

August 28, 2019

Dear members of the Pennsylvania Special Education Funding Commission:

Thank you for your commitment to fulfilling the Commission's important charge. The need for legislative action to "review and make recommendations related to special education funding" remains as strong today as it was in 2013 when the General Assembly first authorized the creation of a bipartisan Special Education Funding Commission. The need remains because the state's principal mechanisms for meeting the educational needs of children with disabilities – the special education and basic education line items in the K-12 education budget – remain plagued by inadequate and inequitable funding.

We look forward to engaging with the Commission and helping members understand the implications of how the reforms implemented by the Commission's first report have taken hold and where improvement is needed. To that end, as the Commission focuses on how it will get its work done, we urge member to craft a highly transparent process which enables public participation.

As noted in the Commission's 2013 report, stakeholders uniformly believe that our state special education funding system must enable public schools to fairly and fully meet the needs of students with disabilities. <u>PA Schools Work</u> reflects this broad consensus. Our mission is to ensure that every child is attending a public school that has the funds necessary to help them succeed. We are a coalition of organizations from across Pennsylvania representing teachers and other educators; urban, suburban and rural communities; child advocates; and parents and other community members working together to advocate for PA public schools, their students and the communities they serve. Our work is informed and driven by parents and students who need and deserve high-quality special education service. Our partners include advocacy organizations, such as <u>Education Law Center – PA</u> (ELC) and <u>The Arc of Pennsylvania</u>, that have long highlighted the legal and moral urgency of meeting the educational needs of students with disabilities. We also comprise education associations, such as <u>PASBO</u> and <u>PASA</u>, that have <u>annually reported</u> on the financial impact to districts of rising local special education costs.

Building upon the findings of our October 2018 <u>report</u> documenting the extent and impact of state underfunding of special education, we offer the following recommendations to inform the Commission's work:

1. Ensure adequate funding to enable school districts to meet the needs of students with disabilities.

Meeting the needs of students and schools was the first core principle of the original Commission and should remain a primary focus of this Commission as well. This year's \$50 million increase in state special education funding has inspired hope among <u>parents</u>, <u>administrators</u>, and others that their schools will be better able to provide needed services. However, data suggests less hopeful results

¹ For additional discussion re: special education funding and the Commission, please contact Reynelle Brown Staley at <u>rstaley@elc-pa.org</u> or 267-825-7710.

without significant sustained state funding increases. Over the past decade, the state's contribution to special education costs has dropped from a one-third share to less than 20%. Restoring the state share of special education funding to its 2008 level would require an additional \$700 million in state aid on a recurring basis. And it would take significantly more state special education funding to cover the hundreds of millions of annual state underinvestment that has hollowed out district budgets and led to cuts in educational services, even in districts that repeatedly raised local property tax rates to try to meet the cost of services.

Increased investment in special education cannot be seen as an alternative to increased funding for basic education. All students, including students with disabilities, suffer from a degradation in educational quality when the foundational programs and services that basic education funds receive insufficient state support. Disinvestment in basic education erodes the resources available to all students and increases the incremental investment required to meet the needs of students with disabilities. The state share of both basic and special education has dropped to dangerously low levels that threaten the fiscal health and quality of education in our schools. We therefore urge this Commission to consider special education funding not as an isolated funding stream but as part of a continuum of state education resources that all require increased investment.

2. Recommit to the Commission's 2013 recommendation that the special education funding formula apply to all local education agencies, including charter schools and cyber charter schools.

The Commission's recommendations should be fully implemented, including that the same special education funding formula be applied to *all* local education agencies, including school districts, charter schools, and cyber charter schools. Failure to adopt that recommendation – and the failure to re-examine that decision in the current review process – undermines the fundamental purpose of the Commission and abandons a bipartisan consensus, reflecting the perspectives of over 50 witnesses statewide.

The rationale underlying the Commission's recommendation remains unchanged: "[c]ompared to school districts, charter schools and cyber charter schools on average enroll relatively few students with high special education costs." Statewide reports continue to document <u>disparities in students</u> served at district and charter schools, charter schools' pattern of <u>under-spending special education</u> tuition money on students with disabilities, and the combined <u>strain of charter and special education</u> cost increases on school district budgets. As long as charters continue to receive special education funding that bears no direct relation to their actual service costs without any expectation that the money be spent on students with disabilities, state funds allocated for students with disabilities will continue to be diverted away from the intended purpose—and charters may continue to underserve students with high-cost, low incidence disabilities. We understand that the Commission's charge precludes an examination of the special education funding formula for charter schools, Nevertheless, we urge the Commission to recommend to the General Assembly that it should finally address the flawed funding process whereby the special education funding formula does not apply to charter schools.

3. Assess the formula's effectiveness in accurately and equitably distributing resources.

We know that the Commission will carefully evaluate the expectation that "[w]ith consistent use over time, the new formula will effectively match the needs of students and schools with the resources available for providing special education services." Clearly, the reconstitution of the commission every five years provides a timely opportunity to determine any intended or unintended consequences since the formula's inception. We urge the Commission to ensure that the distribution of SEF funds fairly and adequately serves the needs of students with disabilities and their schools.

With less than \$150 million currently flowing through the Special Education Funding Formula, the formula has not yet achieved an equitable distribution of total state special education funding. The core reason this is the case is the failure of the legislature to increase the funds allocated for Special Education to a level where the formula is function.

The future of the Commonwealth depends on our collective investment in providing a quality public education for all children. Central to that commitment is fair and adequate funding for K-12 education, particularly basic and special education. PA Schools Work looks forward to working with the Commission to ensure continued progress towards a fuller and fairer allocation of funding for special education.

Respectfully,

PA Schools Work

A+ Schools Pittsburgh	Pennsylvania Association of Rural and Small Schools
AAUW Pennsylvania	Pennsylvania Association of School Administrators
AFT Pennsylvania	Pennsylvania Association of School Business Officials
Allies for Children	Pennsylvania Budget and Policy Center
Council for a Strong America	Pennsylvania Immigrant and Citizenship Coalition
Education Law Center	(PICC)
Education Voters of Pennsylvania	Pennsylvania Partnerships for Children
Keystone Research Center	Pennsylvania Principals Association
Keystone State Education Coalition	Pennsylvania School Boards Association
Make the Road PA	Pennsylvania State Education Association
OnePA	Philadelphia Federation of Teachers
PACTA – Pennsylvania Association of Career &	Public Citizens for Children + Youth
Technical Administrators	The Public Interest Law Center
Pennsylvania Association of Intermediate Units	Urban League of Philadelphia

CC: Members of the Pennsylvania Special Education Funding Commission