after year, from the personal wages of the women and men they employ to teach their children.

The teachers who subsidize the most, unsurprisingly, are the ones who can least afford to. The Association of American Educators survey found that teachers earning between $35,000 and $50,000 spent an average of $715 out of pocket, and teachers in high-poverty schools, where seventy-five percent or more of students qualify for free or reduced-price lunch, spent an average of $761. The lower the teacher's salary and the higher the need of her students, the more the teacher pays. Twenty percent of American teachers now work a second job, a figure that has risen twenty-five percent since 2023.

This is what a country looks like when it has decided, without ever quite acknowledging the decision, to finance a portion of a public institution through the conscience of its employees.

There is one further piece of the arrangement worth naming, because it makes the mechanism visible in a way the aggregate numbers do not.

The American teaching profession is overwhelmingly female. Roughly seventy-six percent of American public school teachers are women, and at the elementary level, where Grace Steele teaches, the figure rises to nearly ninety percent. This is not incidental to the story. In "The Teacher Wars", her 2014 history of the American teaching profession, the journalist Dana Goldstein documents that the feminization of American teaching in the nineteenth century was a deliberate policy pursued by common-school reformers on two explicit grounds. Women, the reformers argued, were more naturally suited to the emotional and moral labor of educating young children. Women could also be paid considerably less than men. Both arguments were made openly. Both arguments prevailed. The American teaching profession emerged from that period as a workforce in which women performed the labor and the country paid them less to perform it.

The country has never fully separated the two justifications. The expectation that teaching is a form of vocation, a calling that a properly devoted teacher pursues out of care for children rather than out of economic self-interest, remains embedded in the cultural conversation about the profession. And the wage discount that was originally attached to the vocation has, in various forms, remained embedded in the compensation.

The country asks its teachers to spend because the country has learned, over generations, that its teachers will.

The cost of running an American classroom rose again this year, considerably.

According to a July 2026 analysis by The Century Foundation and the Groundwork Collaborative, the price of a typical basket of school supplies rose 7.7 percent year over year, and the price of a typical school lunch basket rose 10.9 percent. The items with the largest increases were lunch boxes (up 26.8 percent), notebooks (up 23 percent), index cards (up 22 percent), notebook paper (up 20 percent), sandwich bread (up 22 percent), and apple juice (up 20 percent). Some of the most ordinary items an American child needs in order to sit in a classroom and eat a lunch and take a note became, in the space of a single school year, meaningfully more expensive.

The report's headline figure, which some subsequent coverage quoted as approximately $4,000 per child, includes both the roughly $175 in school supplies and the roughly $3,800 in

packed lunches spread across an entire school year. The National Retail Federation's separate annual survey of back-to-school shopping, which focuses on the August-through-September purchase cycle, arrived at $864 per K-12 child, a record. Both numbers are correct. They are measuring different baskets across different time frames. What they share is a direction.

One mechanism behind the increase is unusually visible. Most of the items on American school supply lists are manufactured overseas. Paper products, pens, glue sticks, notebooks, dry-erase markers, and the plastics and metals that make lunch boxes and thermoses come, in significant part, from countries subject to the tariff schedules imposed by the Trump administration beginning in April 2025. Tibor Besedes, an economics professor at the Georgia Institute of Technology, put the underlying point to The American Independent in June. “A good chunk of the school supplies, all the paper items, pens, glue sticks, computers, tend to be imported. Just about everything will be more expensive than it was before the tariffs.”

The Iran conflict has added its own equations. Higher oil prices flow through into shipping costs, into the plastics used in nearly every disposable school supply item, and into the gasoline parents burn driving to and from the stores where the increased-price supplies are sitting on the shelf. ACCO Brands, the parent company of Mead, Five Star, Trapper Keeper, and Swingline, has publicly cited both tariffs and higher oil prices from the Middle East conflict as driving its 2025 price increases. Newell Brands, the parent company of Sharpie, Paper Mate, Expo dry erase markers, and Elmer's glue, executed three rounds of price increases across 2025, framing each of them to investors as tariff mitigation. Logitech, which supplies much of the audio and computing hardware American classrooms now require, told investors it had implemented what it described as a sizable price increase in the United States specifically in response to tariffs.

These corporate disclosures show one path by which federal trade policy entered the price of ordinary classroom supplies in 2026.

There is a subsequent chapter to the Newell Brands story that complicates the simple version of what tariffs did to American school-supply prices and raises questions.

On July 31, 2026, Newell reported that its second-quarter results included approximately $126 million in pretax recoveries related to IEEPA tariffs the company had originally expensed in 2025 and the first quarter of 2026. The recovery reflected the Supreme Court's February 2026 ruling striking down portions of the Trump administration's April 2025 tariff schedule and the

resulting refunds owed to importers. Newell's normalized operating margin rose to 16.2 percent from 10.7 percent a year earlier. The company raised its full-year outlook.

Newell has not, to date, publicly announced any price reductions on Sharpies, Paper Mate pens, Expo dry-erase markers, or Elmer's glue in response to the recovery.

American parents paid the tariff-driven increases in 2025. The company received the refund in 2026. Whether the parents will receive anything in return remains, as of this writing, an open question.

Grace Steele discovered a nonprofit called DonorsChoose through social media.

She was thrifting what she could for her Ventura Park classroom and looking for supplementary sources of what her school district could not provide. DonorsChoose, she learned, was a platform on which teachers could post requests for classroom materials and individual donors could browse the requests and choose to fund them. Grace posted her first project without high expectations.

“I put some stuff up and I really didn't think I would get much, honestly”, she said. “I thought maybe I'd get a couple of things here and there, some crayons, some tissues.”

