

FIXING THE SPECIAL EDUCATION FUNDING GAP

EXECUTIVE SUMMARY

MAY 2022

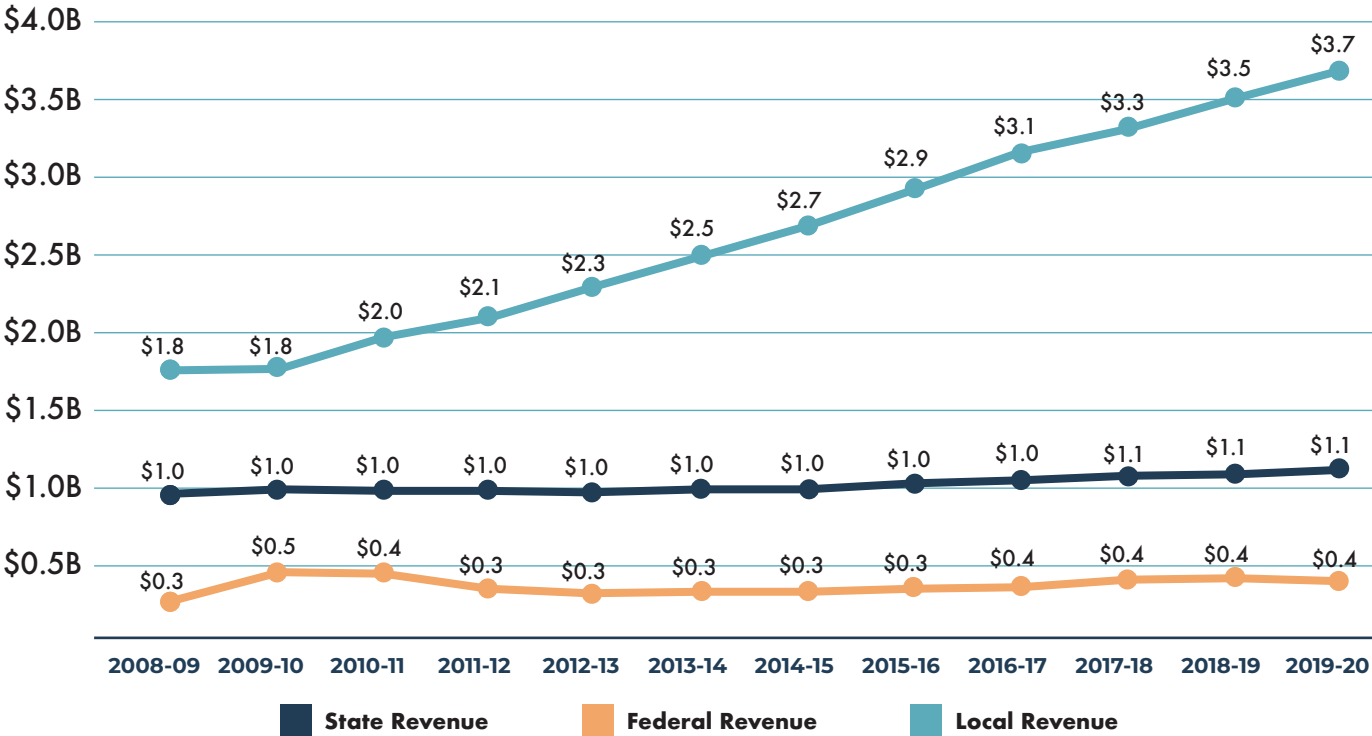
Students with disabilities have a right to a free appropriate public education under federal and state law. In 2019-20 Pennsylvania provided special education services to more than 307,000 students. Despite growing enrollment in special education and higher costs, state funding has remained stagnant for more than a decade, leaving responsibility to meet this legal obligation to local communities.

State lawmakers – the people with the responsibility to fund this commitment – have walked away. In 2008-09, the state paid one of every three dollars in special education funding; by 2019-20, that dropped to just over one in five dollars, leaving local taxpayers with primary responsibility for the balance.

TABLE 1

State Funding Flat as Special Education Costs Grow

(all figures in billions)



Source: Pennsylvania Department of Education, Annual Financial Reports.

Education is the single most important responsibility of state government – enshrined in the constitutional requirement to provide a “thorough and efficient system of public education.” Yet the General Assembly is failing to meet this obligation, providing just 38% of current education expenditures and less than 22% of special education costs.

The problem is further compounded because overall K-12 spending is not sufficient to ensure that all students can meet state standards or graduate college- and career-ready. This gap – Pennsylvania’s systemwide adequacy gap – is more than \$4.6 billion.

Underfunding basic and special education denies students the resources they need to learn and thrive. It puts more pressure on local taxpayers. The overreliance on local dollars in both basic and special education worsens and widens disparities in resources between school districts, leaving students in lower-wealth districts further behind, disproportionately shortchanging Black and Brown students.

If the share of state special education funding in 2019-20 was the same as it was in 2008-09, the state would be contributing an additional \$551 million, funds that could support additional special education services *and* pay for teachers, counselors, and reading and math specialists. The current system is a lose-lose for students, families, and communities.

The General Assembly must make good on its responsibility to students by supporting a significant increase in basic and special education funding. We recommend that the General Assembly:

- (1) Restore the state’s share of special education funding to at least one-third of total costs within five years, with a longer-term goal of an increased state share of special education funding.
- (2) Add \$200 million in special education funding this year to cover expected cost increases.
- (3) Allocate \$1.55 billion in new funding for basic education to begin to address the adequacy gap as proposed by Gov. Tom Wolf.
- (4) Eliminate the special education charter school loophole.

With a significant revenue surplus, the General Assembly must finally begin to address the large and longstanding gap in both basic and special education funding.

Read the report at bit.ly/spec-ed-report-2022. View district data at bit.ly/spec-ed-2022.

