



ASSOCIATION OF METROPOLITAN
SCHOOL DISTRICTS

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News Release

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Survey Shows Metro School Districts Face Cumulative Budget Gap of More Than \$100 Million For 2018-19 School Year

Shortfalls in Special Education and English Learner Programs Strain School Budgets

ST. PAUL - A recent survey by the Association of Metropolitan School Districts shows that 21 metropolitan area school districts face a cumulative budget gap of over \$100 million for the 2018-19 school year. The shortfalls could lead to more than 200 staff layoffs. The budget projections are based on current law funding and assume that no increase to the base funding formula or special education will be adopted during the current legislative session. Governor Dayton has proposed using a portion of the state budget surplus to increase special education funding by \$17 million for the 2018-19 school year and an additional \$43.5 million for the 2020-21 biennium. The House and Senate Education Bills do not include an increase for special education for the 2018-19 school year.

“The Governor, House and Senate have each proposed a school safety package and we commend them for their efforts to address critical school safety needs, noted AMSD Chair Steve Adams. We hope the final supplemental budget bill will also include an increase in special education funding to reduce the growing special education cross-subsidy.”

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The latest special education cross-subsidy report from the Minnesota Department of Education shows that special education expenditures exceeded special education revenues by \$679 million in FY 2016 forcing school districts to use funds meant for general classroom instruction to cover the shortfall. There is a misperception that the special education funding shortfall is strictly related to the federal government not meeting its obligation. It is important to note that even if the federal government was meeting its goal of providing 40% of the cost of special education services, Minnesota school districts would face a cross-subsidy of \$250 million.

Similarly, Minnesota's English learner program is significantly underfunded. In FY 2017, expenditures on English learner services exceeded revenues by more than \$82 million for AMSD member school districts.

To review the survey results and find more information, please visit:

<https://www.amsd.org/2018/04/20/amsd-budget-survey-april-2018/>

About AMSD

In existence since 1974, AMSD represents 41 K-12 metropolitan school districts, 6 intermediate/cooperative districts and 3 integration districts enrolling over half of the state's students. AMSD is a highly respected source of information for member districts, legislators, the media, and parent advocacy groups.

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