



# **MI Special Education Finance Reform Blueprint**

Sec. 51h: Special Education Study

## **Michigan Special Education Finance Reform Blueprint**

*building a fair and effective future for students with disabilities*

**Michigan Legislative Disability Caucus**  
July 14, 2025



# What is the MI Blueprint?

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- A statewide effort to redesign how Michigan funds special education.
- Commissioned by the state Legislature and led by the Autism Alliance of Michigan with Public Sector Consultants.
- Aims to replace Michigan's outdated funding system with one that is predictable, practical, and based on what students actually need.



# Boilerplate

## Sec. 51h Highlights

- Independent entity that has extensive experience in school finance, including the opportunity index, **to conduct research, interviews, data collection, analysis, and financial modeling to develop an implementation framework that outlines the cost of fully providing special education services and supports to students with disabilities through the application of an equity-driven model.**
- The independent entity shall issue a report with its findings and make its findings available on a publicly available website.



# Boilerplate

## Sec. 51h Highlights

- The study must include key areas of school finance related to the education costs of students with disabilities. The study must provide objective guidance to the legislature regarding both of the following:
  - **Modeling analysis of a weighted funding formula related to students with disabilities to determine accurate cost estimates to fully fund special education** according to consensus-built weighted multipliers.
  - **Policy and implementation recommendations based on an equitable framework** that considers the intersection with the opportunity index and will improve how this state funds students with disabilities.



# Project Team

**Dr. Scott Koenigsknecht**  
- Clinton County RESA

**Heather Eckner**  
- Autism Alliance of Michigan

**Sarah Himes Greer**  
- Public Sector Consultants

**Max Marchitello**  
- Consultant



# Background

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- Special Education Reform Taskforce Recommendations (2016)
- School Finance Research Collaborative (2018, 2021)
- Special Education Coalition (2019-2024)
- Special Education Experience Survey (2024)



# MI Blueprint: Core Values

With proper resources and support, all students with disabilities can learn and achieve state standards

Academic outcomes and graduation rates for students with disabilities are driven, in part, by inadequate and inequitable investment not an innate limitation or failure.

Students with disabilities themselves should be at the heart of special education finance reform

Student-centered finance reform means developing a system that allocates resources aligned with student needs and reduces the disparities dependent on location.

Reforming Michigan's special education finance system is a civil rights imperative

Students with disabilities require and are entitled to the additional resources and support needed to realize their right to a free and appropriate education.



# What is the problem are we solving?

- The current system only reimburses districts for **28.6%** of special education costs.
- It relies heavily on local property taxes, creating **major inequities**.
- Schools often pull money from general education budgets to cover special education.
- **The current result:** students with disabilities miss out on services, educators are stretched, and outcomes suffer.





# What are we building instead?

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- A new **weighted student formula** that allocates more funding to students who need more support.
- Grounded in real data, shaped by community voices.
- Transparent, predictable, and practical, so districts can plan and students can thrive.



# Why this matters?

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- Students with disabilities are being left behind.
- Educators are burning out.
- The entire school community is affected when special education isn't funded adequately and equitably.
- This isn't just policy— it's a **civil rights** issue.



# What makes the MI Blueprint different?

- **Homegrown:** Built in Michigan, for Michigan.
- **Collaborative:** Nearly 1,000 stakeholders have helped shape it.
- **Transparent:** Open meetings, published materials, real input from families, educators and advocates.
- **Built for the long haul:** Not just a temporary fix or bandaid. This is a blueprint for systemic change.



