



Michigan Unveils Blueprint to Build a Fair, Student-Centered Special Education Funding System

Developed under legislative direction, the *Michigan Special Education Finance Reform Blueprint* offers a Michigan-made roadmap for fair, transparent, and needs-based funding that better supports students with disabilities.

LANSING, Mich. — October 30, 2025. Michigan's special education system has long been underfunded and inequitable, leaving students with disabilities and their schools without the resources they need. To address these challenges, a legislatively mandated team today released the *Michigan Special Education Finance Reform Blueprint* (MI Blueprint), a comprehensive plan to modernize how the state funds special education and ensure that funding is based on student needs and not the product of local property wealth.

Authorized by the Michigan Legislature through Section 51h of the 2024 School Aid Budget, the MI Blueprint provides lawmakers with a data-driven, student-centered roadmap to fix the state's outdated special education funding system. The report, now formally submitted to the Legislature, represents the first coordinated, statewide effort to modernize special education finance in Michigan.

"Michigan has long promised opportunity for all students, but for hundreds of thousands of students with disabilities, those promises remain unfulfilled," said Heather Eckner, Director of Statewide Education at the Autism Alliance of Michigan and one of the MI Blueprint project leads. "This Blueprint turns those promises into action by creating a system that finally funds services based on student needs, not ZIP codes."

Developed through a year-long process involving more than 1,000 educators, administrators, families, and advocates, the MI Blueprint proposes a fair, transparent, and practical model that reflects both Michigan's values and its fiscal realities.

At its core, the report recommends a four-tier weighted funding model—a structure proven effective in other states—that allocates resources based on the level of support a student requires, not simply their disability label or where they live. The tiers range from approximately \$11,000 per student for those with lower-intensity needs, such as limited speech or occupational therapy, to about \$39,000 per student for students requiring full-time or intensive daily support. Each tier reflects the real cost of delivering evidence-based services and ensures funding rises in proportion to student need.

The model also introduces a High-Cost Fund that reimburses 80 percent of expenses above \$57,615 per student, safeguarding districts that serve students with exceptionally high or complex needs. Together, the tiered system and High-Cost Fund aim to create a funding framework that is predictable, transparent, and responsive to the diversity of student experiences in Michigan's schools.

Dr. Scott Koenigsnecht, Superintendent of Clinton County RESA and project fiduciary for the Blueprint, said the report responds to what educators have been calling for across the state. "Educators across Michigan have done everything possible to meet student needs with the resources they have," he said. "But for too long, schools have been forced to backfill special education costs with general fund dollars. This Blueprint gives lawmakers a clear, credible roadmap to fix an inequitable system and give every student with a disability a fair chance to succeed."

The model also prioritizes equity across districts by reducing disparities driven by property wealth and by providing proportionally greater increases for lower-wealth ISDs. It incorporates predictability and sustainability measures, such as inflation adjustments and regular review cycles, to keep funding aligned with actual costs and student needs.

"Our goal was to design a model that is both technically sound and usable," said Max Marchitello, who led the technical development of the MI Blueprint. "We modeled multiple approaches, validated the data, and refined the framework through continuous feedback. The final model is rigorous, transparent, and built for Michigan's realities."

While the legislature did not require it, the Blueprint provides two fiscal approaches for lawmakers to consider. The first is a state-funded model, in which the state assumes full cost responsibility to eliminate inequities tied to local property wealth. The second is a state-local shared model, which maintains a fair cost-sharing structure while balancing local control. Both approaches would be implemented over six years, with full implementation estimated at \$4.55 billion— an approximately 39 percent increase over 2024 spending— representing what analysts describe as a transformational yet achievable investment in Michigan's future.

The *Blueprint* arrives amid growing recognition that Michigan's current funding approach is unsustainable. Federal funding covers only about 12–13 percent of costs, far below the intended 40 percent, and outdated formulas tie funding to property values instead of student need. As student needs have grown, the system has failed to keep pace, deepening inequities across districts.

"This is more than a report— it's a roadmap to fairness," said Brian Calley, former Lieutenant Governor of Michigan and Board Member of the Autism Alliance of Michigan. "For families across the state, this work represents real progress. It's a step toward a funding system that finally meets students where they are and gives every child a fair chance to succeed."

The *MI Blueprint* was developed under the leadership of the MI Blueprint Team, which included the Clinton County Regional Educational Service Agency (CCRESA), the Autism Alliance of Michigan (AAoM), Public Sector Consultants (PSC), and Max Marchitello of MVM

Consulting. The work was guided by two statewide advisory committees— the Planning Advisory Committee and the Technical Advisory Committee— comprising parents, educators, administrators, advocates, policy experts, and representatives from intermediate school districts. Together, these groups shaped a model grounded in both technical rigor and the lived experiences of those closest to Michigan's students.

For more information and to download the full report, visit
<https://autismallianceofmichigan.org/education-initiatives/miblueprint-report/>

About the Michigan Special Education Finance Reform Blueprint

The Michigan Special Education Finance Reform Blueprint was established under Section 51h of the 2024 Michigan School Aid Budget to develop a statewide plan for a fairer, student-centered special education funding system. Led by the Clinton County Regional Educational Service Agency (CCRESA) in partnership with the Autism Alliance of Michigan (AAoM), Public Sector Consultants (PSC), the effort was guided by two statewide advisory committees comprising parents, educators, administrators, advocates, and policy experts from across Michigan.