Her first project was funded quickly. She has since received, through the platform, what she described in her interview as "everything from basic school supplies, crayons, pencils, erasers. I have storage for food.”

The last word on that list is worth pausing on. Grace Steele has received food for children in her Portland classroom through an online crowdfunding platform.

DonorsChoose was founded by a public school teacher in the Bronx in 2000. It is now one of the largest education-focused charitable platforms in the United States, having facilitated hundreds of millions of dollars in individual donations to individual public school teachers for individual classroom projects. Its existence is not, by itself, an indictment of anything. Its existence is a documented public response to a documented public need. But the fact that a wealthy country has built a sophisticated crowdfunding marketplace through which individual citizens must donate money so that individual public school teachers can acquire materials necessary to operate

individual public school classrooms is a fact about the country that the country has largely stopped noticing.

There is something surreal about an American public school teacher writing what amounts to a grant proposal on the internet for supplies her state and district funding has not covered.

"It takes pressure off of us as teachers", Grace said, "but also off of families who are already, you know, doing the best they can. Not having to worry about that at school as well is huge."

She was describing a life inside a system that has learned to outsource its own inadequacies to the personal generosity of strangers, and to accept the outsourcing as normal.

The parents are absorbing what they can.

Nearly half of American parents, according to a Deloitte survey conducted in July 2026, said they planned to take on debt to afford back-to-school shopping this year. Half said they were cutting other household expenses to make room for the increase. Phyllis Creameans, a single mother of four in West Virginia, told MS NOW that a thirty-five-dollar backpack her daughter wanted felt insurmountable. "I don't understand why it's so much", she said. "It's not a name brand. It's not Nike. It's not Jordan or Adidas or any of that. Just a regular old simple book bag." Princess Heard, a single mother of two in Roswell, Georgia, told the Washington Post she now starts saving for the following fall's back-to-school as soon as her children come home from their last day of school in the spring. Launa Lowery, a mother of three in Eugene, Oregon, told a local reporter that her frustration this year was that so many supply lists specified name-brand products her family could not substitute cheaper versions of.

These are the parents running the equations that ordinary American back-to-school shopping requires.

Most American families are making decisions more like these. And many of the things those families cannot cover eventually land somewhere. They land in the classroom. Where Grace Steele is waiting.

The tax code's recognition of what Grace Steele is spending is, on close inspection, considerably smaller than the surface numbers suggest.

From 2002 through 2021, the federal Educator Expense Deduction permitted eligible teachers to deduct up to $250 per year from their taxable income for out-of-pocket classroom expenses. The deduction did not increase in any of those nineteen years. Beginning with the 2022 tax year it rose to $300 through IRS inflation adjustment, and for the 2026 tax year it rises again to $350, with the One Big Beautiful Bill Act separately restoring an itemized deduction for excess educator expenses beyond the $350 above-the-line limit. Senator Angus King of Maine has been advocating since 2023 for raising the above-the-line figure to $1,000 and indexing it more aggressively to inflation. That legislation has not passed.

The more important point about the deduction is what a deduction actually is. A deduction is not a reimbursement. It does not return the teacher's money to her. It merely reduces the portion of her income that is subject to income tax. A teacher in the twelve-percent marginal federal tax bracket who deducts $350 in classroom expenses receives, in effect, approximately $42 of federal tax relief on her purchases. She still bears the underlying $350 herself. And on the $500 or $700 or $895 she may actually be spending, above the deduction limit, the tax code offers her nothing at all unless she itemizes and her total itemized deductions exceed the standard deduction for her filing status, which for most teachers they will not.

Demetria Richardson has been teaching second grade in Richmond, Virginia, for more than twenty years. Last fall she told the National Education Association she expected her out-of-pocket classroom spending to exceed $1,000 before the end of September. She has a credit card she uses only for classroom expenses, with a limit of $2,500. “It's gotten a lot more expensive since COVID”, she said. In Peshastin, Washington, second-grade teacher Vicki Harrod works in a district where a significant share of families qualify for reduced-price lunch, and she buys granola bars for the students who need the energy to make it through the day. In Compton, third-grade teacher Angel Garcia spent $300 on her Title I classroom last fall in addition to the $275 she spent on her own two high-school-age children. In Michigan, retired teacher Cheryl Park estimates she spent between $1,000 and $2,000 per year on her classroom for twenty-five years, roughly $40,000 over her career. During those same years, she endured multiple pay cuts.

These are the people standing behind the aggregate figures. The federal tax code recognizes the expense. It does not come close to making the teacher whole.

American public school teachers now earn, on average, twenty-five percent less than similarly credentialed professionals in other fields, a wage penalty the Economic Policy Institute has been documenting for more than a decade. That gap was 6.1 percent in 1996. It has widened, more or less continuously, across a generation. The Economic Policy Institute's August 2026 update put the 2025 wage penalty at 25.2 percent; after accounting for teachers' relatively better benefits, the total-compensation penalty was 14.5 percent. And it is out of that widening gap that the country expects its teachers to close the classroom-supply shortfall.

It is difficult to imagine anyone designing the arrangement this way from scratch: asking a relatively modestly paid, heavily female professional workforce to finance part of its employer's operating costs from personal wages. And yet the arrangement is what the country has arrived at, decision by decision, generation by generation, and the arrangement is holding.

The first budget has limits. The second budget has limits. The third budget exists because the child in front of the teacher does not disappear when those limits are reached.

We do not know what Grace Steele will spend on her Ventura Park classroom this school year. The school district does not tally it. The state does not tally it. The federal government does not tally it. Nobody sends her an invoice. Nobody records the transfer.

And yet the coats exist. The receipts are somewhere. Somewhere there was a transaction.

“It gets very expensive very fast”, she told the reporter.

She was talking about the coats.

She was also, without quite saying it, talking about the country.