

Staff Recommendation – Special Education Weight

Staff reviewed the fiscal year 2015 local school system special education expenditure data and developed a recommendation based on that data. The staff is recommending a stop-gap weight of 2.18. This will provide nearly triple the amount of State funding for special education.

Background

The Kirwan Commission assigned work group 4 – resources for at-risk students - the task of developing a stop-gap weight for the special education program. The work group concluded that the services identified as those needed by all students, or the services in the base as identified by APA, should be the starting point for determining a stop-gap weight for the additional resources required by students in special education.

In 2018, the legislature required MSDE, in consultation with DBM and DLS to contract for an independent study to evaluate funding methodologies used nationally and internationally and make recommendations regarding the appropriate level of funding for special education students in Maryland. The stop-gap weight adopted by the Commission will be used pending the outcome of the study.

Rationale

Using fiscal year 2015 state and local preK-12 special education expenditures, which totaled \$1.567 billion, to determine the stop-gap weight is a reasonable approach. This approach sets current state and local expenditures as the total program amount in the formula. This would have resulted in the State share of the Special Education Program totaling approximately \$800 million, an increase of more than \$525 million. Local school systems will be able to repurpose that same amount.

This approach shifts the cost-share of the special education program from a predominantly local-funded program to a more equitable distribution, while the new study determines what the actual weight should be.

Table 1
Fiscal 2015 Special Education Expenditures

<u>Adjusted Total Expenditures*</u>	<u>Fall 2014 Enrollment</u>	<u>Per Pupil Expenditures</u>	<u>Equivalent Weight**</u>
\$1,567,335,305	104,618	\$14,982	2.18

* FY15 Selected Financial Data, excluding federal funds, infants and toddlers, and nonpublic placements. Includes fixed charges.

** Weight assumes current law per pupil base of \$6,860 in fiscal 2015 (weight of 0.74). Assuming the APA recommended base of \$10,880, the equivalent weight is 1.38.

Table 2
Fiscal 2015 Special Education State Aid

	<u>State Aid</u>	<u>% of Adjusted Total Expenditures</u>
Actual	\$271,702,887	17.3%
Using 2.18 Weight	800,442,277	51.1%
Difference	\$528,739,390	33.7%
% Difference	194.6%	