



by
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Paying for Special Education: A Crisis in Our Schools

Because of the lack of adequate funding for special education by the state and federal governments, school districts are being pushed to the wall financially, the author says. And increasingly, regular education parents are being pitted against special education parents.

In some respects, Robyn Silber is just like any concerned mother who is working to ensure the best for her children. In the last two years, however, Silber has stepped up her advocacy. Clutching a framed portrait of her son Max, a first-grade, special education student in Madison, and third-grade daughter, Hannah, she has walked the halls of the state Capitol meeting with legislators, testified before the budget-writing Joint Finance Committee and gave a personal, impassioned plea to US Rep. Tammy Baldwin—please, help us.

“It’s simple to think of funding—or not funding—a program as just numbers on a balance sheet,” Silber told Baldwin at a meeting in Madison attended by parents, school board members, teachers, and school administrators in the 2nd Congressional District. “Inadequate funding of special education places all children at risk by denying them equal access to a quality education. Districts and teachers are beings asked to do more with less money. I realize that one of the most important things I can give my children is an education. However, I cannot achieve that goal without your continued commitment to making public education in Wisconsin work for Wisconsin’s kids.”

Funding special education has reached a crisis point in Wisconsin, many school board members and educators say. The lack of funding for the state and federally mandated programs and services, exacerbated by state-imposed revenue limits, has pushed school districts to the wall. It has become a matter of what must be cut from the local budget in order to pay for the required programs. Increasingly, regular education parents are pitted against special education parents—all fighting for finite resources.

The erosion of resources for special education has been dramatic, given the fact that the state pours more than \$4 billion into K-12 education each year. While equalized aid has increased, categorical aid—which funds special education programs and services—had been frozen from 1994 until the passage of the 1999-01 biennial budget. The result is a radical departure from Wisconsin’s historical commitment to special education.

Since the 1930s Wisconsin has funded special education through categorical aids. In the 1970s the Wisconsin Legislature was the first state to adopt laws governing special education programs and



La Follette High School special education teacher Jessica Steuer works with Reid Gromnicki during a writing skills class. La Follette uses a cross-categorical teaching model, meaning that teachers work with a variety of students, regardless of the student's disability. *(Photos by the author)*

services. In fact, the federal Individuals with Disabilities Education Act (IDEA) is modeled after Wisconsin's statutes. During the last decade special education enrollments have grown steadily, while the general school population is in decline for more than half of the state's school districts. This reality has been disastrous.

Legislative Audit Report

In May 1999, the independent Legislative Audit Bureau released an evaluation of special education funding. The audit meticulously detailed the funding fiasco of the 1990s. When Congress passed IDEA, it authorized reimbursing states for 40 percent of costs for programs and services. In 1997-98 Wisconsin's reimbursement was less than 5 percent, or \$42.4 million—a funding shortfall of \$282.8 million.

Correspondingly, state statutes directed the Legislature to reimburse school districts for 63 percent of costs (a statutory target eliminated in the 1999-01 biennial budget). But because of a legislative nuance called “sum certain” funding, when there isn't enough money to reimburse at 63 percent, the available

resources are prorated. (Funding two-thirds the cost of general aids to schools is a “sum sufficient” appropriation, meaning the allocation totals whatever amount it takes to fund two-thirds.)

For the 1997-98 school year the state reimbursement rate was 37.5 percent, or \$275.5 million—a funding shortfall of \$219.7 million. Combined, the state and federal shortfall amounted to more than one-half billion dollars, or \$502.5 million.

A news release issued by the governor's office the week the state budget was signed said, “While special education is a federal mandate under-funded by Washington, the governor is agreeing to additional state money to help local school districts meet the needs of these students.” The \$47 million in new spending for special education came as welcome relief for school districts, but it still only allowed for an estimated 34 percent reimbursement rate.

In 1998, both houses of the Legislature voted to federalize Wisconsin's special education laws (1997 Senate Bill 384). The measure passed both houses on a voice vote—generally reserved for agreed-upon bills—and was signed by the governor.

Enrollment Increases

The audit also identified a 20 percent increase in special education enrollments between 1992-98—compared to a 6.3 percent increase for all public school students. In large part, the growth came from an expansion of special education criteria by the state and federal governments. While special education enrollments are increasing, more than half of Wisconsin's school districts are seeing downward trends in overall enrollment, really putting the squeeze on districts.

To illustrate the increase, during the 1995-96 school year, the Madison School District served six autistic children. The total after the January 2000 count was 158. The audit also touched a nerve related to identification of special education students—especially learning disabled students.

“... Some disability and needs criteria are based on student performance and personal judgment, rather than on a clinical diagnosis. In addition, members of the education community believe the availability of state categorical aid for special education creates an incentive for districts to place students in special education rather than to develop remedial regular education programs that could address some students' needs,” the audit stated.

A report by the Wisconsin Taxpayers Alliance, following up on the audit, highlighted the over-identification issue. The alliance's report drew a swift, stinging rebuke from WASB Executive Director Ken Cole. “My God, give us a little credit,” he said. “Do they think we're making these things up?” The allegation gave some cover for legislators reluctant to boost spending.

At a Senate Education Committee hearing in February, Sen. Mary Lazich (R-New Berlin) remarked that there is over-identification of learning disabled students. Paul Halverson, special assistant to the state superintendent and a recognized expert on special education, was emphatic: “There is no incentive for school districts to identify children for special education.”

A Parent's Perspective

Cynthia Hirsch, 59, is no stranger to the rough and tumble world of politics. After her daughter's tragic death, she worked with legislators to pass a state law easing the ability of grandparents to adopt their grandchildren. She spoke at news conferences, conducted media interviews, and testified at public hearings to tell her personal story. But when she testified before the Senate Education committee in February, supporting Senate Bill 342, a reinstatement of the state's 63 percent statutory special education reimbursement rate target, she lost her composure and broke down in tears.

