SCHOOLS MUST OFFER SPECIAL EDUCATION TO CHILDREN WITH DISABILITIES.
Children with disabilities are entitled to a free, appropriate public education in the United States. The definition of “appropriate” depends on the needs of each child. Parents and schools collaborate closely in defining these needs, which culminates in the development of an Individualized Educational Program. Special education includes a wide array of services designed to help schools meet student needs, such as speech therapy, instructional aides, and separate class instruction.

CALIFORNIA’S SPECIAL EDUCATION ENROLLMENT RATE IS THE LOWEST IN THE NATION ...
Between 1991 and 2005, the special education enrollment rate in the United States climbed from about 11.5% to 13.5%; in California it peaked at 10.6% in 1999 and has since declined slightly to 10.4%. California’s lower rate reflects several trends in disability, including a decline in learning disabilities, which account for 44% of all children in special education. The special education enrollment rate among African Americans in California is 46% higher than the state average, while among Asians it is 44% lower than the state average.

... BUT PROVIDING SPECIAL EDUCATION IS STILL A MAJOR EXPENSE FOR SCHOOL DISTRICTS.
Special education’s share of K–12 spending has grown slightly since 2003–04. In 2006–07, California schools spent $9.3 billion on special education, or about 17% of total K–12 general fund expenditures. Special education costs tend to be higher for students with more severe disabilities. The largest program cost is separate class instruction (34% of special education spending in 2006–07). The best available evidence suggests that California spends about 20% more per special education student than the nation as a whole, partly due to relatively higher wage costs.

SPECIAL EDUCATION RECEIVES THE LARGEST SHARE OF CATEGORICAL EDUCATION FUNDS.
Targeted federal, state, and local funds for special education totaled $4.7 billion in 2006–07. These funds help defray the additional costs of educating children with disabilities above the average cost for all children. Districts use revenue from their general fund to meet the difference between total program spending and categorical funding. California distributes most special education funds based on a district’s total enrollment, rather than the size or needs of its disabled population, implicitly assuming that disability rates are roughly the same across school districts throughout the state.

A SIZABLE ACHIEVEMENT GAP EXISTS BETWEEN DISABLED AND NONDISABLED STUDENTS.
As of 2008, students with disabilities must pass the California High School Exit Exam (CAHSEE) to receive a diploma; only 54% of disabled students in 2008 passed this exam, compared to more than 90% of nondisabled students. Between 2002–03 and 2007–08, proficiency on annual standardized tests grew steadily for both groups of students. Yet proficiency among disabled students is about half the statewide average rate, and the gap has not narrowed—even with the use of modified and alternative assessments for some disabled students. Closing this achievement gap is important for California, since the CAHSEE graduation requirement now applies to both groups of students.
Percent Scoring Proficient or Above on Annual Standardized Tests

Note: This figure depicts the combined scores of students taking the California Standards Test and those taking an alternative assessment prescribed for children with severe cognitive disabilities (less than 1% of total enrollment).

Special Education Spending in California, 2006–2007

Source: Students with Disabilities and California’s Special Education Program, PPIC, 2009.

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