



## 2021-23 State Budget Talking Points

### *Special Education Funding*

**Governor:** Provide an additional \$709 million in special education categorical aid over the biennium. Increases special education aid by \$296.7 million in 2021-22 and by \$412.9 million in 2022-23 to reimburse eligible special education costs at 45% and 50% in those fiscal years, respectively.

The governor's proposed budget would also convert special education aid from a sum certain appropriation to a sum sufficient appropriation, to ensure that aid will not be prorated, and the promised percentage level of support will actually be provided.

**WASB:** Secure a significant increase in special education categorical aid.

### Talking Points:

- School districts are required by state and federal law to provide special education service to students with disabilities.
- Special education is the largest single unfunded/underfunded mandate on schools.
- The appropriation for special education categorical aid funding was frozen from the 2007-09 until it was finally increased in the 2019-21 state budget.
- Before the last state budget, the reimbursement rate had fallen to an estimated 24.5% in the 2018-19 school year. Even with the increase in the last state budget, the reimbursement rate remains at only about 28% in the 2020-21 school year.
- As the share of costs reimbursed by the state has fallen, school districts increasingly have had to use their general funds to cover a growing portion of special education costs. These general funds are controlled by revenue limits and are intended to support regular education programs. School districts, in effect, must make cuts to regular education programs in order to cover the costs of mandated special education programs and services.
- Increasing special education categorical aid reverses this trend and frees up money in school districts' general funds, thus providing relief under the revenue limits, which in turn reduces the need for districts to have to go to referenda to exceed those limits.
- Increasing special education categorical aid benefits all districts since all districts provide special education services and have special education costs.
- In a Jan. 2019 Marquette University Law School Poll, 73% of respondents said they support a major increase in state aid for special education.
  - Strong majorities across all partisan groups favored such an increase: 62% of Republicans, 89% of Democrats and 65% of independents support more spending for special education.