

## Viewpoints

# How Special Education Funding Really Works



## Understanding Special Education Funding: Challenges and Opportunities

Special education funding in the United States is a complex system that blends federal, state, and local resources to support students with disabilities. The Individuals with Disabilities Education Act (IDEA) mandates that all students receive a free appropriate public education (FAPE), yet the federal government only partially funds this requirement—typically covering less than 15% of the cost, far below the originally promised 40%. This leaves states and local school districts responsible for the majority of funding, creating disparities in how special education services are delivered. Wealthier districts may be able to supplement funding through local taxes, while underfunded schools struggle to provide necessary support, leading to inequities in access and quality. To ensure all students receive the services they need, policymakers must address this funding gap and reimagine a more equitable system that does not place the burden solely on local communities.

## Moving Toward a More Equitable Special Education Funding Model

The current funding model for special education often operates as a reactive system, addressing needs based on available budgets rather than proactively ensuring sufficient resources for every student. Some states use a weighted funding formula, allocating more per-pupil funding for students with disabilities, while others rely on categorical grants that may not fully reflect the actual costs of specialized instruction, assistive technology, and support services. As the needs of students with disabilities evolve—especially with the rise of inclusive education models—funding mechanisms must also adapt. Increased federal investment, more consistent state-level funding formulas, and outcome-based funding approaches could help close gaps and ensure that special education is not treated as an afterthought but as an integral part of a well-functioning education system. True equity in special education funding requires a shift in mindset, recognizing that investing in these students is not just a legal obligation but a moral and economic imperative for society.

**Pop quiz: How many times has the federal government fulfilled its original commitment to supply 40 percent of the average per-pupil expenditure to pay for the costs of special education?**

**Answer: Never. In fact, only once—in 2009—has federal funding even exceeded 20 percent, despite a promise in the first version of what is now the Individuals with Disabilities Education Act to reach 40 percent by 1982.**

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## Professionals

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