Still Shortchanging Children with Disabilities: State Underfunding of Special Education Continues
October 2019

In a report issued last fall, “Shortchanging Children with Disabilities,” we warned that over an eight-year period, Pennsylvania’s financial support for special education had failed to keep pace with local needs. New data show that trend has continued. Between 2008 and 2018, Pennsylvania increased state special education funding by $95 million, or about 10%. Yet during that time, total special education costs to local school districts increased by $1.7 billion – or 58%. This growing reliance on local funding to provide needed services for students with disabilities is unsustainable.

In the last decade, local districts have taken on more and more financial responsibility to cover increased costs as Pennsylvania’s share of special education funding declined:

- Between 2008-09 and 2017-18, local districts’ share of special education costs grew from 62% to 72%.
- In the same period, the share of costs covered by state special education funding fell from 32% to 22%.

---

In PA, State Funding for Students with Disabilities Flatlined as Special Education Expenditures Continued to Grow

Funding designated by local districts for special education services

Expenses Rose $1.7 Billion
Locally Designated Funding Rose $1.4 Billion
State Funding Rose $95 Million

Education Law Center | www.elc-pa.org | facebook.com/educationlawcenter | @edlawcenterpa
Throughout this period, Pennsylvania retreated from its financial responsibility of providing students with disabilities the education they deserve. But the state remains legally responsible under the Individuals with Disabilities Education Act for ensuring that students with disabilities receive a free and appropriate public education in the least restrictive environment.

The pace of growth in total special education costs means that even the state’s $50 million increase in special education funding for 2019-2020 is unlikely to reverse the decline in state share, nor will it provide students and school districts the resources they need. Statewide special education costs have been growing by about $200 million per year. Local school districts continue to face difficult choices between raising additional revenue to meet funding gaps, spreading limited resources across a range of programs, and/or reducing needed services and supports for students with disabilities. Families continue to experience local tax increases and service cuts. These challenges are compounded because a lack of state investment in basic education funding has eroded the resources available to all students, which increases the incremental investment required to meet the needs of students with disabilities.

State dollars are the funds that state legislatures can and should use to address funding disparities resulting from differences in local wealth. When adequate basic and special education state funding is not available, poorer districts — the communities least able to compensate for state underfunding through local tax increases — and the most vulnerable students within them — are acutely harmed.

For the state to meaningfully boost its share of support, recurring annual increases in state aid for special education of $100 million or more are needed. Pennsylvania’s chronic underfunding of special education cannot be resolved solely through the work of the legislature’s Special Education Funding Commission, which is considering adjustments to the funding formula that determines how the available state funds are distributed — but not deciding whether available funds are adequate. The General Assembly must make an increased state investment. Without prompt and comprehensive state action, issues of inadequacy and inequity will deepen for students with disabilities across the Commonwealth.

Changes in special education expenditures and revenues for all 500 Pennsylvania districts are provided in the spreadsheet found at bit.ly/spec-ed-2019.

The Education Law Center-PA (ELC) is a nonprofit, legal advocacy organization, dedicated to ensuring that all children in Pennsylvania have access to a quality public education. Through legal representation, impact litigation, trainings, and policy advocacy, ELC advances the rights of underserved children, including children living in poverty, children of color, children in the foster care and juvenile justice systems, children with disabilities, English learners, LGBTQ students, and children experiencing homelessness. Visit elc-pa.org or call 215-238-6970 (Philadelphia) or 412-258-2120 (Pittsburgh).

PA Schools Work is a coalition of organizations from across Pennsylvania representing teachers and other educators; urban, suburban and rural communities; and parents and other community members working together to advocate for PA public schools, their students, and the communities they serve.