

SPECIAL EDUCATION FUNDING

HOW DOES FUNDING FOR SPECIAL EDUCATION WORK IN WASHINGTON?

Districts receive both state and federal funding to provide educational services and supports to students with disabilities, with state funding providing the biggest portion of funding. There are several factors that determine how much special education funding a district receives, but the three factors that most impact the level of state funding for special education for school districts are:

- **Special Education Enrollment:** Historically, each student regardless of disability or type of service received generated the same amount of funding per student for a single district, but districts are capped at generating special education funding for a maximum of 13.5% of overall student enrollment.
 - For example, if a district has a special education enrollment of 15.0% they will only generate special education funding for 13.5% of students.
- **Two-tiered Funding Model:** In the 2020-21 school year, a two-tiered funding model went into effect that provides different levels of funding depending on what portion of the school day a student receiving special education services spends in a general education setting. Students spending eighty percent or more of their time in a general education setting generates a slightly higher funding amount than students spending less than 80% of their school time in a general education setting.
- **District Teacher Salary Funding:** The amount of funding each student generates differs by district and can vary by more than \$1,000 per student across the state. There are several factors that go into each district's per-student funding amount, but the most significant is a district's state-funded teacher salary amount. The higher a district's state-funded teacher salary, the more special education funding per student they will generate.¹



Students at South Shore PreK-8

SAFETY NET FUNDS

The state created another funding mechanism for special education to provide additional funding to districts with higher special education costs: the Safety Net Program. The Safety Net Program allows districts to apply for additional funds if they have high-need individuals or for districts with high special education enrollments through the Community Impact provision.²

- **High-Need Individuals:** In the process of districts fulfilling a student's individual IEP (individualized educational program), districts sometimes spend significant amounts of money. In those situations, districts can apply to have some of the extraordinary cost paid for through this provision.
- **Community Impact:** Districts may only generate special education funding for up to 13.5% of their total student enrollment, but many districts have a special education enrollment above 13.5%. Districts with a special education enrollment greater than 13.5% that is because of community factors and assets outside the control of a district are able to apply for additional funding.

The Safety Net Program allocates about \$100 million per year in additional special education funding – \$85 million in state funding and \$15 million in federal funding – through an application process. The Safety Net awards are not intended to cover all additional costs a district incurs; rather to help make the additional costs less of a challenge. Around 7% of Safety Net applications are not approved because they were deemed to have not met the relevant criteria. Safety Net funding accounts for less than 5% of total special education funding.³

FUNDING CHALLENGES

Many districts have reported that they are spending more to provide the program of special education to students than they are getting from state and federal sources. In 2021-22, districts spent more than \$400 million more to provide special education services than what districts received in funding for special education from all sources.⁴

Despite special education being a part of basic education in Washington, which requires it to be paid for by the state, many districts are using local levy dollars to make up for the state funding shortfall in special education. Some districts have access to more local levy resources than others, meaning some districts are more able to make up for the special education funding shortfall while some resource-strapped districts have a more limited ability to fill in funding gaps with local levy funding to meet their special education needs.

LOOKING AHEAD

A funding system rooted in Equity

Learning should be designed and provided so that all students can access their education. Our current approach to funding special education and providing special education services is not delivering the educational experience that the more than 147,000 students with disabilities need to meaningfully participate in their learning. We must both build off the progress made around creating more inclusive learning environments in recent years and make systemic changes to create the conditions for an educational system that values students with disabilities.

In 2023, League of Education Voters will prioritize:

- Creating a funding structure that will equitably support the systems and services needed for students with disabilities to meaningfully access their education, including eliminating the 13.5% cap on funded enrollment.

¹ 2018-19 OSPI District Apportionment Reports, Special Education BEA Rates, <https://hostedreports.ospi.k12.wa.us/api/0/Document/Download/19839>

² Gallo, Glenna, Special Education Safety Net Study, OSPI, 2018, <https://www.k12.wa.us/sites/default/files/public/communications/2019-12-Special-Education-Safety-Net-Survey.pdf>

³ 2019-21 OSPI Decision Package, Safety Net Funding, <https://www.k12.wa.us/sites/default/files/public/legisgov/2019documents/safety-net.pdf>

⁴ 2023–25 OSPI Biennial Operating Budget Decision Package, <https://www.k12.wa.us/sites/default/files/public/communications/2022docs/P14-Fully-Funding-Special-Education-Services.pdf>