Special Education expenses continue to escalate rapidly in school districts. Significant subsidy increases are needed to assist our IEP students.

The Historic Escalation of Special Education Costs

Special education costs continue to explode across the Commonwealth. Over the ten-year period from 2008-09 to 2018-19, the percentage share by local school districts to provide special education services increased by 12.5%, causing local citizens to pay a greater share of the cost to educate our most vulnerable students. In 2018-19, Pennsylvania school districts paid 72.6% of the cost of special education while the state only paid 21.7% and the federal government only paid 5.7%.

Percentage of Special Education Costs Paid by State, Federal, and Local Funds

Approximately $5 billion was paid by local taxpayers for special education and just $1.3 billion by the state and federal government combined in 2018-2019. Special Education is a federal mandate that has been augmented with additional mandates by the state, yet the bulk of these programs are unfairly being funded by local school district residents.

Chart Source: PSBA
When the federal IDEA Law was passed in 1975, the federal government agreed to pay up to 40% of the cost of special education, and the remainder would be split between the state and local school districts. The federal government has not kept their part of the bargain, and the state needs to increase its share of this funding to fulfill its obligation to special needs students. Local school districts should only be paying about 1/3 the cost of special education!

Chart Source: PSBA

Date from 2018-19, the most recent year for which we have comprehensive data, shows that rising costs were almost entirely borne by local school districts. The state chipped in just a $15 million increase toward the $254 million increased cost over the previous year. Local districts had to come up with 92 cents for every new dollar in special education expenses, which was a challenging task for the hundreds of school systems that were already struggling financially.

The federal stimulus dollars will assist districts in helping special needs students to recover from time lost during the pandemic. Additional tutoring and a range of services from physical therapy to occupational therapy will be utilized in the next two to three years to assist special needs students. Unfortunately, the federal stimulus funds will not help districts with the long-term issue of properly funding special education programs and services beyond the federal stimulus dollars. As a result, there is growing concern that taxpayers will see significant increases in their local property taxes three years from now when the federal stimulus dollars are gone but the resources needed for our special education students remain.

PASA implores the Governor and General Assembly to provide a much-needed increase to the Special Education Subsidy for 2021-22.