# Project Phases and Timeframes

Stakeholder feedback

February – September

Financial Analysis

April – September

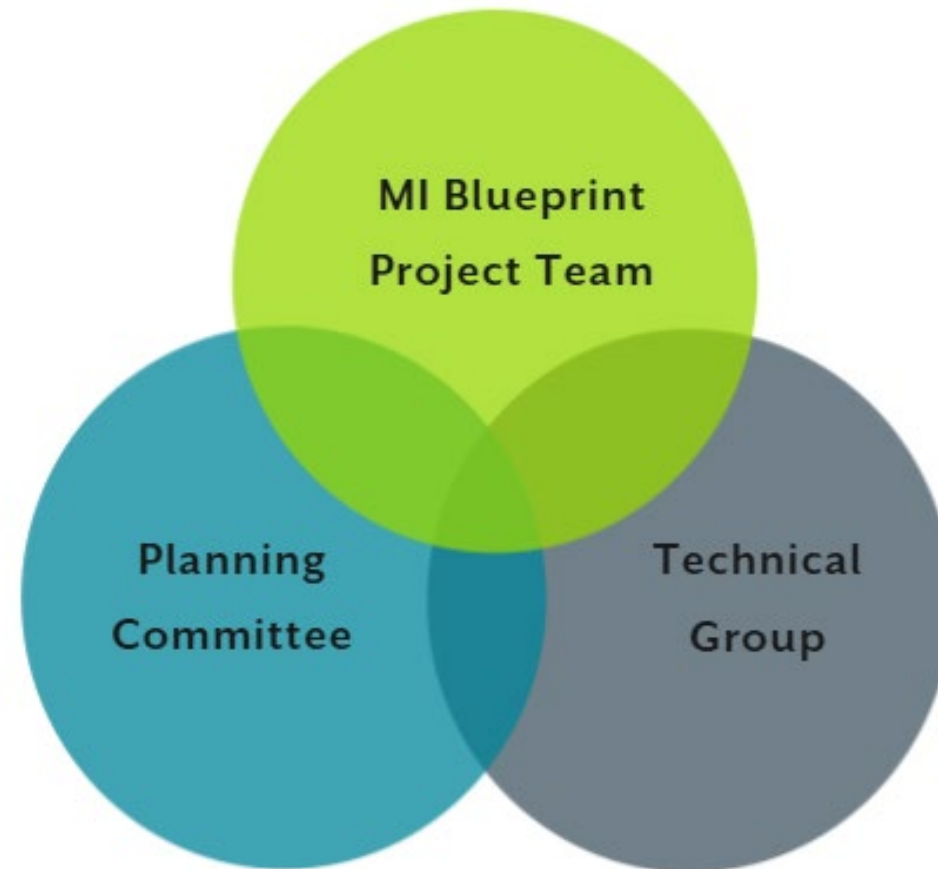
Report to legislature

October





# MI Blueprint: Stakeholders





# MI Blueprint: Stakeholders

State Departments & Agencies  
ISDs/ RESAs  
K-12 Public School System  
Charter Schools  
Early Childhood  
Postsecondary Workforce  
Education Associations  
Labor

Philanthropy  
Higher Education & Research  
Partners  
Cross-Sector Equity Collaborators  
Community Organizations  
Advocacy & Partner Organizations  
Youth Advocates  
Racial Equity & Justice Organizations  
Business Sector  
Policy Makers & Influencers



# Analysis

Model Michigan's special education finance system and identify what drives identification, cost, and revenue differences across the state.

Model the finance structure from the SFRC and the Ohio costing out study.

Develop a cost sharing structure.



# Reform is happening

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Colorado, Mississippi, and Tennessee recently overhauled their school funding system including shifting special education to a weighted student structure.

A special education specific costing out study in Ohio identified the cost of implementing evidence-based practices for students with disabilities. Other states are using the recommendations from this analysis to inform their special education finance reform efforts.





# Report to the Legislature

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- Modeling analysis to define accurate costs to fully fund special education
- Present an actionable framework for a fair, student-centered system
- Policy and implementation recommendation
- Delivered by end of October 2025



# MI Blueprint: Acknowledgements

- MI Blueprint project is dedicated to a student-centered approach to funding reform.
- There have been multiple, ongoing opportunities and avenues to provide input.
- We must remain focused on the intent and scope as stipulated by the legislative boilerplate.
- **A funding formula alone can't fix everything,** but it is a powerful step toward making sure resources are better matched to student need, and important part of improving outcomes across the system.



# MI Blueprint: Weighted Funding

## **Fixing Special Education Funding in Michigan will:**

- ✓ Help students thrive in the classroom and community.
- ✓ Support educators with the tools, resources, and professional development they need.
- ✓ Reduce stress on families navigating a broken system.
- ✓ Begin to close long-standing funding disparities that harm students in under-resourced communities.
- ✓ Strengthen relationships between families and school districts.



# MI Special Education Finance Reform Blueprint

The **MI Special Education Finance Reform Blueprint** will ensure that Michigan adequately and equitably funds public education in Michigan. In 2025, the Autism Alliance of Michigan and Public Sector Consultants will engage stakeholders across the state to develop an implementation framework to develop a proposal for comprehensive special education funding reform that meets the needs of students with disabilities. We will develop an equitably distributed and comprehensive special education funding reform proposal through consultation with education leaders from across the state. We aim to develop a blueprint that will provide greater resources to schools and ensure students with greater needs receive a greater level of financial support. Learn more and join us in creating a blueprint for public education's future.

[2024-25 Special Education Study \(Section 51h\) Legislative Boilerplate](#)

[MI Special Education Finance Reform Blueprint Shared Definitions](#)

[Launch and Learn Webinars](#)

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# MI Special Education Finance Reform Blueprint

# Thank you

<https://autismallianceofmichigan.org/education-initiatives/mi-blueprint/>

*Contact*

**Heather Eckner, AAoM**

✉ [heather.Eckner@aaomi.org](mailto:heather.Eckner@aaomi.org)