"This bill is about children, and for me, about a 9-year old girl—to give her hope for the future."

When Hirsch began her fight to improve Wisconsin's adoption laws, she admits, "I didn't know a senator from a congressman. But you've got to be politically involved to get things done." Shortly after adopting granddaughter Randi, then 18 months old, she soon realized something was not right. Her husband, Roger, was already on permanent disability, and she had to quit her job to care for Randi.

Living on a fixed-income, the Hirsches have spent more than \$12,000 for testing, tutoring, special classes, and increased insurance expenses to help Randi. "We were desperate," she recalls. Cynthia also attended Johnson Creek School Board meetings.

"I needed to understand the school's perspective," she said. Now, she realizes the plight school districts face. "It's every school district. There is one big issue. It all comes back to funds. You can't believe the tension it causes. I know what our school's finances are ... the money's just not there," Hirsch says ruefully. She recounts a situation after the district's gifted and talented program was eliminated and a friend said, "Oh, those [special education] kids get the money first."

"I don't resent parents for saying this," Hirsch said, but adds, "I can't in good

conscience ask for what's in Randi's [Individualized Education Plan]. The current situation puts a parent in a position that if you push too hard, you run into hostility [from other parents] and teachers who resent you."

The Hirsches drive third-grader Randi to the UW-Whitewater's Communicative Disorder Clinic twice a week after school. The district agreed to pay the \$200-per-semester fee and transportation costs. "In a way, I'm selfish for doing this. I'm just trying to find the best way to help my daughter," Cynthia Hirsch says.

Superintendent's Task Force

In March 1998, State Superintendent John Benson appointed a task force to examine special education funding. The 20-member group represented specific special education constituencies, advocacy groups, and legislators. The charge was to find a better way to fund special education. After several months of intense scrutiny, the group issued a set of recommendations.

A key recommendation suggested changing the current categorical aid formula by directing the aid to first pay

for "high cost" students. The committee defined a "high cost" student as one whose educational costs exceed three times the average cost of regular education. The recommendation supported funding 90 percent of the additional costs.

The task force was unable to estimate the affect on categorical aid because there is no reliable information on the number or cost of "high cost" students by district or statewide. There is no record from the committee of how to develop a uniform, statewide costing system to ensure fairness in aid distribution—a sticky, practical problem.

The committee also recommended distributing the remaining categorical aid as follows: 40 percent based on each district's relative proportion of school districts' total student population; 40 percent based on each district's relative proportion of total special education enrollments; 10 percent based on the district's relative proportion of total students who qualify for free or reduced priced meals; and 10 percent distributed to school districts with 1,000 or fewer students in a proportionate manner. ➤



Tyler Roberts, a special education student, hits the drums during La Follette's Jazz Band practice. Tyler is also the drummer for the school's marching band.



Special education aide Deb Beckwith guides La Follette student Marcus Offerdahl during shop class. La Follette's inclusion program combines regular and special education students in its classes.

The task force also recommended an increase in funding and allowing districts to exceed the revenue caps to fund the mandated programs and services. "The combination of stagnant special education funding, increasing identification rates and costs and revenue caps is a politically explosive mix," the report offered. To date, there has been little more than further discussion of the task force's recommendations. The recommendations were not offered as part of Benson's 1999-01 budget requests to the governor in September 1998.

Alternatives

Halverson, Benson's special assistant, said there are two directions to go related to special education. Clearly, funding is an issue, but appropriate identification of special education students could help, somewhat, to alleviate the funding dilemma. "We do believe there is some over-identification of special education students. If we can intervene to stop, moderate, or reverse enrollment trends, that will be the key," he said.

"There is so much data that shows special education referral rates are different across school districts. This is not a knock on teachers. It's our collective responsibility to make sure teachers have the skills to teach reading and math in the primary grades. Systemic staff development is the key," he said. "When we reduce the number of inappropriate referrals, we help kids and we help taxpayers."

Halverson suggested that a program like SAGE, which reduces K-3 classes to 15 or fewer students, might be part of the solution. With intensive, one-on-one teacher-student time, there conceivably could be fewer referrals for learning disabilities. The Legislative Audit Bureau report indicated that one-half of the growth in special education came from the learning disabled category.

Halverson said the DPI is using \$1 million in IDEA funds for a special education research project entitled Reading Evaluation and Demonstration of Success, or READS. The primary purpose, according to the DPI, is to focus on

children with disabilities and children at risk of being identified as disabled. Grants will be distributed to schools that have project advisory committees including a parent, regular and special education teachers, a reading specialist, the building principal, and others.

The DPI hopes that research gleaned from the grant will "impact on how special education is conceptualized. We believe that in the future, special education will focus more directly on children who are truly disabled rather than children who have been inappropriately identified as disabled due to ineffective instruction."

Madison Superintendent Art Rainwater recently wrote a column for daily newspapers highlighting the plight of districts that are grappling with funding special education. He called for a Legislative Council study to comprehensively review special education funding in Wisconsin.

The Legislative Council is a non-partisan legislative service agency that conducts in-depth research on select issues to prepare legislation for the session commencing after the fall elections. Committees are composed of legislators and public members. In February, the Senate Education Committee unanimously agreed to recommend a Legislative Council Study on special education. Decisions on Legislative Council studies are generally made in the spring.

Halverson believes changes in special education—both funding and programmatic—are essential and inevitable. But he admonishes, "Before we jump into something new, let's be sure we know what we have." ▀

Quick is the legislative liaison for the Madison Metropolitan School District.